MOODY'S RATINGS

ASSESSMENT

17 August 2026

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Royal Philips N.V.

EuGB Pre-issuance Review - EuGB Factsheet aligned with EuGB regulation

Summary

Within the scope of our review, we[1] have assessed Royal Philips N.V's (Philips) European Green Bond Factsheet dated August 2026 (EuGB Factsheet) produced by the issuer as required by Annex I of the European Green Bond (EuGB) regulation[2].

We consider that the EuGB Factsheet has been completed in alignment with the requirements set out in Articles 4 to 8, and Annex I of the EuGB regulation. The use of proceeds of the bond are aligned with the EU taxonomy criteria[3].

We have also provided a pre-issuance Second Party Opinion (SPO) on Philip's EuGB Factsheet, confirming its alignment with the International Capital Market Association's Green Bond Principles 2025.

European Green Bond
PRE-ISSUANCE REVIEW

EuGB regulation	Outcome
Art. 4 - Use of proceeds	Aligned
Art. 5 - Flexibility pocket	Not applicable
Art. 6 - Financial assets	Not applicable
Art. 7 - Capex plan	Not applicable
Art. 8 - Application of TSC and grandfathering	Aligned
Annex I – EuGB factsheet	Aligned
Overall outcome	**Aligned**

Scope

We have provided an EuGB Pre-issuance Review on the alignment of Philips' EuGB Factsheet with Articles 4 to 8 and Annex I of the EuGB regulation. According to the EuGB Factsheet, Philips plans to issue use-of-proceeds green bonds with the aim of financing projects comprising five economic activities, as outlined in the 'Alignment with Article 4 – Use of Proceeds of European Green Bonds' section.

» Date of issuance of the bond(s) or tranches of the bond(s): The issuance date or issuance period will be set forth in the applicable Final Terms available on Philips' website.

» Legal entity identifier (LEI) of the issuer: H1FJE8H61JGM1JSGM897

» The name of the bond(s) assigned by the issuer: "European Green Bond(s)" or "EuGB(s)" under Regulation (EU) 2023/2631 (the "EuGB Regulation")

» The international securities identification numbers (ISIN) of the bond(s) and its/their tranches: The ISINs of EuGBs issued under this Factsheet will be set forth in the applicable Final Terms available on Philips' website.

Our work does not constitute an assurance, verification or audit of EuGB regulation or EU taxonomy criteria alignment. This review represents an independent opinion of Moody's Ratings and is to be relied upon only to a limited degree.[4] We are acting in the capacity of an external reviewer registered with the European Securities and Markets Authority (ESMA) in accordance with the EuGB regulation.

Our assessment is based on the EuGB Factsheet dated August 2026 and our opinion reflects our point-in-time assessment[5] of the details contained therein as well as other public and non-public information provided by the issuer.

The analytical approach and key assumptions for producing this EuGB Pre-issuance Review, including EU taxonomy alignment, are detailed in our Assessment Framework: European Green Bond External Reviews, published in October 2025.

Issuer profile

Headquartered in Amsterdam, the Netherlands, Royal Philips N.V. is one of the world's leading health technology companies. The company produces a diverse range of products across its three key segments Diagnosis and Treatment, Connected Care and Personal Health. In 2025, the company generated revenue of around €17.8 billion. It operates in more than 100 countries worldwide with a workforce of 66,401 as of the end of December 2025. Philips is a publicly listed company. The company's Environmental, Social and Governance (ESG) strategy involves the improvement of lives, including of people living in underserved communities, the promotion of a circular economy and the reduction in its operational GHG emissions footprint. Projects and products contributing toward the achievement of these targets are financed with proceeds from the company's Green and Sustainability Innovation Bonds since 2019. Philips faces environmental, product safety, and regulatory risks, including pollution remediation costs, product liability claims, and recalls associated with manufacturing processes and adverse patient outcomes.

Key highlights

» The eligible categories are clearly defined and are linked to the EU taxonomy criteria

» Eligible projects address environmental challenges that are highly relevant for the issuer and its sector

» Continued compliance of selected projects is monitored throughout the life of any instrument issued under the EuGB Factsheet

» While eligible solutions overall substantially contribute to the transition towards a circular economy, the extent of the positive benefits may vary across products.

EuGB Pre-issuance Review

We consider the EuGB Factsheet has been completed in alignment with the requirements set out in Articles 4 to 8, and Annex I of the EuGB regulation. A detailed assessment is provided in the table below.

