



Sustainability Report 2023

Sustainable Solutions & Sustainable Impact

Leadership

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Message from the CEO

World events increase the relevance of corporate sustainability and business responsibility.



Welcome to our 2023 Sustainability Report.

Naturally, as a global company, we are all too readily affected by world events, not least by the direct impact on our colleagues, friends and family. While we offer our direct support, help and thoughts to everyone caught in such terrible situations, I personally believe it is more relevant and essential than ever for our organisation to continue along its planned path towards a responsible and sustainable future. Much of the good work that started back in 2020 continues and we remain publicly committed to our vision of a truly sustainable business.

We have also extended the scope of existing projects and have actively added new ones including our direct involvement with three new initiatives – the Responsible Business Alliance (RBA), the International Tin Association (ITSCI) and the Corporate Sustainability Reporting Directive.

TPV became a member of the RBA at the beginning of 2023 and a member of ITSCI in February that year. ITSCI is an award-winning multi-stakeholder programme, currently focused on central Africa and committed to bringing better governance, human rights and stability to mineral supply chains. The Corporate Sustainability Reporting Directive (CSRD) is a new EU directive that entered into force in January 2023 and updates, modernises and strengthens the existing rules concerning the social and environmental information that companies include in their reports. Our parent holding company will implement a Consolidated Sustainability Report for the Group, including all EU and non-EU subsidiaries, by January 1st 2026 – covering the 2025 financial year.

In 2022 we set new targets for sustainable packaging with a plan to remove all plastic and Styrofoam. Much progress has been made and new more aggressive targets have been set including the removal of almost all plastic from audio products' packaging, and all TV packing needs to be 100% reusable, recyclable or compostable, both by the end of 2024.

As promised, we are already on course for our TVs to contain on average over 25% post-industrial/post-consumer recycled plastics by the end of 2023 with a target to increase that content to an average of 28% by the end of 2024.

Sustainability is also a key hallmark of a new 2023 TP Vision programme for a new range of AOC branded sound products. The first three speakers introduced already include 70% recycled plastics and are all particularly robust with an easy clean metal mesh to guarantee long-life performance and ownership. All three products are supplied in eco-friendly packaging using single colour water-based ink.

Our growing TPV Cares programme continues to actively engage and support a large number of NGO's globally by offering a variety of volunteer, financial and in-kind support and has had notable successes in 2023 with Mercy Ships, KLABU, the Red Cross Netherlands, Wings for Life World Run, and the Explorers Foundation.

I'm sure you will join me in hoping that the general global outlook will greatly improve over the next 12 months. We can only play our small part by offering a total commitment to sustainability and responsibility at the very core of all parts of our business.

Kostas Vouzas
CEO TP Vision (Philips TV & Sound)
Europe & Americas



2023 Highlights

2023 Highlights

RBA

TPV has been a member of the RBA (Responsible Business Alliance) since the start of 2023. The RBA is a non-profit comprised of leading companies committed to supporting the rights and well-being of workers and communities worldwide that are affected by global supply chains.



ITSCI

TPV has been a member of ITSCI (International Tin Association) since February 2023. It's an award-winning multi-stakeholder programme contributing to better governance, human rights and stability.



Red Cross Netherlands



We have started to support a Red Cross Netherlands project in the city of Tacloban in the Philippines. It includes the training and equipment

for over 350 Red Cross volunteers for risks assessment and disaster management, the construction of an evacuation centre, and the planting of more than 5,000 mangroves.

Trash Turtles

Specifically for the US market we have teamed up with Trash Turtles. Founded to 'Save the planet one piece of trash at a time' by an inspiring 10-year-old in February 2020, the initial goal for this organisation was to solve a problem on the local beach – trash being raked into the ocean.



Together for Cinema

In the UK, we have partnered with Together For Cinema CIC. They work with the AV industry to design and install home cinema rooms in children's hospices and other suitable locations across the UK. These rooms not only benefit the children and young adults, but also their families, caregivers, staff and volunteers.



