

Remuneration and Organizational Development Report

Members of the Remuneration and Organizational Development Committee ('the Committee'): the Chairman and the members of the Committee are appointed by the Supervisory Board, and are at present Mr. Jager (Chairman), Mr. Risseeuw and Ms. Van Lier Lels.

Committee Charter: the Committee assists the Supervisory Board in establishing and regularly reviewing the Company's remuneration philosophy, the policies designed to execute this philosophy, and to ensure that senior management is compensated consistent with that policy. It also reviews and, if appropriate, recommends changes in the remuneration of the Supervisory Board and monitors management succession and organization plans. The Committee uses and seeks advice from an independent consultant firm and ensures they can act independent from the Company. The Committee annually reviews its performance against its charter and prepares the Remuneration Report to be included in the Annual Report to the shareholders of KPN.

Activities of the Committee: the Committee met five times in 2007 with all members present at each meeting. Consistent with its charter, the Committee reviewed remuneration developments in senior management, emerging practices in The Netherlands and abroad and potential implications for KPN in the immediate and mid term. This included a review from the Corporate Governance Code Monitoring Committee. The Committee proposed actions, where appropriate, to adjust base salary levels and the short and long term incentive plans. It also proposes the targets of those plans, and monitors the internal and outside auditing of its results.

The Committee was involved in the employment extension of Mr. Scheepbouwer, and the various remuneration aspects. It also reviews shareholder feedback on remuneration matters, including the 2007 votes on the proposed adjustment in the settlement of the Performance Share Plan from an equity-settlement to a cash-settlement as a result of changes in the Dutch corporate tax regulations. Finally, the Committee conducted a review for the entire Supervisory Board on the development of managers below the Board of Management.

Remuneration Policy 2007

KPN's remuneration policies were adopted by the shareholders at the Annual Meeting in April 2004 with only two substantive modifications since that time. In April 2006 shareholders approved the replacement of the existing stock Option Plans by a Performance Share Plan, and, in April 2007, shareholders approved the move to an all cash payout of its Long Term Incentive replacing a restricted share payout due to changes in the Dutch (Corporate) tax code.

KPN aims for a culture that is based on a strong bias for action and delivering results. Consistent with this high performance approach, our remuneration programs are structured to promote a pay-for-performance culture with an orientation towards variable pay, and an emphasis on long term value creation. Our plans are designed to achieve the following objectives:

- attracting and retaining the necessary leadership talent to sustain and expand our unique competencies and capabilities;
- driving performance that generates long term profitable growth;
- promoting behaviors that reinforce the business strategy and desired culture; and
- encouraging teamwork across business units and functional areas, and strongly linking rewards to shareholder value creation.

KPN's remuneration policy is guided by three broad principles:

1. pay competitively: this is achieved through benchmarking versus a peer group of European telecommunications and ICT companies with which KPN generally competes for talent;
2. pay for performance: target remuneration aims at 30-40% of pay in base salary, and 60-70% in variable pay to maintain a strong alignment with the Company's annual financial performance goals and long-term value creation strategy; and
3. differentiate by experience and responsibility: this is achieved through alignment of the remuneration with the responsibilities, relevant experience, required competences and performance of the individual job holders. Consequently, there can be substantial differences in pay levels, despite having similar job titles. These principles apply at all levels of management.

The composition of the remuneration is based on four components: base salary, short-term incentives (annual performance bonuses), long-term incentives (equity related) and other benefits, primarily pensions. This enables the Company to look at all remuneration elements in a consistent and integrated manner to ensure that the remuneration policy is market competitive.

To ensure overall competitiveness of the remuneration levels provided, the remuneration levels are benchmarked against both a Dutch and an European employment market peer group.