Our review is based on the issuer's EuGB Factsheet dated August 2026 as well as on public and non-public information provided by the issuer. The issuer has shared links to measurement data, as well as the evidence to demonstrate alignment with the relevant EU taxonomy criteria. We consider that the quality of the information provided by the issuer is sufficient to perform the review.

Exhibit 1

EuGB Pre-issuance Review

Criteria	EuGB Article	Alignment	Related issuer Information
Use of the Proceeds of European Green Bonds	Article 4	Aligned	The issuer intends to allocate an amount equivalent to the gross proceeds raised under the EuGBs without deduction of issuance costs to five clearly identified economic activities set out in the Philips EuGB Factsheet, all of which are considered aligned with the EU taxonomy criteria. Allocation will be carried out progressively as eligible investments are incurred and verified, in line with the issuer's gradual allocation approach. For a detailed assessment of EU taxonomy alignment, please refer to the section titled "Alignment with Article 4 – Use of the Proceeds of European Green Bonds." Eligible expenditures comprise fixed assets that are not financial assets, capital expenditures and operating expenditures falling within respective sections of Annex I to Commission Delegated Regulation (EU) 2021/2178 and that were incurred no more than three years before the issuance of the European Green Bond for operating expenditures. Financial assets are explicitly excluded from financing.
Flexibility in the use of the proceeds of European Green Bonds ("Flexibility pocket")	Article 5	Not applicable	The issuer does not make use of the 15% flexibility pocket.
Financial assets	Article 6	Not applicable	The EuGB proceeds will not be allocated to financial assets.
CapEx plans	Article 7 (incl. Annex I, item 7)	Not applicable	A Capex plan is not applicable.
Application of the technical screening criteria and grandfathering	Article 8	Aligned	An amount equivalent to the EuGB proceeds will be allocated exclusively to economic activities that comply with the applicable technical screening criteria (TSC) at the time of bond issuance. Should these criteria be revised, the issuer commits to align the allocation of proceeds with the updated criteria within seven years from the date the amendments take effect. In accordance with Article 11, the allocation report will demonstrate compliance with the relevant technical screening criteria applicable to the financed activities.
Factsheet Requirements	Annex I	Aligned	The EuGB Factsheet includes all information required under Annex I. In addition, the issuer has incorporated information on its climate transition plan, including how the proceeds of the EuGB(s) are intended to support the implementation of that plan and contribute to the company's sustainability objectives.
Overall alignment		**Aligned**	

Source: Moody's Ratings and Royal Philips N.V.

Alignment with Article 4 - Use of the proceeds of European Green Bonds

We consider all economic activities to be aligned with the EU taxonomy criteria, as detailed in the tables below.

The issuer has implemented processes to ensure that all selected projects align with the substantial contribution and Do No Significant Harm (DNSH) criteria, together referred to as the technical screening criteria (TSC) and minimum safeguards (MS) as applicable under the EU Taxonomy criteria. The issuer has concluded a detailed screening of the EU taxonomy criteria for the five economic activities and identified where existing national law is likely to cover the requirements and where it needs to be complemented by additional measures.

Exhibit 2

Substantial contribution criteria - Transition to a circular economy (TCE) (1/3)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Aligned	The economic activity adheres to criterion 2 (see below for details on the applicable and non applicable individual criteria): **Criterion 2.1**: Philips confirms that products containing software requiring updates provide software components, software support and software/firmware updates for the applicable product lifetime, or for at least eight years where no specific regulatory lifetime is defined. The company further confirms that software updates do not reduce product functionality or lifetime and that these requirements are embedded in its product development and compliance processes. With regard to batteries, Philips stated that almost all battery-containing products use rechargeable batteries and fall within the applicable exceptions, including medical devices, products exposed to water, or products requiring a permanent battery connection for safety or functionality reasons. Products containing portable batteries that would not meet the criterion are excluded from eligibility and alignment reporting. Philips also confirmed that software is not used to negatively affect product circularity, including battery replacement, and that correct battery replacement does not impair product functioning. **Criterion 2.2**: Philips adheres to the requirements of CE 2.2. Philips confirmed that no EU reparability scoring scheme currently applies to the eligible products and therefore criterion 2.2.1 is not applicable. For criteria 2.2.2 and 2.2.4, the company provides professional repairers with access to repair documentation, technical information, manuals and disassembly and repair support resources throughout the product lifetime. For criterion 2.2.3, Philips explicitly confirmed that key spare parts are available to professional repairers and end-users for the required period, and where no regulatory requirement exists, for at least eight years after the last unit is placed on the market. The company highlighted its established spare parts and repair services business supporting long-term product maintenance and repair. Philips further confirmed compliance with criterion 2.2.5, stating that applicable consumer electrical and electronic products are provided with a commercial guarantee of at least three years at no additional cost. **Criterion 2.3**: Philips adheres to criteria 2.3.1 and 2.3.2. The company explicitly confirmed that eligible products storing and/or transferring data provide functionality to reset devices to factory settings and erase encryption keys where applicable, and that stored data can be fully transferred to another product while maintaining data privacy, confidentiality and data security. **Criterion 2.4**: Philips adheres to criteria 2.4.1, 2.4.2 and 2.4.3. The company confirmed that end-of-life management and dismantling information is made available free of charge through relevant recycling and treatment channels in accordance with applicable WEEE requirements and includes disassembly instructions for recyclers. Philips further confirmed that, where products contain components with critical raw materials, information on their location and removal is included in the disassembly documentation. In addition, the company confirmed compliance with the substance disclosure requirements through SCIP reporting for products containing substances of very high concern (SVHCs). **Criterion 2.5**: Philips adheres to the criterion for eligible products. For products eligible under Activity 1.2, all new product introductions are required to meet Philips' design requirements, including recyclability considerations covering material selection, accessibility and removal of key components, separation of non-compatible materials, and end-of-life treatment requirements. Philips therefore confirmed that eligible products are assessed against these requirements and are designed to support improved recyclability and resource recovery throughout the product lifecycle.