TheRockinR

TPV Cares supports TheRockinR with products for the Medical Gaming Carts to help children and young people through the healing process as they undergo treatment and procedures in hospitals.



Our memberships and sustainability ratings

Our memberships and sustainability ratings

TP Vision is committed to supporting a range of international sustainability initiatives and measurement ratings that underpin our operations, ensure transparency, and track our progress.

Sustainability ratings



Bold environmental action must begin with an accurate, transparent assessment of environmental impact and progress, which CDP scoring makes possible.



Climate
Change



Water
Security



Supplier
Engagement



Our EcoVadis gold rating places us, as a part of TPV, within the top 5% of display manufacturing companies rated by EcoVadis across the World.



Memberships



We support the United Nations SDGs and remain committed to driving progress in our chosen key areas.



We are committed to the UNGC corporate responsibility initiative and its principles in the areas of human rights, labour, the environment and anti-corruption.



SCIENCE
BASED
TARGETS

We continue to support the SBTi, driving sustainable growth by setting ambitious, science-based emissions reduction targets.



We support and have joined the Responsible Minerals Initiative (RMI), helping to ensure positive contributions to social economic development globally.



Responsible Business Alliance

Advancing Sustainability Globally

The RBA is a non-profit comprised of leading companies committed to supporting the rights and well-being of workers and communities worldwide that are affected by global supply chains. RBA members commit and are held accountable to a common Code of Conduct and utilise a range of RBA training and due diligence tools to support continual improvement in the social, environmental and ethical performance of their supply chains.



ITSCI is an award-winning multi-stakeholder programme contributing to better governance, human rights and stability. ITSCI's purpose is to create responsible mineral supply chains that avoid contributing to conflict, human rights abuses, or other risks such as bribery, currently in central Africa.

Our commitment to the environment

Our commitment to the environment

There's no simple way to be able to instantly turn a commercial organisation into a sustainable one. Rather the route to sustainability is long, complex and requires the consistent commitment of all parts of a business – with each needing to contribute to the planning and implementation of an overall strategy.

TP Vision has already implemented a wide range of activities over the past two years to support the TPV Group's overall sustainability objective and one of the first projects that has been undertaken is the organisation's research into, and subsequent response to, the environmental impact of product packaging.



Developments of our televisions

TP Vision began the research into the overall carbon footprint of TV packaging back in 2021. This analysis focused on the entire life cycle of the packaging, from raw material extraction to final disposal. The first changes as a result of that analysis were introduced in 2022, with the company no longer producing full colour packaging, changing to brown boxes with white outlines in the shape of the product – with water-based inks plus limited coloured elements to distinguish each series globally.

In addition, LCD TVs below 43" screen size were introduced plus air buffers and paper pulp packaging instead of Styrofoam. The changes have already had a significant impact. When compared to the company's 2021 TV sets, the 2022 TV packaging has enjoyed a weight reduction of 16% and offers a CO2 reduction of 18% which – together with the optimisation of other materials and processes – has led to an overall operational reduction of 3,202 (3.202.000 KG) tons of CO2-eq. A reduction equivalent to the CO2 generated by 6,068 flights from Amsterdam to New York.

In 2023 TP Vision's consumer TVs packaging reached the next goal by using FSC-certified carton. This ensures that the packaging material is only sourced from responsibly managed forests.

Since 2021, the Philips TV EU range – including entry, mid-range and high-end models – has used post-consumer recycled (PCR) plastics in the manufacture of the sets' back covers, with the ratio of PCR plastics increasing each year. Currently – depending on the specific model – the back covers are manufactured with a PCR plastics content of between 30%-50%, with TP Vision committing to continually increasing the amount of PCR plastic in future products.



30–50%

Post-consumer recycled plastic in TV back covers

2021

the one



2022

the one



recycled cardboard

water-based ink

air buffers and paper pulp instead of Styrofoam inside the LCD TV boxes below 43" screen size

16%
weight reduction

18%
CO₂ reduction

Developments of our headphones

TP Vision has undertaken similar research and analysis of the company's headphone packaging. The company introduced a number of changes in 2022 including the phasing out of virgin plastics, adding 90/100% recycled cardboard – with inner trays switched to paper pulp/cartons – and reducing the overall volume of packaging to downsize boxes by approximately 40%. Full colour boxes were also changed to brown boxes with colour print sleeves.

