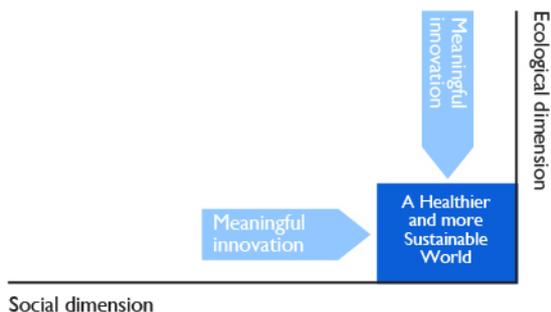


The social and ecological dimensions of Quality of Life

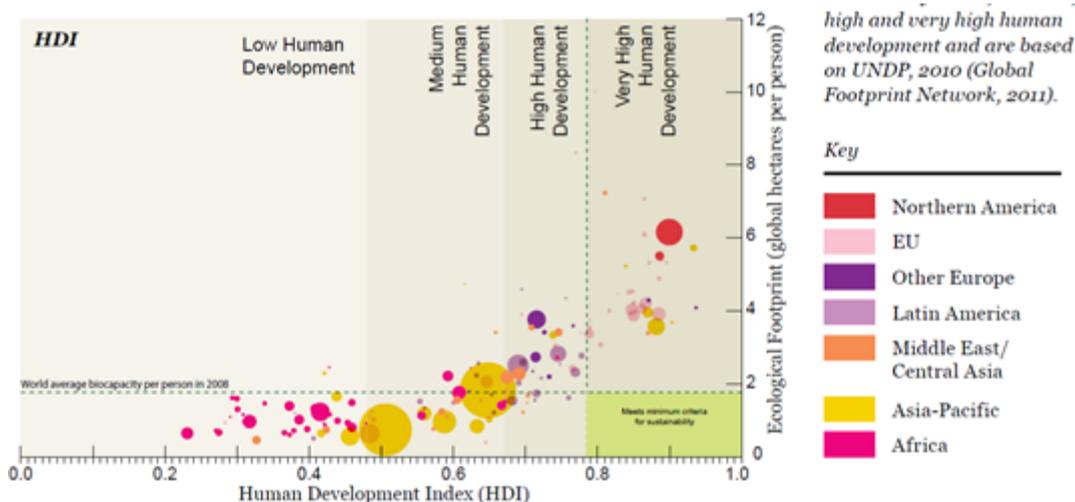
Philips Mission is to improve quality of people's lives through meaningful innovation. This is made more explicit in the Philips Vision to strive for a healthier and more sustainable world through innovation. The goal is to improve the lives of 3 billion people a year by 2025.

In the Philips Vision, 'healthier' and 'more sustainable' are the social and ecological dimensions of improving people's lives.

Lives improved dimensions



These two dimensions is illustrated in more detail by a graph from the World Wildlife Fund, where the human development index (social dimension) is plotted against the ecological footprint (ecological dimension)