Source: Moody's and Royal Philips N.V.

Exhibit 3

Substantial contribution criteria - Transition to a circular economy (TCE) (2/3)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Aligned	**Criterion 2.6:** Philips adheres to criteria 2.6.1, 2.6.2, 2.6.3 and 2.6.4. The company maintains a comprehensive Regulated Substances List (RSL) that combines legal, industry and voluntary requirements and is designed to proactively phase out harmful substances and substitute substances of concern where feasible. The RSL restricts or prohibits numerous hazardous substances, including RoHS-restricted substances, POPs, mercury, PFAS, REACH-restricted substances and other chemicals of concern, and requires supplier compliance and substance reporting through established compliance processes. Philips further confirmed that eligible products do not contain substances of very high concern included in Annex XIV of REACH and that any applicable RoHS exemptions are limited to the permitted lead exemptions under entries 7(a) and 7(c) of Annex III to Directive 2011/65/EU. In addition, Philips confirmed compliance with the substance restrictions under criterion 2.6.4, including the applicable concentration limits for polymer stabilisers, colourants and contaminants, biocidal products, glass fining agents and chlorine-based plastics in the relevant product components and sub-assemblies. Philips adheres to criterion 2.6.5. The company confirmed that eligible products do not contain halogens above the applicable detection limits and that compliance is assessed against the relevant standards for cables, plastic parts, electronic components and consumables, ensuring that halogen content remains within the thresholds specified by the criterion. Philips adheres to criteria 2.6.6 and 2.6.7. The company confirmed that eligible products do not contain fluorinated gases. Philips further confirmed that any use of Tetrabromobisphenol A (TBBPA) is limited to its use as a reactive component in printed circuit boards, in accordance with the criterion. **Criterion 2.7:** Philips adheres to criteria 2.7.1, 2.7.2 and 2.7.3. The company provides customers with information on environmentally beneficial product use and lifetime extension measures, such as guidance on optimal charging of rechargeable batteries, cleaning and maintenance of personal care devices, and the use of energy-saving features including standby modes and EcoMode settings for healthcare equipment. Philips also provides information on product take-back, recycling and collection options, including WEEE-related information and recycling programs. In addition, eligible electrical and electronic equipment is marked in accordance with applicable WEEE requirements for separate collection, and consumers are provided with information regarding the environmentally sound collection, treatment and disposal of products at end of life. **Criterion 2.8:** Philips adheres to criterion 2.8.1. The company confirmed that it participates in extended producer responsibility (EPR) schemes for waste electrical and electronic equipment (WEEE) in the markets where its products are placed on the market, in line with applicable regulatory requirements. Philips also provides customers with information on recycling, take-back and WEEE management through its recycling and end-of-life programs. **Criterion 2.8.2.** is not applicable. Philips clarified that eligible products to be financed by the EU GB proceeds either do not contain batteries (e.g., certain consumer products) or contain rechargeable batteries rather than portable batteries. Should a product contain a portable battery, it would not be financed with the proceeds of any EU GB. Therefore, the requirement relating to portable battery take-back and collection systems does not apply.
4.1 Provision of IT/OT data-driven solutions	Aligned	**Criterion 1**: Philips adheres to the criterion through Connected Care and Enterprise Informatics solutions, including PACS systems and software upgrades such as SmartSpeed for MRI, which use data-driven IT/OT capabilities to collect, process and analyze operational and clinical data to improve performance, workflow efficiency and equipment utilization. **Criterion 2**: Philips adheres to criteria (a), (b) and (c). The company confirmed that these capabilities are standard features of its remote monitoring and service solutions, which enable the detection of abnormal operating conditions, prediction of remaining useful life, and prediction of potential failures to support preventive maintenance activities and remote software upgrades. Philips further confirmed that none of the excluded use cases related to consumable monitoring, greenhouse gas-intensive power generation assets, or fossil fuel engine monitoring apply to the eligible products or solutions. **Criterion 3**: Philips adheres to criteria (c) and (d). The company confirmed that reverse logistics capabilities form part of its circular value proposition, supporting product take-back, refurbishment, remanufacturing and recycling processes as described in its resource use and circular economy approach. In addition, Philips supports the optimization and intensification of product use through circular business models, including "as-a-service contracts/offerings" offerings such as Monitoring as a Service, where software, AI-enabled enhancements and service-based arrangements help maximize equipment utilization and extend value over the product lifecycle. **Criteria 4-6**: The criteria are not applicable, as Philips does not offer lifecycle assessment software, design and engineering software, or supplier management software as standalone products **Criterion 7**: Philips adheres to criterion (c). The company confirmed that this capability is a standard feature used by its service organization to support preventive maintenance and remote software upgrades, enabling the planning and documentation of measures that help maintain functionality and prolong the useful life of healthcare equipment. **Criterion 8**: Philips adheres to criteria (a), (b) and (c). The company confirmed that eligible IT/OT solutions are developed within its broader circular economy and sustainable materials framework, which promotes durability, upgradability, recyclability, and the use of recycled and reused materials. Philips further implements measures for responsible end-of-life management, including take-back, refurbishment, recovery and recycling processes designed to maximize resource recovery, manage hazardous materials appropriately, and support the reuse and recycling of electronic equipment and components in line with applicable regulatory requirements.