In the specific case of two 2021 headphones models – the TAA7306 and TAA6606 – in comparison with their 2022 successors – the TAA7507 and TAA7607 – the project resulted in a weight reduction of 43% and a CO₂-reduction of 72%.



43% ↓
Weight reduction

72% ↓
Emission reduction

up to **100%**
Recycled cardboard

plastic euro-lock

full colour print, not recyclable cardboard

2021



euro-lock made from cardboard or recycled plastic for heavier products

inner trays only consisting of paper pulp/carton

recycled cardboard

2022



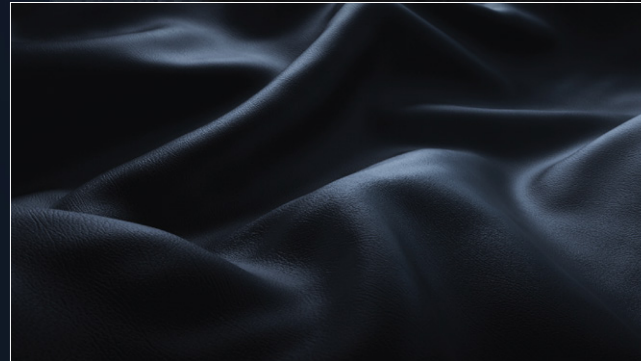
approx. **40%**
downsized

Sustainable partnerships

TP Vision has a long history of partnering with specialist European based companies such as Muirhead and Kvadrat with sustainability as a key factor in establishing those relationships.

Products containing leather elements, such as remote controls and headphones, are developed in partnership with Muirhead – who manufacture environmentally low impact leather for prestigious global brands in the premium and luxury goods sectors. Muirhead's long-term commitment to responsible and sustainable manufacturing has been driven by a series of forward-thinking initiatives such as their Thermal Energy and Water Treatment & Recycling plants, enabling Muirhead to manufacture the world's lowest carbon intensity leather, measured at just 1.1kg of CO₂ per hide.

TP Vision's collaboration with Kvadrat is focused on the company's specialist wool and polyester products. Kvadrat has its own production site in the UK for wool weaving with the woollen textile supplied to TP Vision earning an EU Ecolabel certification. Wool is a natural, regenerative resource with a long lifespan, and is also naturally stain-resistant and flame-retardant, so chemical treatment is not necessary. Waste fibres from the production process are also, wherever possible, gathered and recycled.



Spare parts & Logistics

All companies selling TVs, among other products, in the European Union will need to ensure that those appliances can be repaired for up to ten years to help reduce electrical waste. The 'right to repair', as it is sometimes called, is part of a broader effort to cut the environmental footprint of manufactured goods by making them more durable and energy efficient. In support of this initiative, TP Vision launched an online spare parts web shop in March 2021.

TP Vision has also centralised multiple TV and audio warehousing into the one facility in Gorzow, Poland. All stock of products for European markets is now distributed from the one central location that is conveniently placed for the European motorway network, greatly increasing the speed and efficiency of deliveries.

The company has also invested in advance logistics planning to ensure that shipments from the TP Vision factories in China are made by sea rather than rail. The result is that in 2023, shipments by sea rose to 93% from 60% in 2022, with product movements by train falling from 40% to just 7% in the same period.



