GRI Sustainability Reporting Standards

Ernst & Young has audited Group financial statements and Company financial statements, as well as sections Social performance, Environmental performance and Sustainability statements. Where in the table cross-reference is made to these parts, the information is included in the scope of one of these audits. For the other information in the report, Ernst & Young has assessed whether this information is consistent with the information in the aforementioned parts. Where there is no cross-reference to a section in the Report, assurance is not applicable. Please refer to Independent auditor's report and Assurance report of the independent auditor.

In the table below, reference is made to the integrated financial, social and environmental annual report 2016 of Royal Philips. The full report can be downloaded at https://www.results.philips.com#!/downloads.

1

General Standard Disclosures

	profile disclosure	description	cross-reference
GRI 102: Gener	al Disclosures		
Organizational	profile		
	102-1	Name of the organization	See section 9 Corporate governance
	102-2	Activities, brands, products, and services	See section Creating value for our stakeholders See section 3.1.1 About Personal Health businesses See section 3.2.1 About Diagnosis & Treatment businesses See section 3.3.1 About Connected Care & Health Informatics businesses See section 3.4.1 About HealthTech Other See section 3.4.1 About Lighting See section GRI Sustainability Reporting Standards Philips did not sell any banned or disputed products in 2016.
	102-3	Location of headquarters	See section 9.5 Investor Relations
	102-4	Location of operations	See section 3 Segment performance See section 10.9.2 Information by segment and main country See section 10.9.5 Interests in entities
	102-5	Ownership and legal form	See section 9 Corporate governance
	102-6	Markets served	See section Our 2016 performance at a glance See section 2.2.1 Improving people's lives See section 4 Making the world healthier and more sustainable See section 3 Segment performance See section 3.1.1 About Personal Health businesses See section 3.2.1 About Diagnosis & Treatment businesses See section 3.3.1 About Connected Care & Health Informatics businesses See section 3.5.2 About Lighting
	102-7	Scale of the organization	See section Our 2016 performance at a glance See section 3 Segment performance See section 10.9.2 Information by segment and main country See section 10.9.5 Interests in entities See section 10.9.6 Income from operations See section 10.9.17 Equity See section 10.9.18 Debt
	102-8	Information on employees and other workers	See section 2.2.2 Including, engaging and inspiring our people See section 2.2.3 Hiring and acquiring our people See section 2.2.4 Employment See section 10.9.6 Income from operations See section 12.17 Comparability and completeness See the graphs at the end of this GRI SRS table.
	102-9	Supply chain	See section 2.2.9 Supplier sustainability See section 5.4 Operational risks See section 12.3.8 Supplier indicators See section Supplier Sustainability Goals and Progress
	102-10	Significant changes to the organization and its supply chain	See section 2.1.11 Discontinued operations See section 2.1.13 Acquisitions and divestments See section 2.1.15 Net cash provided by (used for) continuing operations See section 2.1.16 Cash flows from discontinued operations See section 14.2 Share information See section 10.9.3 Discontinued operations and other assets classified as held for sale See section 10.9.4 Acquisitions and divestments See section 12 Sustainability statements See section 12.3.8 Supplier indicators
	102-11	Precautionary Principle or approach	See section 5.1 Our approach to risk management See section 9.1 Board of Management and Executive Committee See section 12.4.2 Biodiversity
	102-12	External initiatives	See section 12 Sustainability statements See section 12.3.7 Stakeholder Engagement See section 12.3.8 Supplier indicators
	102-13	Membership of associations	See section 12 Sustainability statements See section 12.3.7 Stakeholder Engagement See section 12.3.8 Supplier indicators