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The tables below reflect the peer group companies KPN uses for its benchmarking. The European employment market of KPN consists of direct competitors and includes:

Atos Origin SA	LogicaCMG Plc
Belgacom SA	Portugal Telecom SA
BT Group Plc	Swisscom
Cappgemini	Telenor Group ASA
Deutsche Telekom AG	TeliaSonera AB
France Télécom SA	

The Dutch employment market of KPN consists of AEX-listed companies, excluding financial institutions and includes:

Akzo Nobel	Royal Dutch Shell
ASML Holding	Randstad
Corporate Express	Royal Philips Electronics
DSM	SBM Offshore
Hagemeyer	TNT
Heineken	Unilever
Reed Elsevier	Vedior
Royal Ahold	Wolters Kluwer

It should be noted that KPN ranks, on average, at the upper quartile level in terms of revenues and market capitalization and between the median and upper quartile level in terms of number of employees. Based on these factors the relative “size” of KPN is on or about at the 70 percentile of these peer groups. This is used as our directional target to ascertain whether we meet the principle of “paying competitively”.

The Committee regularly reviews both peer groups to ensure that the peer group composition is still appropriate from a market competitive point of view. Changes in the peer group composition are also made as a result of mergers or delistings. However, with the appropriate regression analysis we can ensure market competitiveness.

Generally speaking, we consider our remuneration plan “competitive” when our base salaries are positioned within 10% (plus or minus) of the market competitive range and our total target compensation levels are positioned within 20% (plus or minus) of the market competitive range at target level. The Committee consults an independent remuneration advisor to ensure an appropriate comparison and ranking of KPN’s position relative to the applicable peer groups.

The Company’s remuneration policy is compliant with all relevant legal requirements and the principles of the Dutch Corporate Governance Code (‘the Code’).

Base salary

Base salaries are established in line with our position in the market, and targeted at the low end of the market competitive range consistent with our bias for variable pay-for-performance philosophy. As some of the members of the Board of Management are below this market competitive base pay range, KPN plans to raise the base pay closer to the target range in 2008. Each year the Supervisory Board considers whether the circumstances allow a reconsideration of the individual base salaries.

Short-term incentives: Bonus

Design principles and objectives: as an integral part of the adopted remuneration policy, an annual on-target incentive bonus of 100% of the base salary for the CEO and Mr. Miller and up to 75% of base pay for the other Board members, rewards members of the Board of Management for meeting pre-defined annual financial performance goals based on solid indicators of the Company’s financial strategy and for meeting individual targets (e.g. customer satisfaction, free cash flow).

Financial targets: the Supervisory Board ensures that target setting is appropriately aggressive, as this principle has ranked KPN consistently in the top quartile of its peer group for revenue and profit performance. The key metrics of the short-term incentive are based on revenue, profit before taxes and EBITDA, with 50% of it based on Corporate results and the other 50% on Divisional results, unless for those whose targets are fully based on Corporate results. These measures are strong indicators of KPN’s financial health, consistent performance and future success and are therefore seen as adequate. Specific details of performance targets cannot be disclosed as they are commercially sensitive.

Payout: an on-target pay-out will be achieved if the financial targets have been achieved at 100%, while performance between the minimum threshold level and maximum payout level will result in a pay-out based on the following linear formulas:

Performance level	Pay-out level (as a % of target bonus pay-out)
Below threshold	0%
Threshold – Target	25% – <100%
Target	100%
Target – Maximum	>100% – 150%
Above maximum	150%

A personal modifier between 0.5 and 1.5 is used to award the performance on individual objectives; its determination is partly discretionary. There is no payout below a certain threshold of the financial performance. The Supervisory Board has the discretion to adjust the final bonus payment to take into account management achievements which created value for the company, but which were not included in the bonus items.

For the 2007 bonus, which will be paid-out in 2008, performance on revenues and other income at the Corporate level was below target, while performance on profit before taxes well exceeded the maximum level. Performance on revenues of the Consumer Segment and Business Segment was well above target. EBITDA of the Consumer Segment and Business Segment are on target. For Mobile International the revenues and EBITDA were below the threshold.