40%
7%



60%
93%



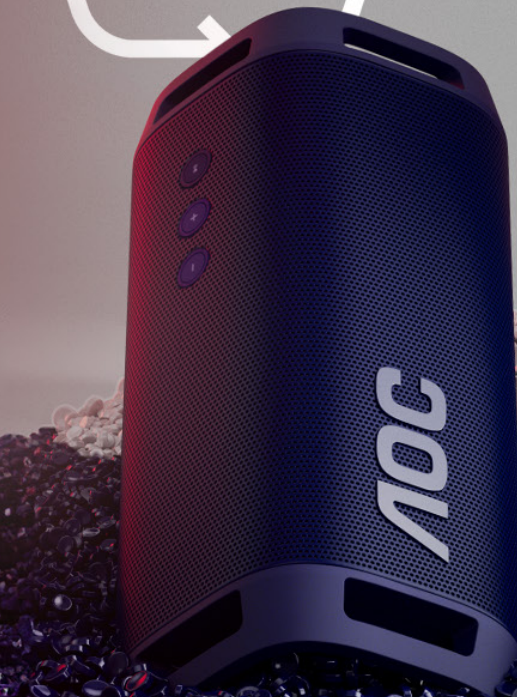
AOC Sound

TP Vision has launched its AOC Sound products – designed in partnership with TPV Group company AOC. The new AOC range will initially focus on three portable wireless models each offering an extra wide but authentic and detailed stereo sound from a single speaker – calling on the input of TP Vision’s award-winning in-house team and its proven, award-winning expertise in design, sound quality, product engineering and manufacturing.

“Sustainability will also be a key hallmark of all AOC Sound products. The first three speakers include 70% recycled plastics and are all particularly robust with an easy-clean metal mesh to guarantee long-life performance and ownership. SPEAKER O1 and SPEAKER O2 are IPX67 water and dust-proof for extra durability, SPEAKER O3 is IPX4 splash-proof, and all three products are supplied in eco-friendly packaging using single colour soy-based ink.”

