Personal Health
Driving profitable growth through relentless focus on innovation

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innovation + you
Key takeaways

• Leadership positions in **strong growth categories**

• Reaching more people through **consumer-driven product and solutions innovation**

• **Accelerating online growth and engaging more people through end-to-end digital**

• Expanding ecosystem through **partnerships with leading retailers and new business models**

• Average annual **comparable sales growth to 5-6%, while delivering 19-20% Adjusted EBITA margin by 2025**
Strong and established leadership positions in resilient growth categories that are recovering strongly

Oral Healthcare
- Top 2 player power toothbrush globally
- #1 China
- EUR 1.2 billion sales

Male Grooming
- #1 electric shaving
- #1 electric grooming
- EUR 1.4 billion sales

Beauty
- Top 2 player hair removal
- EUR 0.4 billion sales

Mother & Child Care
- Top 2 player bottle feeding
- #1 pregnancy engagement app
- EUR 0.4 billion sales
Growth through products and solutions
Reaching more people through consumer-driven product and solutions innovation

<table>
<thead>
<tr>
<th>New segments</th>
<th>Geographic expansion</th>
<th>New categories</th>
<th>New launches</th>
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<tbody>
<tr>
<td><img src="image1.png" alt="Image" /></td>
<td><img src="image2.png" alt="Image" /></td>
<td><img src="image3.png" alt="Image" /></td>
<td>Stay tuned</td>
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<td>Launched Oct 2020 in NAM</td>
<td>2019 launch, 18-24 yr old preferred shaver</td>
<td>#1 IPL brand globally; &gt;1M Lumea Prestige sold</td>
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<td>Double-digit growth since 2016 launch</td>
<td>2020 launch online exclusive, &gt;700K sold</td>
<td>Additional growth</td>
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Winning innovation already in market

Double-digit growth since 2016 launch

Stay tuned
Growth through online channels and digital

Accelerating online growth and engaging more people through end-to-end digital

- 75% of media spend digital
- Direct-to-Consumer growing 70%+
- 6 million+ monthly active users engaged through our apps
- Online-first packaging
Growth through partnerships and new business models
Expanding our ecosystem through partnerships with leading retailers and scaling new business models

Co-creation with leading retailer platforms
- Leverage live-stream marketing
- Customer Big Data-enabled propositions
- Leverage partner technology standards

New business models
- Grow recurring revenues through subscription and services in Oral Healthcare, Male Grooming and Beauty
- Lumea Try & Buy EUR 39.95 per month
- 10% Discount on Replace & Refresh
Business Zoom:
Oral Healthcare

Michael John Kühne
Business Leader, Oral Healthcare
Expanding leadership in Oral Healthcare, growing consumer lifetime value, and launching new business models

Enable consumers to maintain daily oral care routines

Scale consumer direct-to-consumer engagement and channels

New business models to drive health outcomes and lower cost of care

Continuous innovation to address new consumer segments

Subscription program to drive consumer lifetime value

Solutions and services for payers and dental professionals
Our innovation enables us to serve new consumer segments and geographies

Recruit consumers in growth markets with localized innovation

Recruit young adults with relevant propositions

Upgrade in premium segment through superior user experience

RMB 199-249

USD 24.99

USD 24.99
Expanding our presence in entry-level segment to grow category penetration

Introducing Philips One by Sonicare

- Reaching a younger target audience to improve their oral care habits and remove category barriers
- Fresh communication approach: campaigns, channels, direct-to-consumer

One product, from zero to two million pieces in <12 months, reaching three regions*

*Refers to 2 million pieces sold in three regions (North America, Europe, and China) in 2021
We engage consumers in their personal health routines with smart devices, coaching and novel business models

Oral Healthcare example

- **#1 recommended brand** by dental professionals¹
- **4.7 stars** R&R for Sonicare apps²
- >90% compliance with 2x2m brushing per day³,⁴
- >85% of members reduce out-of-pocket expenses⁴

1. In the US 2. Ratings & Reviews for Kids and Adult Sonicare apps, on iOS, as of September 13. 3. According to ADA recommendation of brushing twice for two minutes per day 4. Based on data from several pilots
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