Long-term incentives

Design principles and objectives: to align the objectives of the Board of Management to the value creation objectives of the shareholders, conditional rights on KPN shares are awarded under a Performance Share Plan as an integral part of the pay for performance principles. The alignment of the long term incentive opportunity with a Performance Share Plan reflects the market developments and encourages retention of key employees. The annual target grant levels for members of the Board of Management are set as a percentage of their base pay:

- for the CEO: in 2007 a target grant level of 60% of base pay (38% related to the applicable Performance Share Plan grant and 22% related to the applicable option grant) and for 2008 a target grant level (equity-settled) of 150% of base pay; and
- for other members of the Board of Management: in 2007 a target grant level up to 75% of base pay.

Performance Share Plan ('PSP'): the PSP was reviewed at the end of 2006 in light of changing Dutch tax regulations that became effective as of January 2007. As a result, the type of settlement from the PSP plan changed from equity-settled to cash-settled as of 2007 onwards and was approved at the AGM on April 17, 2007. For further details refer to note 3 of the financial statements for the description and valuation of the option- and share plans.

Vesting and other conditions of the Performance Share Plan: the conditionally granted PSP award for members of the Board of Management (excluding the CEO) will vest after three years if the employee is still employed with KPN. The vesting is subject to whether the Company achieves a pre-set level of Total Shareholder Return relative to a peer group of telecommunication companies with which the Company competes. An alternative vesting schedule is applicable for the CEO. For the award under the PSP in 2006 (vesting in 2009), participants will be obliged to hold on to the (net number of) shares obtained upon vesting of the Performance Shares for a period of at least two years. An exception to the two-year holding period is made with respect to shares that were sold upon vesting to cover the tax obligation on the vested shares. The 2007 PSP awards obtained upon vesting of the Performance Shares will be settled in cash and no holding restrictions apply.

The vesting of performance shares is based on KPN's ranking among peer companies at the end of the performance period. The vesting of performance stock options (under the performance stock option plan that was operated until 2006) is also based on KPN's ranking among peer companies at the end of the performance period. The Company will be ranked based on its total return to shareholders, relative to the Total Shareholder Return (TSR) of the peer group. The following companies are included in this peer group:

Belgacom	Portugal Telecom SA
BT Group Plc	Swisscom
Carso Global Telecom (until 2006)	Telecom Italia Spa
Deutsche Telekom	Telefónica S.A.
France Télécom	Telekom Austria
Hellenic Telecom (from 2007 onwards)	Telenor
Mobistar (until 2006)	TeliaSonera AB
NTT DoCoMo Inc. (until 2006)	Vodafone Group Plc

The peer group used for Relative Total Shareholder Return reflects the relevant competitive market in which KPN competes for investor preference. This peer group is different from the

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employment market peer group, which is used to determine remuneration levels for the CEO and members of the Board of Management. The reference groups may change if an individual company no longer qualifies to be taken into account.

The following vesting schedule is applied to performance options and performance shares for the Performance Stock Option Plan (PSOP) 2005 and the PSP 2006:

Position	Vesting %
Position 16 to 13	No vesting takes place
Position 12 to 9	50% of the options/shares vest
Position 8 to 5	100% of the options/shares vest
Position 4 to 1	200% of the options/shares vest

As of the end of 2007, KPN held the third position with respect to the 2005 option grant, which leads to a vesting percentage of 200% of the options that vest in April 2008. As of the end of 2007, KPN holds the fifth position concerning the 2006 share grant. This position is not an indication of KPN's final ranking after the three-years performance period (2006-2008).

As a result of the review of the TSR peer group, the number of companies in the peer group decreased from 16 to 14. Subsequently, the vesting schedule changed for 2007 and onwards. The following vesting schedule is applied to performance shares for the PSP 2007:

Position	Vesting %
Position 11 to 14	No vesting takes place
Position 10	50% of the shares vest
Position 9	66% of the shares vest
Position 8	83% of the shares vest
Position 7	100% of the shares vest
Position 6	117% of the shares vest
Position 5	133% of the shares vest
Position 4	150% of the shares vest
Position 3	166% of the shares vest
Position 2	183% of the shares vest
Position 1	200% of the shares vest

At the end of 2007, KPN held the fifth position with respect to the 2007 share-based grant. This position is no indication of KPN's final ranking after the three-years performance period (2007-2009).