Adam Rusztecki

Product Manager Audio



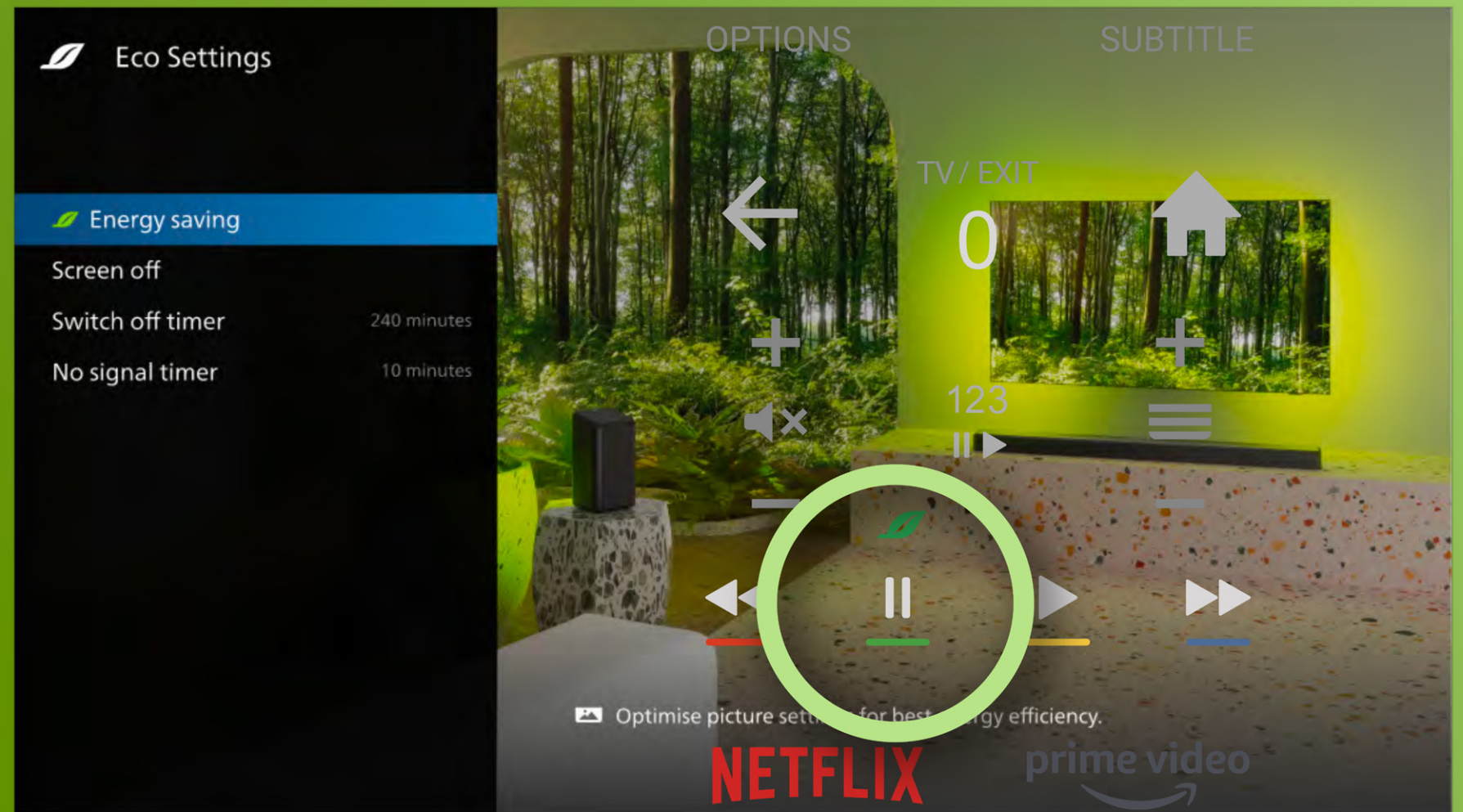
Green button on remote controls

One of the new features on the remote controls of our televisions is a 'green button' that will be implemented in all European regions. A long press key, indicated by the green leaf, will lead the user to the Eco menu to receive recommendations for lower power consumption. This will not only lead to a better and more personal user experience, but also leads to a more conscious way of watching television and saving some energy. For all of our remote controls we will use 85% post-consumer recycled plastics from 2024.

"The Philips TVs had loads of eco functionalities which were spread in the user interface. To help the users to be more responsible we decided to aggregate all of those functionalities into one menu, directly accessible from the remote. By taking this action we aim to help consumers to easily reduce the power used by their TVs."

Nicolas Babled

Head of Innovation and Development



Solar powered headphones

In order to manufacture new and more sustainable products we teamed up with Exeger in 2023. Exeger is a Swedish tech company that developed its patented Powerfoyle™, specifically for consumer electronics. Together we developed the Philips headphones A7219 with self-charged solar cells which charges in all forms of light – a full charge can run up to 80 hours. In addition, the headphones are made with 35% of post-consumer recycled plastics.

“At TP Vision we put a lot of effort into making our headphones and packaging as sustainable as possible. We’re excited to be able to take the next step in 2024, and introduce the Philips headphones A7219 which comes with post-consumer recycled plastics and is solar powered through Powerfoyle™. At the same time as Powerfoyle™ is reducing electricity use, prolongs the product lifecycle and is produced in a sustainable way, it also answers a clear consumer need by heavily reducing the number of times you need to recharge your headphone.”

Jakob Axelsson

Product Manager Headphones



Our social investments



At TPV Europe we believe in the power of technology to create amazing and meaningful visual and sound experiences. Our products and our people are at the heart of all we do, and together we continuously explore meaningful ways to help people and communities reach their full potential – every single day.

TPV Cares is the home of our social and environmental impact initiatives. Powered by our business units AOC, MMD, PPDS and TP Vision, TPV Cares makes our visual and sound experience products – as well as financial and volunteer support – available to deserving community projects.

Mission & Vision

It is TPV Cares' mission to help unlock the full potential of people and their communities, whether it's to facilitate state-of-the-art eLearning solutions direct to people or via fundraising in support of finding a cure for spinal cord injuries.

We want to help everyone to be able to get the most out of their situation in life and to help improve their health, well-being and education.

The projects we support are long term relationships with lasting impact. We support partners and initiatives that are intrinsically linked to our business, our products and our focus on the UN Sustainable Development Goals regarding Good Health & Well-being (SDG 3) and Quality Education (SDG 4). ➤

As our products evolve and become more sustainable over the coming years, TPV Cares may also in the future look into expanding its initiatives by contributing to the more environmentally-focused areas covered by the Responsible Consumption and Production (SDG 12) and Climate Action (SDG 13) Goals. With our global footprint we see great opportunity in supporting local initiatives on a worldwide scale. By 2027, TPV Cares aims to have further strengthened and expanded its initiatives, contributing to the UN's Sustainable Development Goals via our products, our financial support and our people.