Strategy		
102-14	Statement from senior decision-maker	See section 1 Message from the CEO
102-15	Key impacts, risks, and opportunities	See section 1 Message from the CEO See section 3 Segment performance See section 5 Risk management
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	See section 2.2.7 General Business Principles See section 5.1 Our approach to risk management
102-17	Mechanisms for advice and concerns about ethics	See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.3.6 The Philips Foundation
102-18	Governance structure	See section 9 Corporate governance See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board See section 12.1.9 Sustainability governance
102-19	Delegating authority	See section 9 Corporate governance See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board See section 12.1.9 Sustainability governance
102-20	Executive-level responsibility for economic, environmental, and social topics	See section 12.1.9 Sustainability governance See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board See section 12.1.9 Sustainability governance
102-21	Consulting stakeholders on economic, environmental, and social topics	See section 2.2.8 Working with stakeholders See section 9.5 Investor Relations See section 12.1.2 Stakeholders See section 12.3.7 Stakeholder Engagement See section 14.6 Investor contact
102-22	Composition of the highest governance body and its committees	See section 6 Management See section 7 Supervisory Board See section 8 Supervisory Board report See section 8.1 Report of the Corporate Governance and Nomination & Selection Committee See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board
102-23	Chair of the highest governance body	See section 9.1 Board of Management and Executive Committee
102-24	Nominating and selecting the highest governance body	See section 8 Supervisory Board report See section 8.1 Report of the Corporate Governance and Nomination & Selection Committee See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board
102-25	Conflicts of interest	See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board
102-26	Role of highest governance body in setting purpose, values, and strategy	See section 8 Supervisory Board report See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board See section 9.3 General Meeting of Shareholders See section 12.1.9 Sustainability governance
102-27	Collective knowledge of highest governance body	See section 8 Supervisory Board report See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board
102-28	Evaluating the highest governance body's performance	See section 5.1 Our approach to risk management See section 8 Supervisory Board report See section 8.1 Report of the Corporate Governance and Nomination & Selection Committee See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board See section 12.1.9 Sustainability governance
102-29	Identifying and managing economic, environmental, and social impacts	See section 5.1 Our approach to risk management See section 8 Supervisory Board report See section 9.1 Board of Management and Executive Committee See section 9.2 Supervisory Board See section 12.1.2 Stakeholders
102-30	Effectiveness of risk management processes	See section 5.1 Our approach to risk management See section 8.3 Report of the Audit Committee See section 9.1 Board of Management and Executive Committee See section 12.1.9 Sustainability governance
102-31	Review of economic, environmental, and social topics	See section 5.1 Our approach to risk management See section 8.3 Report of the Audit Committee

		See section 9.1 Board of Management and Executive Committee See section 12.1.9 Sustainability governance
102-	Highest governance body's role in sustainability reporting	See section 8 Supervisory Board report See section 12.1.9 Sustainability governance
102-	Communicating critical concerns	See section 2.2.7 General Business Principles See section 5.1 Our approach to risk management See section 9.1 Board of Management and Executive Committee
102-	Nature and total number of critical concerns	See section 12.3.5 General Business Principles
102-	Remuneration policies	See section 8.2 Report of the Remuneration Committee-"Remuneration policy"
102-	Process for determining remuneration	See section 8.2 Report of the Remuneration Committee See section 9.1 Board of Management and Executive Committee- "Amount and composition of the remuneration of the Board of Management" See section 10.9.28 Information on remuneration
102-	37 Stakeholders' involvement in remuneration	See section 8.2 Report of the Remuneration Committee See section 9.1 Board of Management and Executive Committee- "Amount and composition of the remuneration of the Board of Management" See section 7 Supervisory Board See section 9.3 General Meeting of Shareholders See section 9.4 Meeting logistics and other information
102-	38 Annual total compensation ratio	Not applicable - Philips does not consider this indicator relevant. Philips makes an impact on local communities by the salaries it pays to its employees. Salaries are based on industry norms as described in General business principles
102-	Percentage increase in annual total compensation ratio	Not applicable - Philips does not consider this indicator relevant. Philips makes an impact on local communities by the salaries it pays to its employees. Salaries are based on industry norms as described in General business principles
Stakeholder engage	ment	
102-	40 List of stakeholder groups	See section 12.1.2 Stakeholders
102-	41 Collective bargaining agreements	For all Philips businesses, guidance is applicable regarding collective bargaining agreements (see General Business Principles). The actual percentage of employees covered by collective bargaining agreements is managed and monitored at local level. Philips considers this percentage on consolidated level not relevant.
102-	Identifying and selecting stakeholders	See section 2.2.8 Working with stakeholders See section 12.1.2 Stakeholders
102-	Approach to stakeholder engagement	See section 12.1.2 Stakeholders See section 12.1.4 Material topics and our focus
102-	44 Key topics and concerns raised	See section 2.2.8 Working with stakeholders See section 12.1.2 Stakeholders See section 12.3.7 Stakeholder Engagement
Reporting practice		See section 12.5.7 Statemorder Engagement
102-	Entities included in the consolidated financial statements	See section 3 Segment performance See section 10.9.2 Information by segment and main country See section 10.9.5 Interests in entities
102-	46 Defining report content and topic Boundaries	See section 12.1 Approach to sustainability reporting
102-		See section 12.1.4 Material topics and our focus
102-		See section 2.3.3 Sustainable Operations See section 12.4.3 Sustainable Operations See section 12.1.7 Comparability and completeness
102-	49 Changes in reporting	See section 12.1 Approach to sustainability reporting
102-		January - December 2016
102-		February 2016
102-	<u> </u>	Yearly
102-	, ,,	
102-		This report has been prepared in accordance with the GRI Standards: comprehensive option.
102-		See section GRI Sustainability Reporting Standards
102-		See section 2.3 Environmental performance
.52		See section 8.3 Report of the Audit Committee See section 9.4 Meeting logistics and other information See section 10.2 Report of the independent auditor See section 10.3 Independent auditors' report on