In addition to the PSP award, for Mr. Miller, a separate long-term incentive arrangement applies as agreed in his previous position before joining the Board of Management. The arrangement is based on E-Plus and BASE EBITDA for the years 2005 through 2008. Mr. Miller would be entitled to a pay-out after three years up to a maximum of EUR 5 million.

The incentive scheme will run until the end of 2008. In the event of reaching maximum performance earlier, the maximum bonus will be payable after the year end closing and sign off on the accounts by the auditors.

Benefits

Pensions

The CEO receives a defined benefit pension based on a final pay structure with a retirement age of 65 and an attainable pension equals to 70% of his last fixed salary. The defined benefit pension of the CEO was fully funded at the start of his employment in 2001. No service charges to the pension provision are allocated because the fixed salary remains unchanged.

A new defined contribution pension plan was introduced for the Board of Management in 2006 effective January 1, 2006. Future Board of Management members will be eligible for this defined contribution pension plan with a contribution based on the fiscal defined contribution table that corresponds with a retirement age of 65 and an annual accrual rate of 2.25%.

Those members that were already on the Board of Management prior to January 1, 2006 will continue to participate in the previous pension plan. This was a hybrid pension plan, which combined a base defined benefit career-average component with a supplementary defined contribution component. This plan has a defined benefit indexed career-average module up to a maximum salary level of EUR 45,378 and an age-related defined contribution module for salary levels above EUR 45,378. The annual accrual rate in the career average module equals 2% with a normal retirement age of 62. A temporary defined benefit career-average pension between retirement age 62 and age 65 is applicable with an annual accrual rate of 2%. As a transitional arrangement, an adjustment was made to the retirement age, from age 62 to age 65, and the annual accrual rates (assumptions) were adjusted accordingly from 2% to 2.25%.

Mr. Miller's pension entitlement is insured in Belgium (retirement age 60 and defined contribution based).

Additional arrangements

In addition to the aforementioned remuneration, a number of additional fringe benefit arrangements apply to members of the Board of Management. These additional arrangements, such as expense allowances, use of mobile phones and company car provisions needed for the execution of their role, are broadly in line with other companies of similar size and complexity as well as market norms.

Loans

Company policy does not permit loans to members of the Board of Management.

Terms of employment

On September 27, 2007 KPN announced that Mr. Scheepbouwer had agreed to stay on as CEO of KPN for the next four years. The current employment contract, which was set to end on July 1, 2009, will be extended until July 1, 2011. The terms of Mr. Scheepbouwer's extended contract have only changed for a limited set of elements which were approved by the EGM on November 6, 2007. On signing the extended contract Mr. Scheepbouwer received an upfront payment of EUR 2.5 million, replacing his entitlement to receiving this amount on the date of actual termination of his contract. Mr. Scheepbouwer invested the total net proceeds of his EUR 2.5 million retirement bonus in KPN shares.

Mr. Scheepbouwer is from 2008 and onwards, entitled to an equity-settled long-term incentive package equal to 150% of his base salary, replacing all his annual long-term incentive entitlements from 2008 and onwards. The value of the share package increases if KPN holds a higher position on the TSR-ranking, up to a maximum of 200% of the target level at a first position. If KPN holds a position on the TSR-ranking lower than the tenth position, no shares will be granted. The performance period of the shares is one year and Mr. Scheepbouwer cannot sell the shares until July, 2011.

All members of the Board of Management have entered into an employment contract for an indefinite period of time, except for the CEO. Members of the Board are appointed for a period of four years, which is consistent with the Dutch Corporate Governance Code.

Notice periods

Current members of the Board of Management must provide a three-months' notice if they choose to leave the Company. KPN must provide six-months' notice when terminating a Board of Management member's employment.

