

The Philips logo, consisting of the word "PHILIPS" in a bold, blue, sans-serif font, is positioned on a white background within a square graphic that has a blue gradient at the bottom.

Policy

Human Rights Policy

February 2018

Our vision

At Philips, we strive to make the world healthier and more sustainable through innovation. Our goal is to improve the lives of 3 billion people a year by 2025. The advancement of personalized, affordable and inclusive care – underpinned by respect for and promotion of human rights – is central to this vision.

Our commitment to human rights

Our General Business Principles (GBP) express our support and respect for human rights as set out in the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. In this, we follow the guidance given in the OECD Guidelines for Multinational Enterprises.

Our 'Healthy people, sustainable planet' program reflects our commitment to the promotion of human rights through the United Nations' Sustainable Development Goals, especially those to ensure healthy lives and promote well-being for all at all ages (SDG 3), and to ensure sustainable consumption and production patterns (SDG 12).

Philips has been a signatory to the UN Global Compact since 2007.

Our engagement

We continuously strive to ensure that our activities do not cause or contribute to the infringement of human rights.

We have strict environmental and social standards that help promote an inclusive workplace where all employees can feel valued and respected, with safe and healthy working conditions. We recognize and respect the freedom of our employees to associate with any employee organization of their own choosing under local law without fear of reprisal, intimidation or harassment and, where employees are represented by a legally recognized union, we establish a constructive dialogue and engage in negotiations or consultation as required with their freely chosen representatives. To this end, we conduct regular self-assessments related to several human rights issues in order to better embed our Phillips policies in our operations.

Long-term strategic partnerships enable us to find the answers to the challenges our customers, and society at large, are facing. As a basis for cooperation, we hold our business partners to similar standards as we hold ourselves and therefore we award business to partners who are committed to acting fairly and with integrity, observing applicable laws, and respecting human rights.

We believe that our presence even in countries where encouragement of human rights might be not fully embraced holds the greatest promise of promoting human rights, especially in the medium- and long-term. Engagement with local stakeholder groups is instrumental for using our company's leverage to respect human rights and undertake appropriate due diligence to minimize human rights risk.

Due diligence

Consistent with our commitment to sustainable development, we do all that is reasonable and practicable to minimize any adverse effects of our activities. We intend to perform regular human rights impact assessments as part of an overall human rights due-diligence process and this will allow us to prevent or mitigate any potential adverse impact encountered. These assessments will be especially relevant in those countries in which we operate, with a particularly high, systemic risk of human rights abuses.

We further intend to maintain a continuous engagement with our business partners, governments, expert (non-)governmental organizations and other stakeholders to exchange information, but also to explore potential partnerships in addressing shared challenges in the promotion of human rights.

Remediation and reporting

Our GBP reporting policy and underlying grievance mechanism enables our stakeholders to inform Philips of any human rights concerns they may have in order to allow Philips to take appropriate corrective action. The same is required of our business partners.

In our drive for continuous improvement, we will track and publicly report on progress on an annual basis as input to our dialogues with our internal and external stakeholders who are or could potentially be affected by our actions.

Valid till 31 December 2020.



Version: SUS-058 version 1, February 2018

Policy owner: Robert Metzke

Policy approver: Ronald de Jong

Royal Philips (Koninklijke Philips N.V.)

www.philips.com