



2026 Remuneration Policy for the Supervisory Board

Please find below the 2026 Remuneration Policy for the Supervisory Board, as adopted by our shareholders at the 2026 Annual General Meeting of Shareholders. This 2026 Remuneration Policy has replaced the previous Remuneration Policy for the Supervisory Board, which was adopted by our shareholders at the 2024 Annual General Meeting of Shareholders.

Please also refer to the explanatory note to the relevant agenda item (as included as an annex to this 2026 Remuneration Policy), describing the process we followed, how we engaged with our stakeholders and the main changes following from the proposal. Those explanations are incorporated by reference and constitute an integral part of the 2026 Remuneration Policy.

Objectives and principles

The overarching objective of the 2026 Remuneration Policy for the Supervisory Board is to enable its members to fulfill their duties, acting independently: supervising the policies and management and the general affairs of Philips, and supporting the Board of Management and the Executive Committee with advice. The members of the Supervisory Board are guided by the company's long-term interests, with due observance of the company's mission, vision and strategy, taking into account the interests of shareholders and all other stakeholders.

As also reflected in the profile of the Supervisory Board (as included in the Rules of Procedure of the Supervisory Board), it aims for an appropriate combination of knowledge and experience among the members of the Supervisory Board, encompassing a wide range of proficiencies and capabilities, all in relation to the global character of Philips' businesses. The Supervisory Board furthermore aims to have members with diverse set of qualities, including different nationalities and (cultural) backgrounds.

To support the objectives mentioned above, the 2026 Remuneration Policy is aimed at attracting and retaining Supervisory Board members internationally, of the highest caliber and with experience and expertise relevant to our health technology businesses.

Fixed fee levels

The fixed fee levels shown in the table below are aligned internally (with the wider workforce) and externally (observing the fee levels in the Quantum Peer Group). The fee levels were set below median market levels paid in the Quantum Peer Group used in the Remuneration Policy for the Board of Management.

In 2024 it was decided to review the fee levels included in the Supervisory Board remuneration policy in principle every two years, to monitor and take account of market median developments. This enables gradual increases and aligns with expectations from our key stakeholders. In these reviews the Supervisory Board will in principle apply a consistent company-wide approach and thus use the same Quantum Peer Group for the Supervisory Board as is used for the Board of Management.

| Fee type (amounts in EUR) | Chairman | | | Vice Chair | | Member | | |
|---|----------|---------------|---------------|------------|---------------|---------|---------------|---------------|
| | 2025 | As of 2026 | As of 2027 | 2025 | As of 2026 | 2025 | As of 2026 | As of 2027 |
| Supervisory Board (annual fee) | 175,000 | 187,500 | 200,000 | 130,000 | 139,000 | 113,000 | 121,000 | no change |
| Audit Committee | 30,500 | 32,500 | 34,750 | – | – | 20,250 | 21,750 | 23,250 |
| Remuneration Committee | 23,750 | 25,500 | 27,250 | – | – | 15,750 | 16,850 | 18,000 |
| Corporate Governance and Nomination & Selection Committee | 23,750 | 25,500 | 27,250 | – | – | 15,750 | 16,850 | 18,000 |
| Quality and Regulatory Committee | 23,750 | 25,500 | 27,250 | – | – | 15,750 | 16,850 | 18,000 |

In accordance with the Dutch Corporate Governance Code, the remuneration for the members of the Supervisory Board is not dependent on the results of the company and does not include any shares (or rights to shares). Members of the Supervisory Board must refrain from short-term transactions in Philips securities. The company does not grant personal loans to members of the Supervisory Board.

Other fees and reimbursements

Attendance fees, entitlement to Philips product arrangements and fixed net expense allowances are as follows:

| Fee and reimbursement type (amounts in EUR) | Chair | All members |
|---|------------------------|-------------|
| Attendance fee per inter-European trip | 2,750 | 2,750 |
| Attendance fee per intercontinental trip | 7,500 | 7,500 |
| Entitlement to Philips product arrangement | 2,000 | 2,000 |
| Annual fixed net expense allowance | 11,345 | 2,269 |
| Other travel expenses | As reasonably incurred | |

Additional arrangements

The members of the Supervisory Board benefit from coverage under the company's Directors and Officers (D&O) liability insurance.

