

# Environmental policy

The Philips Global Environmental Policy is a core operating element for the operations of the entire Philips organization. Since 1970 the Board of Management of Philips Electronics has formulated several guidelines for environmental performance. A general environmental policy was issued in 1987 and updated in 1991. The Philips Global Environmental Policy is a living document – it is part of the fabric of the organization and is reviewed and updated to meet the needs of our stakeholder and the environment.

## Philosophy

Philips believes that sustainable development is one of the most challenging issues facing the world. The company is committed to continuously exploring solutions to successfully balance economy and ecology.

## Basic principles

**Sustainable development** – finding the optimal balance between ecological impact and economical growth.

**Prevention is better than cure** – avoiding problems at the outset.

**Life cycle approach** – from raw materials, to manufacturing, to use and disposal.

**Cooperation** – with governmental and non-governmental organizations.

## Policy

- Philips establishes technically and economically viable objectives to optimize the environmental performance of the organization's products, services and activities.
  - Product development objectives include evaluating the environmental impact over the total life cycle of a product, taking steps toward more efficient use of materials, including packaging; reducing or eliminating hazardous substances; reducing energy consumption; and contributing to improving recycling and disposal.
  - Manufacturing objectives include environmentally related aspects of Philips activities such as emissions into air and water; use of energy and water; and waste disposal.
- Philips establishes and maintains environmental management systems and audits them by means of a systematic, documented verification process to ensure continuous improvement.
- Philips is committed to complying with all applicable laws and regulations, and will promote international harmonization of applicable laws and regulations, and is prepared to enter into voluntary agreements.
- Philips communicates its environmental policy to employees and other stakeholders, and publishes its results in environmental reports.
- Philips educates its employees to work within its environmental policy.