Source: Moody's and Royal Philips N.V.

Exhibit 4

Substantial contribution criteria - Transition to a circular economy (TCE) (3/3)

Economic Activity	Alignment	Related issuer information
5.1. Repair, refurbishment and remanufacturing	Aligned	**Criterion 1**: The activity consists of extending the lifetime of products that have already been used by customers through refurbishment and resale. Philips refurbishes returned personal health products by inspecting, testing, cleaning and, where necessary, replacing components with original parts before reselling them as refurbished products. The refurbishment process includes functional testing, sanitisation and repackaging, ensuring products are restored for continued use rather than being recycled or discarded. Philips confirmed that the programme covers products returned by customers and retailers and is available across multiple markets, demonstrating that the activity extends the useful life of products that have already been used for their intended purpose. **Criterion 2**: Philips adheres to criterion 2(a). Philips confirmed that the relevant contractual requirements are incorporated into sales agreements. For healthcare equipment, provisions relating to product conformity, seller liability, remedies and applicable warranty arrangements are covered through the contractual framework governing the sale of refurbished equipment. Philips further noted that this approach was reviewed as part of an external audit conducted in 2025. Based on the information provided, refurbished products are sold under contractual arrangements that address the rights and obligations associated with the sale of such products, in line with the criterion. Philips also adheres to criterion 2(b). The company confirmed that it has implemented a waste management plan through its Sustainable Operations program, as described in Note II of the Annual Report 2025, which ensures that materials and components are reused where possible and otherwise recycled or disposed of in accordance with applicable legislation. Philips reports 95% circular materials management, zero waste to landfill across its industrial sites, and take-back, refurbishment and recycling programs that support the recovery and reuse of materials and components at end of life.
5.2. Sale of spare parts	Aligned	**Criterion 1**: Philips confirms that it sells spare parts beyond legal obligations, supporting product maintenance, repair and lifetime extension through its aftermarket and service activities. **Criterion 2**: Philips adheres to criteria (a) and (b). Sold spare parts are provided through established sales and service arrangements that include the applicable contractual terms, warranties and customer support provisions, and are intended to replace existing components in order to restore, maintain or upgrade product functionality. **Criterion 3**: Philips adheres to criterion 3(a). The company applies circular packaging and sustainable materials requirements through its EcoDesign and circularity programs, promotes the use of recycled materials, and maintains documentation on packaging material composition through supplier declarations and compliance reporting processes. Philips adheres to criterion 3(b). The company has established circular business models that support product take-back, reuse, refurbishment and recirculation, enabling products and materials to be reused through structured closed-loop and open-loop systems where applicable.
5.5. Product-as-a-service and other circular use- and result-oriented service models	Aligned	**Criterion 1**: Philips adheres to sub-criteria (a)–(d). Under its as-a-service contracts, Philips retains ownership of the equipment throughout the contract term, customers pay for access to and use of the product or service, and contractual arrangements require the return of the equipment to Philips at the end of the agreement, enabling take-back and continued circular management of the assets. **Criterion 2**: Philips adheres to the criterion. The company provided examples of eligible as-a-service offerings, such as Monitoring as a Service, where contractual arrangements include software upgrades and functionality enhancements that help maintain product relevance, improve utilization and support longer operational lifetimes of the equipment over time. **Criterion 3:** Philips adheres to criterion 3(a). The company applies circular packaging and sustainable materials requirements through its EcoDesign and circularity programs, promotes the use of recycled materials, and maintains documentation on packaging material composition through supplier declarations and compliance reporting processes. Philips adheres to criterion 3(b). The company has established circular business models that support product take-back, reuse, refurbishment and recirculation, enabling products and materials to be reused through structured closed-loop and open-loop systems where applicable. **Criterion 4**: The criterion is not applicable, as Philips' eligible activities do not involve the laundry or dry-cleaning of wearing apparel.

