



Sustainability Accounting Standards Board (SASB)

Metric	SASB Code	GRI Content Index 2020	More information
Affordability & Pricing			
Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index	HC-MS-240a.1		Philips Group weighted average net prices dropped by 1.1% in 2020 vs. 2019, broadly in line with the variance seen prior years. Since most of the portfolio is highly configurable & specialized healthcare solutions, the CPI index published by the US Bureau of Labor Statistics is not a valid benchmark.
Description of how price information for each product is disclosed to customers or to their agents	HC-MS-240a.2		For our Health Systems portfolio, List Prices and Target Prices are reviewed annually. For indirect sales, List Prices are communicated to dealers and distributors on a recurring basis. For direct sales, Target Prices are used as a basis to prepare quotations that are communicated to customers on a deal-by-deal basis. For our Personal Health portfolio, price reviews and communication take place more often than annually.
Product Safety			
Number of recalls issued, total units recalled	HC-MS-250a.1		Details on recalls issued are available in the website of the regulatory agencies in the respective countries we operate in. We have significantly increased investments in and enhancements to the Philips Quality Management system, as well as launched systemic, ongoing quality campaigns and initiatives across all businesses and markets.
List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	HC-MS-250a.2		We report all necessary data as required by the FDA. This information is available here
Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	HC-MS-250a.3		We report all necessary data as required by the FDA. This information is available here
Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	HC-MS-250a.4		During 2020, there were no new enforcement actions taken in response to cGMP violations.
Ethical Marketing			
Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	HC-MS-270a.1	417-3	
Description of code of ethics governing promotion of off-label use of products	HC-MS-270a.2	417; 417-1; 417-2; 417-3	
Product Design & Lifecycle Management (PDLM)			
Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	HC-MS-410a.1	302; 302-5; 305; 308-2	See section 5.3 – Environmental performance See our methodology for our Environmental P&L
Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	HC-MS-410a.2	Own indicator (Circular economy)	See section 13.3.1 Environmental statements – Circular Economy (page 253)
Supply Chain Management			
Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	HC-MS-430a.1	204; 308-1	See section 13.4.7 Social statements – Supplier indicators (page 263)
Description of efforts to maintain traceability within the distribution chain	HC-MS-430a.2		All of our medical devices, components, and accessories contain Unique Device Identifiers (UDIs) used for traceability through SAP or other ERP systems. In addition see section 13.1.1 Circular Economy (page 251) and section 13.4.7 Sustainability statements – Responsible sourcing of minerals (page 265); Conflict minerals report
Description of the management of risks associated with the use of critical materials	HC-MS-430a.3	102-15	See section 13.4.7 Social statements – Supplier indicators – “Responsible Sourcing of Minerals” (page 265)
Business Ethics			
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	HC-MS-510a.1		See section 10.9.15 Group Financial statements – Public investigations (page 185)
Description of code of ethics governing interactions with health care professionals	HC-MS-510a.2	102-16	Sunshine Act