See section 12.5 Assurance report of the independent	
auditor	

Specific Standard Disclosures

	profile disclosure	description	cross-reference
Employee He	alth and Safety		
GRI 403: Occi	upational Healtl	n and Safety	
	403	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	403-1	Workers representation in formal joint management–worker health and safety committees	See section 12.3.4 Health and Safety performance On segment level, different initiatives exist to help decrease the number and severeness of Lost Workday Injury cases. The percentage of total workforce represented is managed and monitored at local levels. Philips considers this data on consolidated level not relevant.
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	See section 12.3.4 Health and Safety performance See section 2.2.6 Health and Safety See section 12.1.8 Data definitions and scope See section 13 Five-year overview- "Sustainability" On site level, insight exist in gender specific information. Philips considers this data on consolidated level not relevant.
	403-3	Workers with high incidence or high risk of diseases related to their occupation	See section 12.3.4 Health and Safety performance
	403-4	Health and safety topics covered in formal agreements with trade unions	See General business principles The content of formal agreements with trade unions varies per country. The inclusion of Health and Safety topics in these agreements is monitored locally and not considered relevant to be reported on Group level.
Product response	onsibility and re	gulation	
GRI 416: Cust	omer Health an	d Safety	
	416	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	416-1	Assessment of the health and safety impacts of product and service categories	All significant products are assessed in terms of Health and Safety Impact during the design phase as a part of our EcoDesign procedures, but also during our sourcing phase. For more information on our EcoDesign refer to See section 2.3.1 Green Innovation. For more information on our sourcing please refer to See section 12.3.8 Supplier indicators.
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	As defined by GRI, no incidents of non-compliance related related to any type of court order took place in 2016. Information on current consumer product recalls can be found on www.recall.philips.com.
GRI 417: Mark	eting and Label	ing	
	417	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	417-1	Requirements for product and service information and labeling	The type of product and service information provided on our products is based on local and/or regional requirements e.g. EU-CE safety marketing and performance markings based on on ErP directive. For all significant products certain kind of labelling is needed based on different regulations.
	417-2	Incidents of non-compliance concerning product and service information and labeling	As defined by GRI, no incidents of non-compliance related related to any type of court order took place in 2016.
	417-3	Incidents of non-compliance concerning marketing communications	As defined by GRI, no incidents of non-compliance related related to any type of court order took place in 2016.

ctices	
Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
Percentage of materials used that are recycled input materials	See section 12.4.1 Circular Economy
mental Assessment	
Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
New suppliers that were screened using environmental criteria	See section 2.2.9 Supplier sustainability See section 12 Sustainability statements- "Supplier audits" See section 12.3.8 Supplier indicators
	Management approach disclosures Percentage of materials used that are recycled input materials mental Assessment Management approach disclosures New suppliers that were screened using