Source: Moody's and Royal Philips N.V.

Exhibit 5

Do No Significant Harm - Climate change mitigation (CCM)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Not applicable	Requirement relating to refrigerants is considered not applicable, as Philips confirmed that the products covered by the eligible activity do not contain cooling refrigerants. Consequently, the requirements regarding compliance with the fluorinated greenhouse gas regulation and the exclusion of products containing SF_6 are not relevant for the assessed activities. Requirement relating to energy efficiency performance is also considered not applicable to the assessed activities. Philips confirmed that none of the products covered by the eligible activity are subject to EU energy labelling requirements under Regulation (EU) 2017/1369. While certain products bearing the Philips brand through third-party brand licensees may be subject to energy labelling requirements, these products are not included within the scope of the eligible activity, as Philips only recognizes brand licence income rather than the underlying product revenues.
4.1 Provision of IT/OT data-driven solutions	Not applicable	N/A
5.1. Repair, refurbishment and remanufacturing	Not applicable	The criterion relating to on-site generation of heat, cooling, or combined heat and power is considered not applicable. Philips confirmed that none of the eligible activities involve the on-site generation of heat, cooling, or combined heat and power. As a result, the requirement regarding direct GHG emissions below 270 gCO_2e/kWh is not relevant for the assessed activities.
5.2. Sale of spare parts	Aligned	All assets, capex and opex align with the criterion. The criterion relating to on-site generation of heat, cooling, or combined heat and power is considered not applicable. Philips confirmed that none of the eligible activities involve the on-site generation of heat, cooling, or combined heat and power. As a result, the requirement regarding direct GHG emissions below 270 gCO_2e/kWh is not relevant for the assessed activities. Additionally, Philips confirmed that transport-related emissions, including logistics, shipping and returns where traceable, are included within its Scope 3 emissions inventory and covered by its Science Based Targets and Net Zero commitments. The company tracks these emissions and implements reduction measures such as shifting freight to lower-carbon transport modes, optimising logistics routes and increasing the use of sustainable fuels. Through these initiatives, Philips seeks to reduce GHG emissions across its transportation value chain.
5.5. Product-as-a-service and other circular use- and result-oriented service models	Aligned	All assets, capex and opex align with the criterion. The criterion relating to on-site generation of heat, cooling, or combined heat and power is considered not applicable. Philips confirmed that none of the eligible activities involve the on-site generation of heat, cooling, or combined heat and power. As a result, the requirement regarding direct GHG emissions below 270 gCO_2e/kWh is not relevant for the assessed activities. Philips confirmed that it accounts for upstream and downstream value chain emissions as part of its Scope 3 GHG inventory and Science Based Targets. To reduce these emissions, the company implements measures focused on sustainable sourcing, supplier engagement, logistics optimization, product energy efficiency and circular end-of-life management. Emissions are monitored and managed through its broader net-zero strategy, covering emissions associated with raw materials, transport, operations and waste management.

Source: Moody's and Royal Philips N.V.

