

Reporting 3.0

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Current landscape

- ❑ Increasing focus on long term valuecreation in business strategies
- ❑ More appetite and support from CEOs
- ❑ More attention in corporate governance codes
- ❑ More attention in risk management
- ❑ Slow appetite for the changing role of the CFO
- ❑ Better connection management reporting and external reporting
- ❑ Increasing quantification of the societal impact

Mission aimed at value creation



Improve the quality of people's lives through technology-enabled meaningful innovations – as co-creator and strategic partner for the Philips businesses and complementary open innovation ecosystem participants.



Bright Science. Brighter Living™



To make sustainable living commonplace. We believe this is the best long-term way for our business to grow.

Where are investors?

EY investor survey 2017

Investors surveyed echo the recent calls for greater CEO and board accountability

92%



Believe over the long term, ESG issues – ranging from climate change to diversity to board effectiveness – have real and quantifiable impacts

89%



Agree that generating sustainable returns over time requires a sharper focus not only on governance, but also on environmental and social factors

82%



View environmental and social issues offer both risks and opportunities, but for too long, companies have not considered them core to their business

92%



Feel public company CEOs should lay out an explicit strategy each year for long-term value creation and directly affirm the company's board has reviewed it

EY investor survey 2017 cont'd

Top three reasons investors would immediately rule out an investment

Risk of or history of poor governance



39%

Human rights risk from operations



32%

Limited verification of data and claims



20%

Top three reasons for investors to reconsider an investment

76%



Risk of or history of poor environmental performance

75%



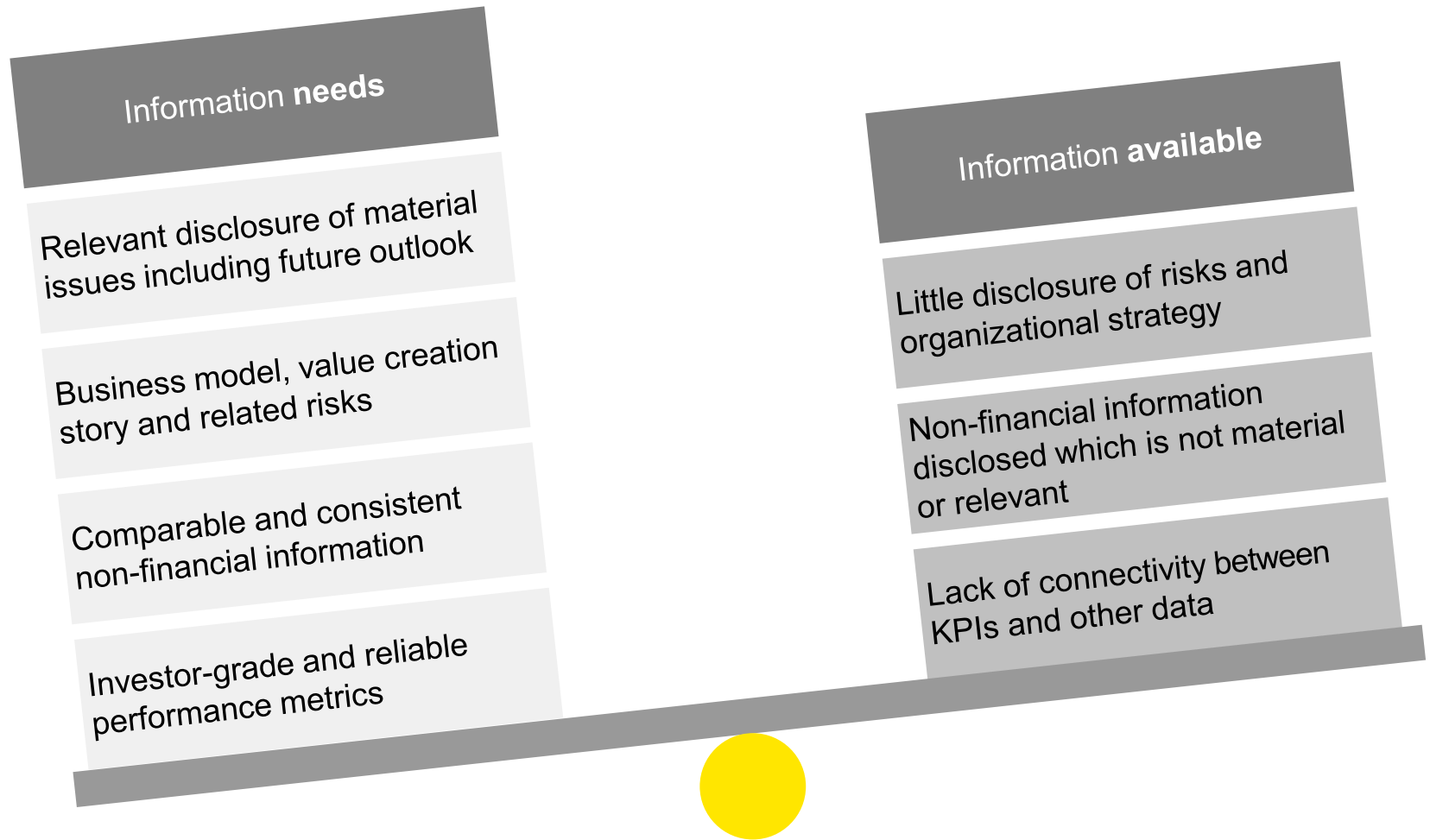
Risk from resource scarcity

71%



Risk from climate change

Information gaps that need to be resolved



Thank you