Severance arrangements

Severance payments for the CEO and members of the Board of Management are aligned with the Dutch Corporate Governance Code, with the exception of Mr. Miller and Mr. Blok. A severance arrangement of two years base salary (plus pension contribution and medical expenses) was contractually agreed with Mr. Miller. A severance arrangement of one year base salary plus 100% bonus was contractually agreed with Mr. Blok. For the other Board Members, the severance arrangement is one year base salary.

Outlook 2008

The Committee will consider returning to an equity-settled Performance Share Plan and adjusting the vesting table such that no longer pay outs will be made on a TSR ranking below the median of the peer group. Any change to the long-term incentive plan will be in line with the company's remuneration policy, or will be put before the AGM for adoption, pursuant to what is required based on the Dutch Corporate Governance Code and legislation.

The Committee will also review the employment market peer groups for the Board of Management that currently acts as a reference for the remuneration levels of the Board of Management (not only limited to Dutch listed companies) to ensure an adequate alignment with relevant market competitive standards as adopted by companies of a similar size and complexity as KPN. Next to that, the Committee will review the market standards for remuneration of members of the Supervisory Board, also taking into account the frequency of meetings outside the home country of the individual members. The Committee will also review the outcome of recommendations of the Corporate Governance Code Monitoring Committee and discuss any potential implications with regard to the existing remuneration policy as adopted by the AGM.

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Details on all remunerations per individual

The remuneration of the current members of the Board of Management is provided below.

Name and Position	Year	Salary & Social Security (EUR)	Bonus ¹ (EUR)	Retirement bonus ¹ (EUR)	Share Awards ² (EUR)	Option Awards ³ (EUR)	Pension costs ⁴ (EUR)	Total (EUR)
A.J. Scheepbouwer								
Chairman of the Board	2007	1,005,277	977,300	2,500,000	651,638	281,197	-	5,415,412
	2006	1,004,698	1,442,300	-	-	258,334	-	2,705,332
	2005	1,001,397	1,000,000	-	-	401,189	-	2,402,586
M.H.M. Smits								
Chief Financial Officer	2007	530,277	480,953	-	669,231	-	86,000	1,766,461
	2006	482,058	453,055	-	433,657	-	70,600	1,439,370
	2005	423,828	273,000	-	-	313,698	84,700	1,095,226
E. Blok⁵								
Board Member	2007	505,277	454,450	-	637,352	-	74,684	1,671,763
	2006	266,617	222,390	-	-	-	39,130	528,137
	2005	-	-	-	-	-	-	-
S.P. Miller⁶								
Board Member	2007	739,277	554,072	-	379,357	-	125,280	1,797,986
	2006	428,340	661,500	-	-	-	73,080	1,162,920
J.B.P. Coopmans⁷								
Board Member	2007	430,277	260,610	-	317,829	-	51,641	1,060,357
	2006	132,216	78,034	-	374,315	-	15,813	600,378
Total current members								
	2007	3,210,385	2,727,385	2,500,000	2,655,407	281,197	337,605	11,711,979
	2006	2,313,929	2,857,279	-	807,972	258,334	198,623	6,436,137
	2005	1,425,225	1,273,000	-	-	714,887	84,700	3,497,812

1) Actual bonuses disclosed in a specific year relate to the performance in that year, but are paid out in the following year. In 2007 Mr. Scheepbouwer received an upfront payment of his EUR 2.5 million retirement bonus upon signing the extended contract.

2) The fair value of the share-based award as of the grant date. The fair value is the amount for which an item could be exchanged or settled between knowledgeable willing parties. Costs under IFRS deviate from the value attributed to the individual awards at the date of grant, due to differences in calculation method. Under IFRS the fair value of the share-based award is charged to the P&L over the vesting period. Costs recognized for shares and share-based awards under IFRS amounted to EUR 146,205 in 2007 for Mr. Scheepbouwer, EUR 294,573 in 2007 (EUR 103,666 in 2006) for Mr. Smits, EUR 264,607 in 2007 (EUR 71,298 in 2006) for Mr. Blok, EUR 85,115 in 2007 (EUR 0 in 2006) for Mr. Miller and EUR 195,968 in 2007 (EUR 38,251 in 2006) for Mr. Coopmans.