	308-2	Negative environmental impacts in the	See section 2.2.9 Supplier sustainability
CDI 400. Chili.	ahor	supply chain and actions taken	See section 12.3.8 Supplier indicators
GRI 408: Child L		Management appreach distance	See section 121.4 Material targets and a conference
	408	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	408-1	Operations and suppliers at significant risk for incidents of child labor	See section 12.3.8 Supplier indicators
GRI 409: Forced	d Or Compulsory	y Labor	
	409	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	See section 12.3.8 Supplier indicators
GRI 412: Human	Rights Assessn	nent	
	412	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	412-1	Operations that have been subject to human rights reviews or impact assessments	See section 2.2.9 Supplier sustainability See section 12 Sustainability statements General Business principles The total number and percentage of operations that have been subject to human rights reviews or impact assessments are monitored at local level. Philips conside this data on consolidated level not relevant.
	412-2	Employee training on human rights policies or procedures	See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.3.8 Supplier indicators For all Philips businesses, guidance is applicable regardir employee training on human rights policies as part of the GBP. Total hours and percentage of employee training ar managed and monitored at local level. Philips considers these data on consolidated level not relevant.
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles
GRI 414: Supplie	er Social Assess	ment	
	414	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	414-1	Total weight of waste by type and disposal method	See section 2.2.9 Supplier sustainability See section 12 Sustainability statements
	414-2	Total number and volume of significant spills	See section 2.2.9 Supplier sustainability See section 12 Sustainability statements See section 12.3.8 Supplier indicators
Business ethics	and general bu	siness principles	
GRI 205: Anti-C	orruption		
GRI 205: Anti-C	orruption 205	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
GRI 205: Anti-C	-	Management approach disclosures Operations assessed for risks related to corruption	
GRI 205: Anti-C	205	Operations assessed for risks related to	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks
GRI 205: Anti-C	205-1	Operations assessed for risks related to corruption Communication and training about anti-	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles
GRI 205: Anti-C	205-1 205-2 205-3	Operations assessed for risks related to corruption Communication and training about anti-corruption policies and procedures Confirmed incidents of corruption and actions taken	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles
GRI 205: Anti-C	205-1 205-2 205-3	Operations assessed for risks related to corruption Communication and training about anti-corruption policies and procedures Confirmed incidents of corruption and actions taken	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles
GRI 205: Anti-C	205-1 205-2 205-3 Competitive Beh	Operations assessed for risks related to corruption Communication and training about anti-corruption policies and procedures Confirmed incidents of corruption and actions taken	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.3.4 Material topics and our focus
GRI 205: Anti-C	205-1 205-2 205-3 Competitive Beh 206 206-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior,	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.8 Data definitions and our focus See section 12.1.8 Data definitions and scope See section 5.5 Compliance risks
GRI 205: Anti-C GRI 206: Anti-C GRI 406: Non-D	205-1 205-2 205-3 Competitive Beh 206 206-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior,	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.8 Data definitions and our focus See section 12.1.8 Data definitions and scope See section 5.5 Compliance risks
GRI 205: Anti-C GRI 206: Anti-C GRI 406: Non-D	205-1 205-2 205-3 competitive Beh 206 206-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 12.3.4 Material topics and our focus
GRI 205: Anti-C GRI 206: Anti-C GRI 406: Non-D	205-1 205-2 205-3 competitive Beh 206 206-1 Discrimination 406 406-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior, anti-trust, and monopoly practices Management approach disclosures Incidents of discrimination and corrective actions taken	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.8 Data definitions and scope See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles
GRI 206: Anti-C GRI 206: Anti-C GRI 406: Non-D GRI 419: Socioe	205-1 205-2 205-3 competitive Beh 206 206-1 Discrimination 406 406-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior, anti-trust, and monopoly practices Management approach disclosures Incidents of discrimination and corrective actions taken	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 2.2.7 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.8 Data definitions and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles
GRI 205: Anti-C GRI 206: Anti-C GRI 406: Non-D GRI 419: Socioe	205-1 205-2 205-3 Competitive Beh 206 206-1 Discrimination 406 406-1 Conomic Comple	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior, anti-trust, and monopoly practices Management approach disclosures Incidents of discrimination and corrective actions taken iance	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.8 Supplier indicators
GRI 205: Anti-C GRI 206: Anti-C GRI 406: Non-D GRI 419: Socioe	205-1 205-2 205-3 Competitive Beh 206 206-1 Discrimination 406 406-1 Conomic Compl 419 419-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior, anti-trust, and monopoly practices Management approach disclosures Incidents of discrimination and corrective actions taken iance Management approach disclosures Non-compliance with laws and regulations	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.8 Supplier indicators See section 12.1.8 Data definitions and scope
GRI 206: Anti-C GRI 206: Anti-C GRI 406: Non-D GRI 419: Socioe	205-1 205-2 205-3 Competitive Beh 206 206-1 Discrimination 406 406-1 conomic Compl 419 419-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior, anti-trust, and monopoly practices Management approach disclosures Incidents of discrimination and corrective actions taken iance Management approach disclosures Non-compliance with laws and regulations	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.8 Supplier indicators
GRI 205: Anti-C GRI 206: Anti-C GRI 406: Non-D GRI 419: Socioe	205-1 205-2 205-3 Competitive Beh 206 206-1 Discrimination 406 406-1 conomic Compl 419 419-1	Operations assessed for risks related to corruption Communication and training about anticorruption policies and procedures Confirmed incidents of corruption and actions taken avior Management approach disclosures Legal actions for anti-competitive behavior, anti-trust, and monopoly practices Management approach disclosures Incidents of discrimination and corrective actions taken iance Management approach disclosures Non-compliance with laws and regulations	See section 12.1.8 Data definitions and scope See section 5.1 Our approach to risk management See section 5.5 Compliance risks See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.5 General Business Principles See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope See section 12.3.5 General Business Principles See section 12.3.8 Supplier indicators

