
GBP Reporting Policy

Introduction

Philips is committed to ensuring the highest standards of business conduct. Philips has laid down this commitment in the General Business Principles and the GBP Directives, including the Financial Code of Ethics, the Supply Management Code of Ethics, and the Philips Privacy Code for employee data (jointly referred to as the 'GBP').

There may, however, be situations in which people do not uphold the high standards of business conduct defined in the GBP or as laid down in applicable laws or regulations. This policy describes what you should do if you suspect or observe such behavior.

Reporting channels

You are urged to report to your GBP Compliance Officer or the One Philips Ethics Line any concerns relating to the application of the GBP which you are unable to resolve with your management, which constitute a direct threat to corporate integrity or which you otherwise deem necessary to report ('Complaints'). In case of concerns of (suspected) violations of applicable laws or regulations you should always report these to your GBP Compliance Officer or the Philips Ethics Line.

You will find the contact details of the respective GBP Compliance Officer on the Philips intranet (pww.ethics.philips.com). Complaints can be submitted to the GBP Compliance Officer directly in person, or by phone, e-mail, regular mail or fax.

The One Philips Ethics Line is a toll-free telephone line that is available to all employees 24 hours a day / 7 days a week / 365 days a year. Complaints to the One Philips Ethics Line can be submitted on an anonymous basis, as far as this is permitted by local law, although this may make a comprehensive assessment of the complaint more difficult. For further information, please refer to the Compliance & Reporting section at pww.ethics.philips.com.

If you do not have access to a GBP Compliance Officer or to the One Philips Ethics Line, you can report a Complaint to the Secretary of the GBP Review Committee (Amstelplein 2, HBT-14, 1096 BC Amsterdam, The Netherlands (ronald.stein@philips.com)).



If the Complaint concerns the Chairman of the GBP Review Committee or members of the Board of Management/executive committee, you can submit your Complaint to the Chairman of the Supervisory Board (Amstelplein 2, HBT-14, 1096 BC Amsterdam, The Netherlands).

This GBP Reporting Policy is intended to supplement more specific (local) grievance or complaint procedures. If you wish to raise an issue for which there is a more specific procedure or grievance channel available, you are encouraged to use this, e.g. use the applicable Human Resources procedures for employment issues. However, in case of concerns of (suspected) violations of applicable laws or regulations you should always report these to your GBP Compliance Officer or the Philips Ethics Line.

Reporting

Any Complaint you wish to make must be reported internally in line with this GBP Reporting Policy in order to allow Philips to take any appropriate corrective action that may be necessary to limit as far as possible any potential impact on Philips.

You are expected to disclose all relevant information known to you in order to assist Philips in its response to a Complaint or its investigation thereof and to allow a proper assessment of the nature, extent and urgency of the matter.

Investigation

When a Complaint is registered, a GBP Compliance Officer (or other person to be assigned by the GBP Review Committee) will promptly arrange for an investigation into the Complaint or for the Complaint to be redirected to the appropriate grievance channels. The investigation will be conducted in a fair and responsible manner with respect to all parties involved. The GBP Review Committee has oversight responsibility for ensuring that the Complaint is investigated in an independent, impartial and unbiased manner, focusing on fact-finding with due observance of (inter)national legislation and applicable regulations. Each employee involved in an investigation is expected to cooperate with the assigned investigator(s). If an employee withholds relevant information, this represents a breach of duty between the respective employee and Philips.

Within a maximum period of two months after registration of the Complaint, the GBP Compliance Officer will inform you of the outcome of the investigation. If you submitted a Complaint to the One Philips Ethics Hotline you can contact the Hotline two months after the reporting date, using the ID number given to you. If an investigation is commenced and not completed within two months you will be informed of the expected date of completion. If you are not satisfied with the manner in which the Complaint is being handled you can inform the Secretary of the GBP Review Committee of this in writing.

For further information about the investigation, see the Philips Investigation guidelines in the Investigation section on pww.ethics.philips.com

Confidentiality

All Complaints will be handled in a confidential manner. Information relating to the alleged breach, including your identity or the identity of other persons involved in an inquiry or investigation, shall only be disclosed to those functions within the Philips Group (i.e. the investigator(s), the respective GBP Compliance Officer(s), and members of Corporate Internal Audit as well as the Corporate Legal Department) or outside Philips (e.g. forensic auditors and legal counsel) who require this information to ensure compliance with this GBP Reporting Policy and legal or regulatory obligations, or as input for subsequent judicial proceedings.

The person filing the Complaint and Philips employees who participate in an investigation must keep the matter confidential.

No reprisals

Philips shall not dismiss, discharge, demote, suspend, threaten, harass or in any manner retaliate or discriminate against an employee on account of his/her having made a Complaint in good faith, disclosed information relating to a Complaint as part of an investigation or otherwise participated in an investigation relating to a Complaint. Reprisals are considered a serious violation of this policy and appropriate action will be taken to avoid further damage to this employee and to discipline those responsible for the reprisals. An employee's right to protection from retaliation does not give them immunity in respect of any complicity in the matters that are the subject of the Complaint or an ensuing investigation or judicial proceedings. If you have reasonable grounds to fear that the reporting of an alleged breach will lead to repercussions you can inform the secretary of the GBP Review Committee of this in writing.

Any abuse of this GBP Reporting Policy, such as the reporting of a Complaint which was not made in good faith or was known to be false, will result in disciplinary or legal action (including termination of employment) being taken against the employee who has abused this GBP Reporting Policy.