3) The fair value of the option award as of the grant date. The fair value is the amount for which an item could be exchanged or settled between knowledgeable willing parties. Costs under IFRS deviate from the value attributed to the individual awards at the date of grant, due to differences in calculation method. Under IFRS the fair value of the options is charged to the P&L over the vesting period. Cost recognized for options under IFRS amounted to EUR 368,590 in 2007 (EUR 604,793 in 2006, EUR 828,898 in 2005) for Mr. Scheepbouwer, EUR 130,071 in 2007 (EUR 146,847 in 2006, EUR 117,053 in 2005) for Mr. Smits, EUR 30,197 in 2007 (EUR 31,261 in 2006, EUR 0 in 2005) for Mr. Miller and EUR 121,087 in 2007 (EUR 113,677 in 2006) for Mr. Blok.

4) The pension costs relate to the premiums paid for new Board members as of 2006 and the service cost in the corresponding years for the other members. Interest charges and investment yields are not allocated on an individual level.

5) Mr. Blok joined the Board of Management on April 15, 2004 and resigned from the Board on December 23, 2004. Mr. Blok re-joined the Board of Management on June 1, 2006. The 2006 share award for Mr. Blok was granted when he was not a Board Member (the fair value as of the grant date amounted to EUR 356,154 in 2006).

6) The base salary of Mr. Miller is partly subject to Belgian tax law, pursuant to his Belgian Employment Agreement. It was agreed that a Dutch Employment Agreement would not have a negative impact on his net salary. Therefore, the remuneration payable to Mr. Miller includes a compensation for loss of net salary of EUR 134,000. Mr. Miller's annual bonus also includes a compensation of EUR 114,332. Further, Mr. Miller received reimbursements for tuition costs of children and for private international medical plan expenses for him and his children. For Mr. Miller, a separate long-term incentive arrangement applies as agreed in his previous position before joining the Board of Management. See 'Long-term incentives' for further information on this arrangement. This long-term incentive was partly accrued for in 2007 for EUR 0.5 million (EUR 1 million in 2006).

7) In 2007, Mr. Coopmans received an additional relocation allowance for moving from Mexico City to The Netherlands of EUR 232,000 (EUR 100,000 in 2006).

The remuneration of the former members of the Board of Management is provided below.

Name and position	Year	Salary (EUR)	Bonus ¹ (EUR)	Option Awards ² (EUR)	Pension costs ³ (EUR)	Total (EUR)
G.J.M. Demuyndck⁴						
Board Member	2006	226,954	178,182	-	44,875	450,011
	2005	453,828	362,250	336,105	174,200	1,326,383

1) Actual bonuses disclosed in a specific year relate to the performance in that year, but paid out in the next year.

2) The fair value of the option award as of the grant date. Under IFRS the fair value of the options is charged to the P&L over the vesting period. Costs under IFRS deviate from the value attributed to the individual awards at the date of grant, due to differences in calculation method.

3) The pension costs relate to the service cost in the corresponding years. Interest charges and investment yields are not allocated on an individual level.

4) Mr. Demuyndck resigned from the Board of Management on June 1, 2006. Cost recognized for options under IFRS amounted to EUR 0 in 2007 (EUR 424,504 in 2006, EUR 395,498 in 2005).

The following tables summarize the shares/share-based awards and options granted to members of the Board of Management, granted (un)conditional shares/share-based awards held by them during 2007, granted shares sold during 2007, granted options exercised by them during 2007, and granted (un)conditional shares/share-based awards and unexercised options held by them as of December 31, 2007. Options issued in 2007 carry an entitlement to one KPN share.