Ad-hoc committee

When the activities of the Supervisory Board or other circumstances so require, the Supervisory Board may establish an ad hoc committee formed from among its members and assign certain tasks to such committee. In such event, the Supervisory Board may determine additional fees to be paid to the members of the ad hoc committee, provided that such fees shall not exceed the fee levels of each of the current Committees of the Supervisory Board (other than the Audit Committee).

Annex

Explanatory note to item 6 on the agenda for the Annual General Meeting of Shareholders held on May 8, 2026.

Remuneration of the Supervisory Board

Under item 6, it is proposed to adopt the amended 2026 Remuneration Policy for the Supervisory Board. This explanatory note describes the process we followed, how we engaged with our stakeholders and the main changes following from the proposal. The explanation is incorporated by reference into the proposed 2026 Remuneration Policy, which has been published on our website, and constitutes an integral part of the proposal.

Subject to the adoption by the General Meeting of Shareholders, the 2026 Remuneration Policy will have retroactive effect for the full year 2026 and will replace the 2024 Remuneration Policy for the Supervisory Board. The proposal is made in compliance with the Dutch statutory requirement that a company's remuneration policy be adopted by the company's General Meeting of Shareholders at least once every four years.

The proposed 2026 Remuneration Policy has been prepared by the Remuneration Committee. Starting December 2025, the Chair of the Remuneration Committee engaged with stakeholders to solicit their feedback on, and support for the proposals. We generally received positive feedback from the stakeholders that were consulted during these preparatory engagements. The Supervisory Board highly values and appreciates the views that are shared by its stakeholders.

Main changes to the Remuneration Policy for the Supervisory Board

The fee levels in the current Remuneration Policy for the Supervisory Board have been set in 2024. The Supervisory Board's continuous succession planning requires fee levels that enable us to compete in the global market. For that reason, the Supervisory Board proposes to increase its fee levels to grow towards the median fee levels as observed in the Quantum Peer Group. For this purpose, the proposal includes a two-step increase, the first taking effect for the full year 2026 and the second becoming effective in 2027, as further detailed in the table included in the proposed 2026 Remuneration Policy.

Compared to the current levels, the proposed fees will reflect an incremental increase of 7% per year in 2026 and 2027. Given the objective to remunerate close to market median levels, the Vice-Chair and Member fees will increase with 7% in 2026 only and will not be further increased in 2027.

The proposed attendance fees related to intercontinental travel have also increased compared to the previous fee levels. Entitlement to Philips product arrangements and fixed net expense allowances remain unchanged.

The proposed higher fee levels support the objectives set forth in the proposed 2026 Remuneration Policy, as they are meant to accommodate attracting and retaining Supervisory Board members internationally, of the highest caliber and with experience and expertise relevant to our health technology businesses. As a health technology company, we are active in complex technology areas which requires knowledge and experience that is in limited supply and requires a global approach to resource.

The prevalence of Philips to hire globally is reflected in the composition of the Supervisory Board, which currently consists of eleven members with seven nationalities (nine of them being non-Dutch).

Furthermore, based on the specific role requirements of Supervisory Board members and the experiences of our current members who also sit on single and dual-tier boards of other companies, we believe the recruitment market is the same for single and dual tier directors. This is also recognized by governance rules and limitations on single and dual tier board memberships in various countries, which do not distinguish between the two board structure types.

The proposed 2026 Remuneration Policy includes the Supervisory Board's intention to review the fee levels in principle every two years to monitor and take account of market developments and manage expectations from our key stakeholders. In these reviews we will in principle apply a consistent approach using the same Quantum Peer Group for our Supervisory Board as is used for the Board of Management.

In accordance with the Dutch Corporate Governance Code, we have maintained the explicit provision that the remuneration for the members of the Supervisory Board is not dependent on the results of the company and does not include any shares (or rights to shares). However, it is noted that members of the Supervisory Board are nevertheless encouraged to hold shares in the company for the purpose of long-term investment to reflect their confidence in the future course of the company.

