

Annual Report 2020

Sustainability highlights

Making the world healthier and more sustainable

In 2020, we made further advances in the focal areas of access to care, circular economy and climate action, taking us closer to our goal of improving the lives of 2.5 billion people a year by 2030, including 400 million in underserved communities.

Climate action

- Philips, Heineken, Signify and Nouryon formed a [consortium](#) and closed the first pan-European virtual Power Purchase Agreement to source renewable electricity from the Mutkalampi windfarm in Finland, which will become operational in 2023.
- For the eighth year running, Philips has been placed on the [CDP Climate Change A List](#). We have been recognized for our actions during the last reporting year to reduce emissions, mitigate climate risks and develop the low-carbon economy. [Read more](#).

Circular economy

- Revenues from Circular Products and Solutions increased to 15% (13% in 2019).
- Together with 50 global leaders, Philips CEO Frans van Houten signed a pledge to build back a better future, accelerating the transition to a circular economy — creating solutions that combine economic opportunity with benefits to wider society and the environment.
- Philips set an environmental milestone with the launch of the Viva Café Eco coffee machine, our first product to have all the visible plastic parts and non-food-contact parts made from recycled materials.

Access to care

- In an example of ecosystem collaboration and technology improving access and quality of care, Philips' Connected Primary Care Solutions team in Kenya collaborated with Amref University and Philips Foundation to strengthen caregiver capacity by training midwives on the use of the Philips Lumify handheld ultrasound device.
- Philips launched an innovative tele-ultrasound collaboration solution powered by Reacts technology to 16 customers in the US and Canada. Verified by a clinical study in rural New Mexico, this solution allowed routine exams on patients of a perinatal clinic to be performed remotely, improving access to care by avoiding travel of up to 100 km for an economically underprivileged population.

Other highlights

- At the 75th anniversary of the United Nations General Assembly, Philips underlined its commitment to [actively engage and partner with stakeholders and other companies](#) to help achieve UN Sustainable Development Goals 3, 12 and 13.
- Revenues from Green Products and Solutions advanced to 71% of total revenues (67% in 2019).
- Philips continued its [top ranking](#) in the Dow Jones Sustainability Indices as it received the maximum scores (100/100) in several categories, including health outcome contribution, environmental reporting, climate strategy, and social reporting categories. [Read more](#).
- The Wall Street Journal (WSJ) announced Philips as [the world's second most sustainably managed company](#). Its listing of 'The 100 Most Sustainably Managed Companies in the World' was compiled from a survey of more than 5,500 publicly traded businesses, based on various sustainability metrics and an analysis of media coverage. [Read more](#).