	Grant date	Number of granted shares as of January 1, 2007	Number of shares/ share-based awards granted in 2007 ¹	Number of conditional shares/ share-based awards granted	Number of unconditional shares granted/ share-based awards	Number of granted shares/ share-based awards sold	Number of granted conditional shares/ share-based awards as of December 31, 2007	Number of granted unconditional shares/ share-based awards per December 31, 2007
A.J. Scheepbouwer	04-19-2007	-	48,485 ²	48,485	-	-	48,485	-
M.H.M. Smits	04-19-2007	-	49,794	49,794	-	-	49,794	-
	04-13-2006	37,160	-	37,160	-	-	37,160	-
E. Blok	04-19-2007	-	47,422	47,422	-	-	47,422	-
	04-13-2006 ³	31,290	-	31,290	-	-	31,290	-
S.P. Miller	04-19-2007	-	28,226	28,226	-	-	28,226	-
J.B.P. Coopmans	04-19-2007	-	23,648	23,648	-	-	23,648	-
	09-11-2006	32,075	-	32,075	-	-	32,075	-
Total		100,525	197,575	298,100	-	-	298,100	-

1) The share-based awards granted to the Board Members represent 13% of the total number of share-based awards granted in 2007.

2) During 2007, Mr. Scheepbouwer participated in the Performance Share Plan.

3) Shares not granted in capacity of Board Member.

See Note [3] of the Financial Statements for a description of the share plan.

	Grant date	Number of options as of January 1, 2007	Number of options granted in 2007 ¹	Number of exercisable options	Options exercised during the year	Number of options as of December 31, 2007	Expiration date	Exercise price in euro
A.J. Scheepbouwer	04-19-2007	-	165,410	165,410	-	165,410	04-18-2012	12.09
	04-13-2006	215,278	-	215,278	-	215,278	04-12-2011	9.29
	04-14-2005	297,177	-	297,177	-	297,177	04-13-2010	6.73
	04-16-2004	310,078	-	310,078	-	310,078	04-15-2009	6.45
	05-13-2003	319,865	-	319,865	-	319,865	05-12-2008	5.94
	04-26-2002	385,356	-	385,356	385,356	-	04-25-2007	6.49
M.H.M. Smits ⁴	04-14-2005	115,330	-	-	-	115,330	04-13-2013	6.73
	08-09-2004	42,708	42,708 ³	85,416	-	85,416	08-08-2012	6.07
E. Blok	04-14-2005	100,685 ²	-	-	-	100,685	04-13-2013	6.73
	04-16-2004	98,342	98,342 ³	196,684	-	196,684	04-15-2012	6.45
	05-13-2003	12,000 ²	-	12,000	-	12,000	05-12-2008	5.94
	04-26-2002	12,000 ²	-	12,000	12,000	-	04-25-2007	6.49
S.P. Miller	04-14-2005	28,000 ²	-	-	-	28,000	04-13-2013	6.73
	04-16-2004	32,000 ²	-	32,000	32,000	-	04-15-2012	6.45
J.B.P. Coopmans ⁴	-	-	-	-	-	-	-	-
Total		1,968,819	306,460	2,031,264	429,356	1,845,923		

1) The options granted to the CEO represent 100% of the total number of options granted in 2007.

2) Options not granted in capacity as Board Member.

3) As of the end of 2006, KPN held the fourth position with respect to the 2004 option grant, which led to a vesting percentage of 200% of the options that vested in April 2007 and August 2007. The 2004 option grant of Mr. Miller was not performance related.

4) In 2006, Mr. Smits privately purchased 400 options on 100 shares on the stock market and Mr. Coopmans privately purchased 200 options on 100 shares on the stock market.

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The exercise price of the options equals the market value of KPN's share on the grant date. These options are performance related; and the numbers mentioned are on the basis of 100% vesting. As contractually agreed at the time of appointment, the stock options for the CEO are not linked to performance. This was disclosed in 2003 and approved by shareholders in 2004.

See Note [3] of the Financial Statements for a description of the option plans.

Stock ownership Board of Management

The tables below show the shares held by current members of our Board of Management.

Number of shares			
	December 31, 2007	December 31, 2006	December 31, 2005
A.J. Scheepbouwer ¹	152,147	52,147	52,147
M.H.M. Smits	15,500	15,500	15,500
E. Blok	287	287	-
S.P. Miller	-	-	-
J.B.P. Coopmans	-	-	-
Total	167,934	67,934	67,647

1) On November 7, 2007 Mr. Scheepbouwer invested the total net proceeds of his EUR 2.5 million retirement bonus in KPN shares. This retirement bonus was accrued for in 2005, 2006 and 2007.