	302-2	Energy consumption outside of the organization	See section 12.3.8 Supplier indicators
	302-3	Energy intensity	See section 2.3.3 Sustainable Operations See section 12.4.3 Sustainable Operations
	302-4	Reduction of energy consumption	See section 2.3.3 Sustainable Operations See section 12.1.8 Data definitions and scope See section 12.4.3 Sustainable Operations
	302-5	Reductions in energy requirements of products and services	See section 2.3.1 Green Innovation See section 2.3.2 Green Revenues See section 12 Sustainability statements
	profile	description	cross reference
Climate cha	disclosure	description	cross-reference
GRI 305: Ei			
J. 1. 200. 2.	305	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	305-1	Direct (Scope 1) GHG emissions	See section 2.3.3 Sustainable Operations See section 12.1.8 Data definitions and scope See section 12.4.3 Sustainable Operations
	305-2	Energy indirect (Scope 2) GHG emissions	See section 2.3.3 Sustainable Operations See section 12.1.8 Data definitions and scope See section 12.4.3 Sustainable Operations
	305-3	Other indirect (Scope 3) GHG emissions	See section 2.3.3 Sustainable Operations See section 12.1.8 Data definitions and scope See section 12.4.3 Sustainable Operations
	305-4	GHG emissions intensity	See section 2.3.3 Sustainable Operations See section 12.1.8 Data definitions and scope See section 12.4.3 Sustainable Operations
	305-5	Reduction of GHG emissions	See section 2.3.3 Sustainable Operations See section 12.1.8 Data definitions and scope See section 12.4.3 Sustainable Operations
	305-6	Emissions of ozone-depleting substances (ODS)	See section 12.4.3 Sustainable Operations
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	See section 2.3.3 Sustainable Operations See section 12.1.8 Data definitions and scope See section 12.4.3 Sustainable Operations
Material to	pics which Philip	s partially report according to GRI Standards	
Metrics bey	ond financials		
GRI 203: In	direct Economic	Impacts	
	203	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	203-1	Infrastructure investments and services supported	See section 12.3.6 The Philips Foundation See section 12.3.7 Stakeholder Engagement
	203-2	Significant indirect economic impacts	See section 2.2.8 Working with stakeholders See section 3.1.2 2016 business highlights See section 3.2.2 2016 business highlights See section 3.3.2 2016 business highlights See section 3.4.2 2016 business highlights See section 3.5.3 2016 business highlights See section 12.3.6 The Philips Foundation See section 12.3.7 Stakeholder Engagement
	Own indicator		See section 2.2 Social performance See section 2.3 Environmental performance See section 12 Sustainability statements
Circular ec	-		
GRI 306: E	fluents and Wast		
	306	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	306-1	Water discharge by quality and destination	Philips is not a water-intensive company, so this indicator is not applicable for Philips.
	306-2	Waste by type and disposal method	See section 2.3.3 Sustainable Operations

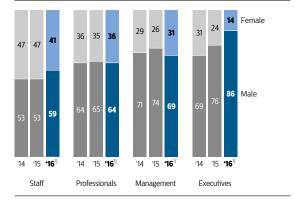
		See section 12.3.6 The Philips Foundation See section 12.3.7 Stakeholder Engagement	
Own indicator		See section 2.2 Social performance See section 2.3 Environmental performance See section 12 Sustainability statements	
Circular economy			
GRI 306: Effluents and Waste	2		
306	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope	
306-1	Water discharge by quality and destination	Philips is not a water-intensive company, so this indicator is not applicable for Philips.	
306-2	Waste by type and disposal method	See section 2.3.3 Sustainable Operations See section 12.4.3 Sustainable Operations See section 12 Sustainability statements- "Comparability and completeness" See section 13 Five-year overview	
306-3	Significant spills	See section 12.4.3 Sustainable Operations	
306-4	Transport of hazardous waste	See section 12.4.3 Sustainable Operations	
306-5	Water bodies affected by water discharges and/or runoff	Philips is not a water-intensive company, so this indicator is not applicable for Philips.	
Own indicator		See section 1 Message from the CEO See section 2.3.3 Sustainable Operations See section 12.3.8 Supplier indicators	
Conflict minerals			
Conflict minerals			
			7

