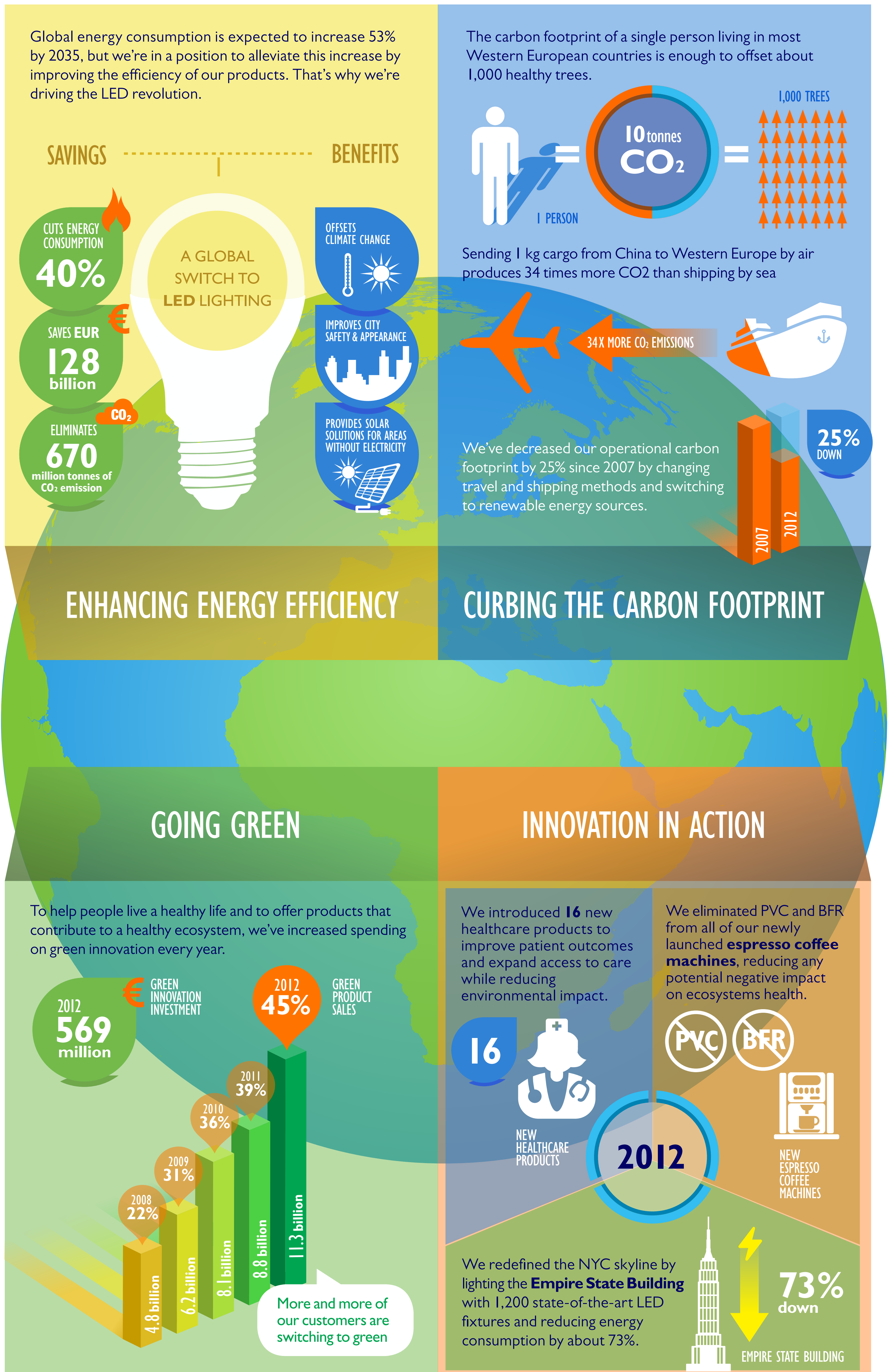# MEANINGFUL INNOVATION:

## Improving people's lives

At Philips, we strive to make the world healthier and more sustainable through innovation. **Our goal is to improve the lives of 3 billion people a year by 2025.** We take a two-dimensional approach to improving lives: **1** The social dimension through products and solutions that directly support the curative (care) or preventive (well-being) side of people's health. **2** The ecological dimension through our Green product portfolio, with focus on energy efficiency to reduce carbon emissions, packaging, hazardous substances, weight, recycling, and lifetime extension. Today, Philips improves the lives of over 1.7 billion people every year.

Global energy consumption is expected to increase 53% by 2035, but we're in a position to alleviate this increase by improving the efficiency of our products. That's why we're driving the LED revolution.

SAVINGS ---- | ---- BENEFITS

A GLOBAL SWITCH TO **LED** LIGHTING

CUTS ENERGY CONSUMPTION
**40%**

SAVES **EUR** **128** billion

ELIMINATES $CO_2$ **670** million tonnes of $CO_2$ emission

OFFSETS CLIMATE CHANGE

IMPROVES CITY SAFETY & APPEARANCE

PROVIDES SOLAR SOLUTIONS FOR AREAS WITHOUT ELECTRICITY

### ENHANCING ENERGY EFFICIENCY

The carbon footprint of a single person living in most Western European countries is enough to offset about 1,000 healthy trees.

1 PERSON = 10 tonnes $CO_2$ = 1,000 TREES

Sending 1 kg cargo from China to Western Europe by air produces 34 times more CO2 than shipping by sea

34X MORE $CO_2$ EMISSIONS

We've decreased our operational carbon footprint by 25% since 2007 by changing travel and shipping methods and switching to renewable energy sources.

**25%** DOWN

2007 2012

### CURBING THE CARBON FOOTPRINT

### GOING GREEN

To help people live a healthy life and to offer products that contribute to a healthy ecosystem, we've increased spending on green innovation every year.

2012 **569** million

GREEN INNOVATION INVESTMENT

2012 **45%** GREEN PRODUCT SALES

2011 **39%**
2010 **36%**
2009 **31%**
2008 **22%**

2008 4.8 billion
2009 6.2 billion
2010 8.1 billion
2011 8.8 billion
2012 11.3 billion

More and more of our customers are switching to green

### INNOVATION IN ACTION

We introduced **16** new healthcare products to improve patient outcomes and expand access to care while reducing environmental impact.

We eliminated PVC and BFR from all of our newly launched **espresso coffee machines**, reducing any potential negative impact on ecosystems health.

**16** NEW HEALTHCARE PRODUCTS

PVC BFR

NEW ESPRESSO COFFEE MACHINES

**2012**

We redefined the NYC skyline by lighting the **Empire State Building** with 1,200 state-of-the-art LED fixtures and reducing energy consumption by about 73%.

**73%** down
EMPIRE STATE BUILDING