

Philips EU Green Consumption Pledge

At Philips, our purpose to improve people's health and well-being through meaningful innovation is at the heart of everything we do. Never has this central tenet been more important than it is now, in these challenging times.

We strive to deliver superior, long-term value to our customers and shareholders, while acting responsibly towards our planet and society, in partnership with our stakeholders.

To this end, we have deployed a comprehensive set of commitments across all the Environmental, Social and Governance (ESG) dimensions that guide the execution of our strategy and support our contribution to UN Sustainable Development Goals 3 (*Ensure healthy lives and promote well-being for all at all ages*), 12 (*Ensure sustainable consumption and production patterns*) and 13 (*Take urgent action to combat climate change and its impacts*).

Relevance

According to the recent Future Health Index 2021 report, the largest global survey of its kind to analyze the current and future priorities of healthcare leaders worldwide, nearly 60% of leaders globally cite the importance of environmental sustainability in healthcare over the next three years.

Philips' commitments

Our environmental targets are ambitious and aim to drive impact well beyond our own operations and sites. We team up with our customers and suppliers and build strong coalitions to drive global change.

In 2020, Philips already achieved carbon neutrality for its own operations¹. As part of our ESG commitments published in September 2020, we will further reduce CO₂ emissions in our entire value chain, in line with a 1.5 °C global warming scenario (based on Science Based Targets and the Paris Agreement).

In addition, within Philips we have developed ambitious EcoDesign criteria that go well beyond legal requirements and are aligned with our commitments. All new product introductions will fulfill our EcoDesign requirements by 2025. By the end of 2021, we will also have our first two products PEF validated, one in our consumer portfolio, one in our healthcare portfolio. By 2025, we aim to validate 25% of these new product introductions with the European Product Environmental Footprint (PEF) methodology.

More specifically Philips pledges to:

- **Carbon Footprint and Commitment towards Reductions**
 - o By the end of 2021 we will have a toothbrush² and an image guided therapy system³ PEF validated;

¹ [Philips achieved all sustainability targets - News | Philips](#)

² [Oral Healthcare | Philips Sonicare](#)

³ [Azurion integrated lab | Philips Healthcare](#)

- For the toothbrush we aim to achieve a 20% reduction in the product environmental footprint by 2025;
- For the image guided therapy system, we aim to achieve a 10% reduction in the product environmental footprint by 2025;

- **Consumer and Customer Awareness:**
 - In addition, we commit to raising awareness with our customers and consumers about our products' environmental footprint, across Philips main external communications touchpoints and product packaging. Starting as first touch point the Philips websites⁴ for European markets, which are visited on a daily basis by tens of thousands of unique visitors. Secondly, our objective is to integrate environmental footprint information on our key product communication for the toothbrush and the image guided therapy system before the end of 2021;
 - Information will also be published via the Philips websites and more specifically, product pages;
 - We will actively test communication of environmental product performance to consumers, starting with the European markets;
 - In 2021, Philips will deploy the opportunity to reduce the carbon footprint and limit climate change by offering an offsetting of energy consumption over the average product lifetime to consumers in major European markets;

- **Consumer and Customer Information:**
 - We will report on the progress on the pledge and savings achieved in the Philips Annual Report⁵;
 - The progress will also be published on the Philips website and included in our Environmental Profit and Loss account⁶;
 - The information will be updated at least every year;

We welcome the Green Consumption Pledge initiative by the European Commission and encourage other companies to join in order to drive global change.



Frans van Houten
CEO Royal Philips

⁴ [EcoDesign | Philips](#)

⁵ [Philips Annual Report 2020 | Philips Results](#)

⁶ [Our impact | Philips](#)