Our aim is to encourage 80% of our team to actively support, or to have had the opportunity to support, a local initiative through volunteer work.

- **CUFA**
 - **Eye Care Foundation**
 - **ITSCI**
 - **KLABU**
 - **Mercy Ships**
 - **Pact**
 - **Red Cross Netherlands**
 - **The Explorers Foundation**
 - **TheRockinR**
 - **Together for Cinema**
 - **Trash Turtles**
 - **Wings for Life World Run**
- | |
|--------------------------|
| Sao Paulo |
| Vietnam, Suriname |
| Congo |
| Lesvos |
| Guinea, Senegal |
| Congo |
| Philippines |
| Honduras |
| United Kingdom & Ireland |
| United Kingdom |
| United States |
| Globally |



Wings for Life World Run

In 2022, TP Vision joined the Wings for Life World Run as the event's Global Headphones Partner.

Wings for Life is a not-for-profit foundation supporting research projects and clinical studies worldwide with the goal of finding a cure for spinal cord injury.

The Wings for Life World Run event has been held every year since 2014 with hundreds of thousands of people globally running on behalf of those who can't. >





- The 2023 event saw 206.728 (+27,7% compared to 2022) participants from 192 nations running in 246 event locations all around the world, raising an impressive 5,8 million euros for this cause.

TP Vision also actively participated in the run with its own team, called GO TPV Cares, of over 438 runners. We believe this partnership encompasses a perfect mix of social awareness and positive investment. Both TP Vision and the Wings for Life World Run share the common goal of encouraging a healthier life for all, at all ages. The 2024 Wings for Life World Run will take place on May 5.

For more information on the run please visit:
www.wingsforlifeworldrun.com

To know more about the important work of the Wings for Life Foundation, please check their website. <https://www.wingsforlife.com/uk/>



TheRockinR

TheRockinR is a national charity which provides interactive Medical Gaming Carts to sick children and young people in hospitals throughout the United Kingdom & Ireland. In both research and practice gaming is increasingly being realised as a valuable resource for providing psychological and social support to children and young people with many medical conditions.

TheRockinR has witnessed first-hand the positive impact gaming can have on the emotional well-being of children and young people. Clinicians have expressed how Gaming Carts allow young people access to activities that remove them from the constraints and anxieties surrounding the hospital environment. TPV Cares supports TheRockinR and the Medical Gaming Carts help children and young people through the healing process as they undergo treatment and procedures in hospitals.



Red Cross

Each year the Philippines faces approximately 20 tropical typhoons that cause incredible damage and human suffering. The Red Cross helps the people in the Philippines when disaster strikes, but also takes steps to reduce their risks, protect themselves, and prepare for emergencies before disasters.

This year, we started to support a Red Cross Netherlands project in the city of Tacloban with such a preventive focus. The project aims to support approximately 30,000 people living in the target neighborhoods. It includes the training and provision of equipment for over 350 Red Cross volunteers for risks assessment and disaster management, the construction of an evacuation centre and the planting of more than 5,000 mangroves that retain clay and break waves, thus forming a natural coastal protection for the population.



We support
The Netherlands
Red Cross



Our governance

Our governance

Good corporate governance is embedded into our culture and behaviour, and involves all our employees as well as our suppliers.

TP Vision embraces the ESG (Environmental, Social, and Governance) principles that prioritise sustainability, ethical conduct, and transparency, and represents a commitment to responsible business practices that consider environmental impact and social responsibility alongside effective corporate governance. It aligns our business with global sustainability goals.

