

Diversity Policy for the Supervisory Board, the Board of Management and the Executive Committee

Introduction

Headquartered in the Netherlands, Koninklijke Philips N.V. (including its group companies, “Philips” or the “Company”) is a leader in diagnostic imaging, image-guided therapy, patient monitoring and health informatics, as well as in consumer health and home care. On the date of adoption of this Diversity Policy, Philips’ health technology portfolio employs approximately 73,000 employees with sales and services in more than 100 countries.

The Supervisory Board acknowledges the Company’s strategic priority to increase the diversity of its workforce to mirror its stakeholders and markets, which will positively impact Philips’ business performance in all countries it operates in. In line with this priority, and in accordance with the Dutch Corporate Governance Code, the Supervisory Board approved this Diversity Policy to also promote diversity at board level.

Policy Statement

The criteria in this Diversity Policy aim to ensure that the Supervisory Board, the Board of Management and the Executive Committee have a sufficient diversity of views and the expertise needed for a good understanding of current affairs and longer-term risks and opportunities related to the Company’s business. The nature and complexity of the Company’s business is taken into account when assessing optimal board diversity, as well as the social and environmental context in which the Company operates.

The selection of candidates for appointment to the Supervisory Board, the Board of Management and the Executive Committee will be based on merit. It is also noted that the Executive Committee comprises of the members of the Board of Management and certain senior officers supporting the Board of Management in the fulfilment of its managerial duties. With due regard to the above, the Company shall seek to fill vacancies by considering candidates that bring a diversity of (amongst others) age, gender and educational and professional backgrounds.

The Supervisory Board’s aim is that the Board of Management and the Executive Committee comprise members with different nationalities and (cultural) backgrounds, working experiences or otherwise diverse qualities, and that at least one-third of their respective members are women and at least one-third are men.

The Supervisory Board's composition follows the profile as included in the Rules of Procedure of the Supervisory Board, which aims for an appropriate combination of knowledge and experience among its members encompassing general management, international business, environmental, social and governance (ESG) and sustainability, (consumer) health and medical technology, patient safety, quality & regulatory and product development, finance and accounting, human resources, manufacturing and supply chain, information technology and digital, marketing, and governmental and public affairs, all in relation to the global character of Philips' businesses. The Supervisory Board also aims for having members with different nationalities and (cultural) backgrounds, working experiences or otherwise diverse qualities, as well as one or more members with an executive or similar position in business or society no longer than 5 years ago. The Supervisory Board shall meet the gender quota, in accordance with Dutch law, requiring that at least one-third of the supervisory board members are women and at least one-third are men.

The composition of the Supervisory Board shall be in accordance with the best practice provisions on independence of the Dutch Corporate Governance Code and each member of the Supervisory Board shall be capable of assessing the broad outline of the overall policy of the Company. The size of the Supervisory Board may vary as considered appropriate to support its profile.

Review and updates

The Corporate Governance and Nomination & Selection Committee of the Supervisory Board will periodically discuss this Diversity Policy and agree on relevant measurable objectives for promoting diversity, and will make recommendations for consideration and approval by the Supervisory Board if and when necessary.

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