Making the world healthier and more sustainable through innovation

At Philips, our goal is to improve the lives of 3 billion people a year by 2025. We take a two-dimensional approach to improving lives: social and ecological. Today, Philips improves the lives of over 1.8 billion people every year.

Going Green
Delivering green products that contribute to a healthier ecosystem.

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (billion)</td>
<td>6.2</td>
<td>8.1</td>
<td>8.6</td>
<td>11.3</td>
<td>11.8</td>
</tr>
<tr>
<td>Green Product Sales %</td>
<td>31%</td>
<td>36%</td>
<td>39%</td>
<td>45%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Innovation in Action
We introduced 13 new green healthcare products to improve access to care while reducing environmental impact.

We used over 330 tons of recycled plastics in vacuum cleaners and almost 250 tons in irons.

125,000 streetlights replaced with CityTouch solution in Buenos Aires; 50% cut in energy consumption.

Curbing the Carbon Footprint
We’ve decreased our CO₂ emissions by approx. 14% since 2009 by implementing energy-saving programs in our operational sites and using energy from renewable sources.

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂ Emissions</td>
<td></td>
<td>14% down</td>
</tr>
</tbody>
</table>

Transitioning to Circular Economy
Business Model Innovation:
Selling light as a service – customer pays only for the amount of light used.

Material Recovery:
Refurbishing equipment instead of building from scratch.

Royal Philips is a diversified health and well-being company focused on improving people’s lives through meaningful innovation in the areas of Healthcare, Consumer Lifestyle and Lighting. Headquartered in the Netherlands, Philips posted 2013 sales of EUR 23.3 billion and employs approximately 115,000 employees, with sales and services in more than 100 countries.

www.annualreport2013.philips.com @Philips @PhilipsPR