Source: WWF Living Planet Report 2012

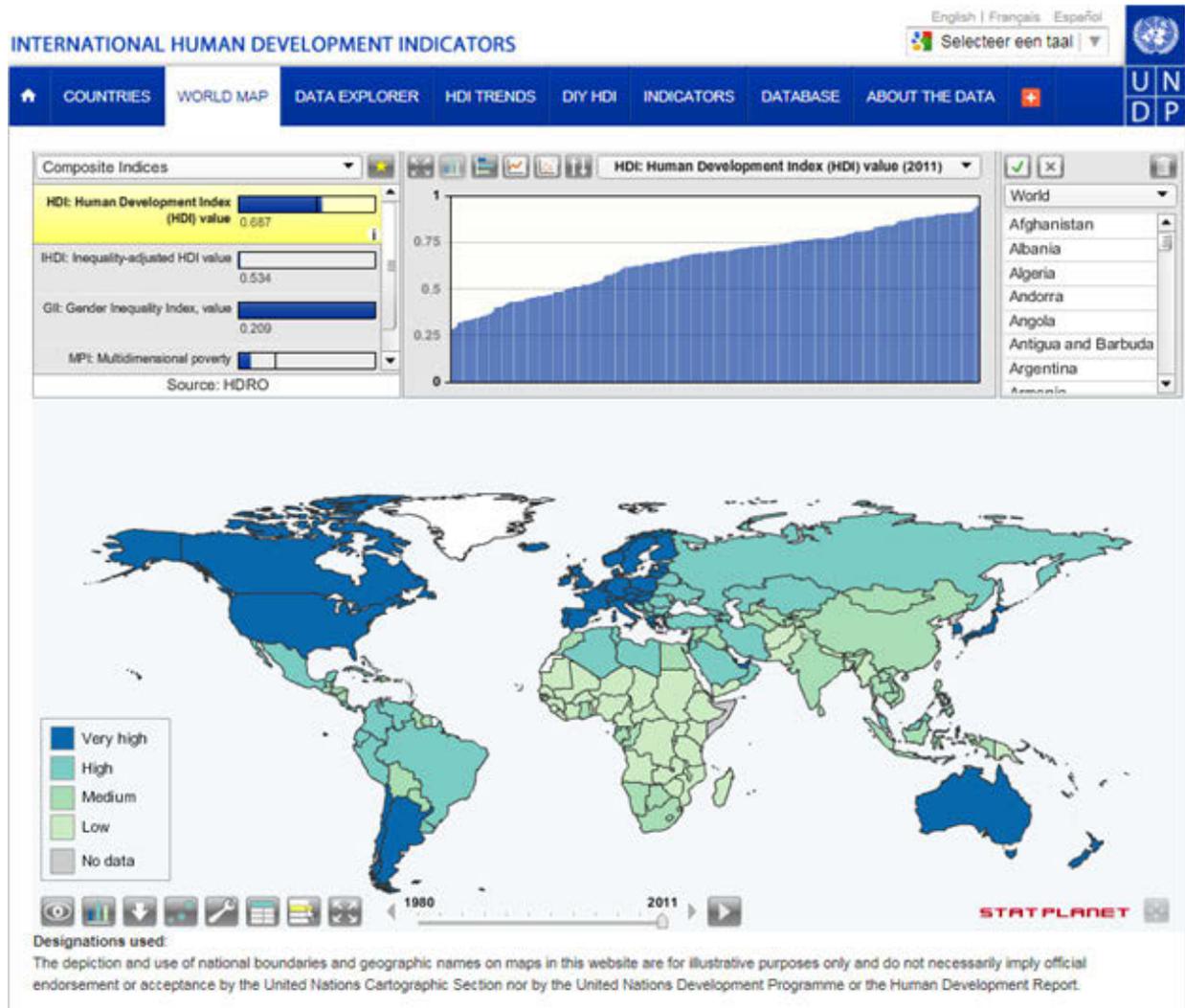
Social Dimension (Human Development Index)

The Human Development Index (HDI) is a tool developed by the United Nations Development Program (UNDP) to express the level of human development in a country and is reported on a yearly base.

The HDI combines three dimensions:

- A long and healthy life
- Access to knowledge
- Standard of living

More information can be found on www.hdr.undp.org



Ecological Dimension (Ecological Footprint)

The ecological footprint measures in hectares how much land and water area a human population requires to produce the resources it consumes and to absorb its waste, using prevailing technology. More information can be found on www.footprintnetwork.org

The screenshot shows the website's navigation structure with tabs for ABOUT US, FOOTPRINT BASICS, FOOTPRINT SCIENCE, PARTNERSHIPS, and RESOURCES. The main content area is titled 'World Footprint' and includes a sidebar with a list of sections like 'Introduction', 'Overview', and 'World Footprint'. The main text discusses the current state of humanity's ecological footprint, stating it is equivalent to 1.5 planets. A line graph shows the historical trend from 1960 to 2008 and two future scenarios for 2008-2050: 'Moderate business-as-usual' and 'Rapid reduction'. The graph shows a steady increase in the ecological footprint over time, with the 'Moderate business-as-usual' scenario reaching nearly 3.0 planets by 2050, while the 'Rapid reduction' scenario stays below 1.8 planets.

The sustainability challenge for mankind is to derive a high standard of living (HDI >0.8) for all people on earth (>9 billion in 2050) within the boundaries of our ecosystems (footprint <1.8 hectares per person). This is also reflected in the Vision 2050 document of the World Business Council for Sustainable Development (WBCSD), of which Philips has been a member since 1993. More info on the WBCSD and this report can be found at www.wbcsd.org