	profile disclosure	description	cross-reference
GRI 301: Mate	erials		
	301	Management approach disclosures	See section 12.1.4 Material topics and our focus See section 12.1.8 Data definitions and scope
	301-1	Materials used by weight or volume	See section Creating value for our stakeholders See section 2.3.1 Green Innovation See section 2.3.2 Green Revenues See section 12.4.1 Circular Economy See section 13 Five-year overview
	301-2	Recycled input materials used	See section 2.3.1 Green Innovation See section 2.3.2 Green Revenues See section 12.4.1 Circular Economy See section 13 Five-year overview
	301-3	Reclaimed products and their packaging materials	See section 2.3.1 Green Innovation See section 12.4.1 Circular Economy
	Own indicator		See section 12.3.8 Supplier indicators- "Responsible sourcing of minerals" & "Circular procurement"
	profile		
	disclosure	description	cross-reference
Material topic	cs which Philips	report according to own indicators	
Partnerships	and co-creation		
	Own indicator		See section 3.4.1 About HealthTech Other See section 12 Sustainability statements
Big data and	Privacy		
	Own indicator		See section 5.4 Operational risks See section 3.1.1 About Personal Health businesses See section 3.2.1 About Diagnosis & Treatment businesses See section 3.3.1 About Connected Care & Health Informatics businesses
Rising health	care costs		
	Own indicator		See section 1 Message from the CEO See section 3 Segment performance See section 3.2.1 About Diagnosis & Treatment businesses See section 3.3.1 About Connected Care & Health Informatics businesses
Healthy living	Z .		
	Own indicator		See section 1 Message from the CEO See section 3 Segment performance See section 3.1.1 About Personal Health businesses See section 3.3.1 About Connected Care & Health
			Informatics businesses
Chronic and l	ifestyle related	diseases	
	Own indicator		See section 1 Message from the CEO See section 3 Segment performance See section 3.2.1 About Diagnosis & Treatment businesses See section 3.3.1 About Connected Care & Health Informatics businesses
Aging popula	tion		
	Own indicator		See section 1 Message from the CEO See section 3 Segment performance See section 3.1.1 About Personal Health businesses See section 3.2.1 About Diagnosis & Treatment businesses See section 3.3.1 About Connected Care & Health Informatics businesses

GRI 103: Management Approach

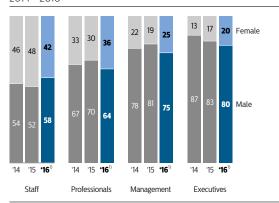
103-1	Explanation of the material topic and its Boundary	See section 12.1.1 Tracking trends See section 12.1.2 Stakeholders See section 12.1.4 Material topics and our focus See section 12.1.6 Boundaries of sustainability reporting
103-2	The management approach and its components	See section 12.1.4 Material topics and our focus See section 12.1.5 Programs and targets See section 12.1.7 Comparability and completeness See section 12.1.8 Data definitions and scope See section 12.1.9 Sustainability governance
103-3	Evaluation of the management approach	See section 12.1.2 Stakeholders See section 12.1.9 Sustainability governance See section 12.1.10 External assurance See section 12.5 Assurance report of the independent auditor

Philips Group **New hire diversity** in % 2014 - 2016



¹⁾ Royal Philips HealthTech businesses

Philips Group **Exit diversity** in % 2014 - 2016



¹⁾ Royal Philips HealthTech businesses

Royal Philips HealthTech businesses Contract type by gender in % 2016

	Permanent	Temporary
Female	32.7	1.1
Male	64.9	1.3

Royal Philips HealthTech businesses Contract type by geography in % 2016

	Pemanent	Temporary
Western Europe	30.4	1.5
North America	29.8	0.0
Other mature geographies	4.2	0.2
Growth geographies	33.3	0.6

Royal Philips HealthTech businesses **Part-time by gender** in % 2016

	Full-time	Part-time
Female	31.5	2.3
Male	64.8	1.4