Exhibit 6

Do No Significant Harm - Climate change adaptation (CCA)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Aligned	All assets, capex and opex align with Appendix A. Philips has conducted a climate risk and resilience assessment covering its global operations and sites within the scope of its Business Continuity Management program. The assessment identifies and evaluates material physical climate risks across short-, medium-, and long-term time horizons using climate scenario analysis and geospatial risk assessment tools. The assessment considers a range of acute and chronic climate hazards, including heat stress, flooding, drought, wildfires, extreme precipitation, cyclones and sea-level rise, and evaluates the exposure, vulnerability and potential impact of these risks at site level. Philips applies climate projections aligned with IPCC scenarios and uses external climate-risk modelling tools alongside site-specific workshops involving local operational experts. The identified climate risks are integrated into Philips' risk management and business continuity processes. For sites exposed to material risks, Philips has implemented adaptation measures including flood protection infrastructure, elevation of facilities, water management systems, early warning mechanisms and other resilience-enhancing actions. The company reports that climate adaptation is managed through a structured Plan-Do-Check-Act process and that risk mitigation measures are regularly assessed and updated. Philips further states that adaptation actions are embedded within broader environmental and sustainability programs and are overseen through established governance structures involving the Board of Management, Executive Committee and sustainability functions. The company's climate resilience approach aims to ensure long-term operational resilience while supporting compliance with external frameworks, including ESRS and science-based climate commitments.
4.1 Provision of IT/OT data-driven solutions	Aligned	
5.1. Repair, refurbishment and remanufacturing	Aligned	
5.2. Sale of spare parts	Aligned	
5.5. Product-as-a-service and other circular use- and result-oriented service models	Aligned	

Source: Moody's and Royal Philips N.V.

Exhibit 7

Do No Significant Harm - Sustainable use and protection of water and marine resources (WMR)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Aligned	For all projects, including those located outside the EU, the issuer confirms that all eligible activities comply with Appendix B of Delegated Regulation (EU) 2021/2139 for the DNSH objective on Water and Marine Resources. Philips addresses the DNSH criteria through its environmental management framework, water-risk assessments, operational monitoring and mitigation measures. Philips indicates that water-related environmental impacts, including potential impacts on water bodies and marine resources, are considered as part of its broader environmental management framework, including its Environmental Profit &Loss (EP&L) methodology and material flow assessments. These methodologies support the identification, assessment and management of water-related and environmental degradation risks across the value chain. Philips undertakes annual assessments of its operational sites and strategic suppliers to identify and address water-related risks, using tools such as the Aqueduct Water Risk Atlas and WWF Water Risk Filter to evaluate exposure to water stress and other water-related vulnerabilities. Philips also monitors water consumption across its operations and implements water-efficiency, water-recovery and other mitigation measures where relevant, with the objective of reducing adverse impacts on water resources and supporting the protection of water quality and ecological conditions. The eligible activities are generally not subject to Environmental Impact Assessment (EIA) requirements under Directive 2011/92/EU. Where eligible activities involve projects that may trigger EIA requirements under applicable legislation, EIAs would nevertheless be performed as required. Where applicable, water-related impacts would also be assessed in accordance with Directive 2000/60/EC.
4.1 Provision of IT/OT data-driven solutions	Aligned	
5.1. Repair, refurbishment and remanufacturing	Aligned	
5.2. Sale of spare parts	Aligned	
5.5. Product-as-a-service and other circular use- and result-oriented service models	Aligned	

Source: Moody's and Royal Philips N.V.

Exhibit 8

Do No Significant Harm - Transition to a circular economy (TCE)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Not applicable	N/A
4.1 Provision of IT/OT data-driven solutions	Not applicable	N/A
5.1. Repair, refurbishment and remanufacturing	Not applicable	N/A
5.2. Sale of spare parts	Not applicable	N/A
5.5. Product-as-a-service and other circular use- and result-oriented service models	Not applicable	N/A

Source: Moody's and Royal Philips N.V.

