



Principal comments and feedback from stakeholders

KPN stakeholder dialog 'Sustainable Selling is Sustainable Purchasing'

The Hague, 7 June 2011

Trade:

- Praise for KPN's commercial and transparent approach to sustainable purchasing. The assertion that sustainable selling equals sustainable purchasing is widely endorsed.
- Sustainability can offer more opportunities for KPN, especially the environmental aspects. KPN can ensure that the customer regards KPN as the most sustainable telecom provider. In the business market, this offers direct sales opportunities and in the consumer market sustainability strengthens the brand.
- Consequently, in its sales KPN needs to give better information about its sustainability achievements. As one of the stakeholders says, "Our relationship would then develop into a strategic partnership. Currently, we often begin a sales process with a price discussion. If KPN does not commit itself more visibly to sustainability, it could lose ground to competitors that do. For us, it is important that suppliers act sustainably."
- In many cases, the price still seems to be paramount. A customer expresses the preference for a long-term relationship in which challenges are undertaken jointly.
- CSR must form part of the standard marketing and sales process. The primary message is not necessarily about CSR, don't differentiate it as an eco-product but use it in mainstream communication.
- KPN ought to hold the consumer's hand and encourage him to recycle, unplug appliances etc. This is low-hanging fruit, but KPN can make a relevant contribution by generating volume.

Marketing and the KPN brand:

- The consumer market in particular: orienting marketing more to services instead of telephones would lead to more sustainable business operations. Recycling more mobile phones and other customer devices also strengthens the KPN brand.
- In CSR communications, KPN seems to favor a B2B line of approach. This results in a rather academic use of language, whereas most people in the Netherlands have not enjoyed academic education. It is therefore not readily appreciated by the consumer. If you want to activate people, you should generate a pull element and make it attractive. You need to adapt the method of communication to this, also in the use of language.

Cooperation:

- Being open to constructive criticism is regarded by the stakeholders as positive. Gives confidence.
- KPN would do well to further institutionalize and upgrade the cooperation with stakeholders. Participate in credible multi-stakeholder initiatives alongside the current sector initiatives.
- Don't use a company-specific code but sector codes, such as those of the EICC.
- Several parties are contending with the same challenges. We can make progress by cooperating within the chain. This contributes towards realizing ambitions, e.g. come up with a code for the sector.
- Improve the monitoring and audit systems by giving stakeholders a role and involving independent parties in the verification of audit results.
- Deploy specialist teams in problem areas and adopt a multi-disciplinary approach with the authorities and other parties.

Transparency

- Say who the principal suppliers are and who their suppliers are.
- Say what the issues with suppliers are and what corrective action has been taken; don't just mention the number of audits.

- Show that KPN has critical discussions with suppliers who consider sustainability less important.
- It is not clear what risk definition KPN uses.
- Show the energy consumption of your products. Give the customer a choice.

Participants

	Organization	Position/role in the organization
1	Achmea	Purchaser
2	Alliander	Purchaser
3	Alcatel-Lucent	Sales executive
4	Ericsson	Sales executive
5	Samsung Nederland	Director
6	Supply Chain Associates	Expert in Sustainable Purchasing
7	Stichting Onderzoek Multinationale Ondernemingen (SOMO)	Expert in Sustainable Purchasing
8	DHV	CSR expert
9	National government	Program manager Sustainable Purchasing
10	Vereniging van Beleggers voor Duurzame Ontwikkeling (VBDO)	Project manager
11	University of Utrecht (School of Law, Sustainable Purchasing)	PhD student
12	KPN	Purchaser (central management)
13	KPN	Purchaser (management of mobile phone purchase)
14	KPN	Purchaser (mobile phones)
15	KPN	Sales executive (large customers)
16	KPN	Sales executive (medium-sized customers)
17	KPN	Adviser CSR communications
18	KPN	CSR manager
19	KPN	Program manager Sustainable Purchasing
20	KPN	Program manager Sustainable Purchasing