Share ownership relates to normal shares, constituting one vote in the AGM per share.

Supervisory Board Remuneration 2007

The Committee has the formal responsibility to review and, if appropriate, recommend changes to remuneration for the Supervisory Board. Any recommended changes to Supervisory Board remuneration must be submitted to the AGM for approval.

The Committee decided to adjust the Supervisory Board remuneration in 2007 to reflect the increase in responsibilities of the Supervisory Board members over time. This adjustment was approved by the AGM on April 17, 2007.

The current annual remuneration for the Chairman of the Supervisory Board is EUR 65,000. Annual remuneration for Supervisory Board members is EUR 50,000. Committee fees are determined on an annual basis. The Committee will review the employment market peer group that currently acts as a reference for the remuneration levels of the Supervisory Board (not only limited to Dutch listed companies) in 2008 to ensure an adequate alignment with the relevant market competitive standards as adopted by companies of a similar size and complexity as KPN.

Shareholdings in the Company held by Supervisory Board members serve as a long-term investment in the Company and help align their interest with those of our other shareholders. No Supervisory Board member is granted stock options or shares as a form of remuneration. No member of the Supervisory Board held any stock options in the Company. As a policy, the Company does not provide loans to its Supervisory Board members.

The table below shows the remuneration payable to current and former Supervisory Board members in 2007 (on an annual basis).

Membership fees		
Amounts in euro on annual basis	From April 17, 2007	Until April 17, 2007
Chairman	65,000	60,000
Member	50,000	45,000

The table below reflects fixed committee fees as of April 12, 2005 on an annual basis.

Amounts in euro	
Chairman Audit Committee	15,000
Member Audit Committee	10,000
Chairman Remuneration and Organizational Development Committee	5,000
Member Remuneration and Organizational Development Committee	3,500
Chairman Nominating and Corporate Governance Committee	5,000
Member Nominating and Corporate Governance Committee	3,500

Actual fees received in 2007 by each member of the Supervisory Board are reflected below.

Amounts in euro					
	Membership fees 2007	Committee fees 2007	2007 Total	2006 Total	2005 Total
A.H.J. Risseeuw (Chairman)	63,528	8,500	72,028	68,500	66,270
M. Bischoff	48,528	10,000	58,528	55,000	53,425
C.M. Colijn-Hooymans	35,278	7,056	42,334	-	-
D.G. Eustace	48,528	15,000	63,528	60,000	57,866
D.I. Jager	48,528	8,500	57,028	53,500	54,888
M.E. Van Lier Lels	48,528	7,000	55,528	52,000	51,307
J.B.M. Streppel	48,528	10,000	58,528	55,000	51,925

The remuneration of the former members of the Supervisory Board is provided below.

Amounts in euro					
	Membership fees 2007	Committee fees 2007	2007 Total	2006 Total	2005 Total
V. Halberstadt	13,250	2,061	15,311	52,000	50,607

Members receive an additional fee if a meeting is held in a country other than the member's respective country of residence.

Stock ownership Supervisory Board

The tables below show the shares held by current members of our Supervisory Board.

Number of shares			
	December 31, 2007	December 31, 2006	December 31, 2005
A.H.J. Risseeuw	46,524	46,524	46,524
D.G. Eustace	-	-	-
M. Bischoff	-	-	-
D.I. Jager	92,500	75,000	45,000
M.E. van Lier Lels	-	-	-
J.B.M. Streppel	-	-	-
C.M. Colijn-Hooymans	-	-	-
Total	139,024	121,524	91,524

Share ownership relates to normal shares or ADRs, constituting one vote in the AGM per share.

Members of the Remuneration and Organizational Development Committee:

D.I. Jager (Chairman)
M.E. van Lier Lels
A.H.J. Risseeuw