Exhibit 9

Do No Significant Harm - Pollution prevention and control (PPC)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Aligned	All assets, capex and opex align with Appendix C. Philips confirmed that the activity does not involve the manufacture, placing on the market or use of substances restricted under the applicable EU regulations referenced in Appendix C, including POPs, mercury, PFAS, RoHS-restricted substances, REACH Annex XVII substances and relevant SVHCs above applicable thresholds. The company maintains a comprehensive Regulated Substances List (RSL) that incorporates legal, industry and voluntary substance restrictions and applies globally across products, components and packaging. Suppliers are required to comply with these requirements and demonstrate compliance through substance declarations and material reporting processes. Philips further states that it proactively manages chemical compliance, identifies and monitors substances of concern across its value chain, and seeks to phase out substances of concern in line with its chemicals management strategy and applicable regulatory requirements. The requirement relating to portable batteries is considered not applicable. Philips confirmed that it does not manufacture, and does not intend to manufacture, portable batteries. While certain batteries bearing the Philips brand may be available on the market, these are manufactured and marketed by independent brand licensees and are not included within the scope of the eligible activities assessed.
4.1 Provision of IT/OT data-driven solutions	Aligned	All assets, capex and opex align with the criteria. Regarding EcoDesign requirements for servers and data storage products, Philips confirmed that the equipment used to operate the relevant software is sourced from established market providers whose products are subject to, and comply with, the applicable EcoDesign requirements under Directive 2009/125/EC. For the restricted substances requirements, Philips confirmed that the equipment used to operate the software is sourced from established manufacturers whose products comply with the requirements of Directive 2011/65/EU (RoHS). Through this approach, Philips relies on supplier compliance with applicable substance restriction requirements to help ensure that the hardware used for the operation of the software does not contain restricted substances above the permitted thresholds.
5.1. Repair, refurbishment and remanufacturing	Aligned	All assets, capex and opex align with the criteria. Philips confirms to align with the requirements defined under Appendix C to the applicable Annex, as explained in greater detail under economic activity 1.2. "Manufacture of electrical and electronic equipment". For spare parts installed through repair, refurbishment or remanufacturing activities, Philips confirmed compliance with relevant EU hazardous substance legislation, including REACH and RoHS requirements. Compliance is supported through ISO 14001-certified environmental management systems and Philips' Restricted Substances List (RSL), which establishes requirements and restrictions for substances used in products and components. This framework helps ensure that spare parts used in repair and refurbishment activities comply with applicable EU hazardous substance regulations. For repair and refurbishment activities, Philips confirmed that original components may be retained where appropriate, such as X-ray tubes and magnets. In line with the criterion, the hazardous substance requirements applicable to newly installed spare parts do not apply to original components that remain part of the product during repair or refurbishment. This approach supports the extension of product lifetimes while maintaining the functionality of existing equipment. Finally, the requirement relating to industrial emissions is considered not applicable. Philips confirmed that the repair and refurbishment activities do not involve installations falling within the scope of Directive 2010/75/EU on industrial emissions. Consequently, the requirement regarding compliance with BAT-associated emission levels and the avoidance of significant cross-media effects is not relevant for the assessed activities.
5.2. Sale of spare parts	Aligned	All assets, capex and opex align with the criteria. Philips confirms to align with the requirements defined under Appendix C to the applicable Annex, as explained in greater detail under economic activity 1.2. "Manufacture of electrical and electronic equipment". For sold spare parts, Philips confirmed compliance with the relevant EU hazardous substance legislation, including REACH and RoHS requirements. Compliance is supported by Philips' chemicals management framework and its Regulated Substances List (RSL), which establishes substance restrictions and reporting requirements applicable to products, components and packaging. The RSL incorporates relevant regulatory requirements, including RoHS (Directive 2011/65/EU) and REACH restrictions, and forms part of Philips' supplier compliance processes. Philips also collects compliance information through BOMcheck to support regulatory conformity across its supply chain.
5.5. Product-as-a-service and other circular use- and result-oriented service models	Aligned	All assets, capex and opex align with the criterion. Philips confirms to align with the requirements defined under Appendix C to the applicable Annex, as explained in greater detail under economic activity 1.2. "Manufacture of electrical and electronic equipment"

Source: Moody's and Royal Philips N.V.

Exhibit 10

Do No Significant Harm - Protection and restoration of biodiversity and ecosystems (PBE)

Economic Activity	Alignment	Related issuer information
1.2. Manufacture of electrical and electronic equipment	Aligned	All assets, capex and opex align with Appendix D. The DNSH criteria relating to Environmental Impact Assessments (EIAs) are generally considered not applicable, as Philips confirmed that the eligible activities are not typically subject to EIA screening or EIA requirements under Directive 2011/92/EU. Consequently, no EIA-related mitigation or compensation measures are required for the assessed activities. However, where a specific project triggers EIA requirements under applicable legislation, an EIA would be carried out and any resulting mitigation or compensation measures would be implemented as required. For the requirements relating to sites or operations located in or near biodiversity-sensitive areas, Philips provided evidence through its TNFD report. As part of its nature-related risk management approach, Philips applies the TNFD LEAP framework and uses biodiversity and nature-risk assessment tools to evaluate the potential impacts and dependencies of its operations on biodiversity, water, emissions, waste and natural resources. The assessments are integrated into Philips' risk management processes and support the implementation of mitigation and improvement measures aimed at reducing environmental impacts and enhancing biodiversity and ecosystem resilience. While these assessments are not limited to the eligible activities, they demonstrate a company-wide approach that satisfies the DNSH criterion requiring appropriate assessment and implementation of necessary mitigation measures where operations are located in or near biodiversity-sensitive areas.
4.1 Provision of IT/OT data-driven solutions	Not Applicable	N/A
5.1. Repair, refurbishment and remanufacturing	Not Applicable	N/A
5.2. Sale of spare parts	Not Applicable	N/A
5.5. Product-as-a-service and other circular use- and result-oriented service models	Not Applicable	N/A

Source: Moody's and Royal Philips N.V.

Exhibit 11

Minimum Safeguards

Assessment at the issuer level

Minimum Safeguards	Alignment	Related issuer information
Human Rights	Aligned	Philips has a human rights due diligence process that is aligned with the UNGPs and OECD Guidelines. The company carries out Human Rights Impact Assessments at higher-risk operations and also assesses selected suppliers for human rights risks. Findings from these assessments are used to identify and address potential impacts. Philips also provides a grievance mechanism through its SpeakUp system, allowing concerns to be raised confidentially and investigated through established procedures. These measures support the identification, mitigation, monitoring and remediation of human rights risks across the company's operations and value chain. Philips has not been involved in any cases brought before an OECD National Contact Point (NCP). The company has, however, been the subject of inquiries published by the Business and Human Rights Resource Centre (BHRRC), to which it has generally provided responses. One BHRRC inquiry from May 2024 did not receive a response from the company. As this inquiry falls outside the applicable two-year lookback period considered for the Minimum Safeguards assessment, it is not relevant to the current assessment and does not affect the conclusion regarding Philips' adherence to the Minimum Safeguards requirements.
Corruption	Aligned	Philips has anti-corruption processes in place through its Anti-Bribery, Anti-Corruption and Anti-Money Laundering Policy, which applies across the company. The policy prohibits bribery and other forms of corruption, sets out requirements for compliance and monitoring, and includes reporting and investigation procedures for potential violations. Employees and third parties can raise concerns through the SpeakUp system, which provides confidential reporting channels and supports the investigation of misconduct. Philips has not had any convictions or fines, for violation of anti-corruption or anti-bribery laws.
Taxation	Aligned	Philips treats tax governance and compliance as part of its overall governance framework and has processes in place to manage tax-related risks. The company has a documented tax approach, applies internal controls and oversight mechanisms, and seeks to comply with applicable tax laws and reporting requirements across the jurisdictions in which it operates. Tax risk management includes monitoring changes in tax regulations, assessing the potential impact of tax positions, maintaining documentation and reporting processes, and engaging with tax authorities where relevant. Philips has not had any convictions for its working methods or taxation.
Fair Competition	Aligned	Philips has measures in place to promote compliance with applicable laws and regulations through its General Business Principles and related compliance policies. The company provides employees with policies, training and awareness activities, and requires business decisions to be made independently and in line with fair competition principles. For example, Philips prohibits anti-competitive practices such as price-fixing or the improper exchange of competitively sensitive information with competitors. Employees can also raise concerns through the SpeakUp system, which supports the reporting and investigation of potential compliance issues. Philips has not had any convictions for its working methods or competition-related procedures.

Source: Moody's and Royal Philips N.V.

This issuer or a related third party may have received other services from Moody's Ratings. Please refer to the landing page of the issuer for credit rating services and non-credit rating services, as available on https://ratings.moodys.com/disclosure. Please also refer to special report “Ancillary or other permissible services provided to entities rated by MIS's credit rating agencies in the EU, UK or endorsed by rating agencies in the EU or UK” on the disclosure page https://ratings.moodys.com/disclosure on our website for further information.

In addition to this external review assessment, the issuer has received other services from Moody's Ratings within the past five years.

For information on potential conflicts including those related to the provision of other services by the external reviewer to the issuer, please see Statement of Potential Conflicts of Interests in the European Union https://ratings.moodys.com/rmc-documents/431183

Endnotes

1 Releasing Office: Moody's Deutschland GmbH, An der Welle 5, 60322 Frankfurt, Germany. Website: https://ratings.moodys.com/regulated-assessments

2 Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds.

3 References to EU taxonomy criteria are to the technical screening criteria (TSC) set out in the EU Commission Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 and the minimum safeguards (MS) set out in Regulation (EU) 2020/852 (as amended periodically).

4 Please see the disclaimers at the end of this report.

5 Point-in-time assessment is applicable only on date of assignment or update.

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