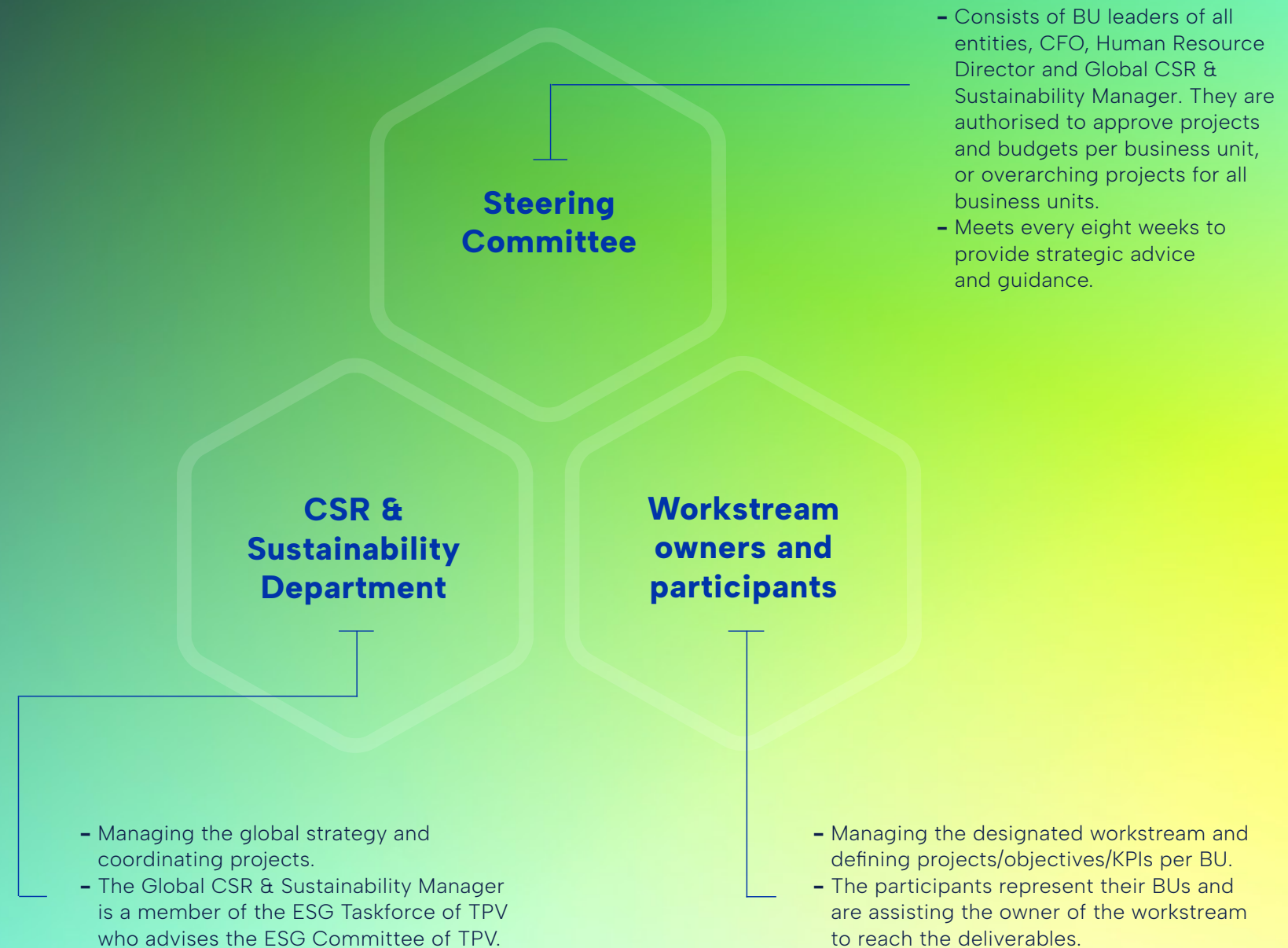
Our Anti-Corruption and Bribery Policy, fully compliant with national and international laws, and our commitment to data privacy, which embeds 'Privacy by Design' and is conveyed in regular training, contribute to these ethical business practices, ensuring transparency, accountability, and fairness in our operations. They combine with other important TP Vision policies to form a set of principles that guide the overall conduct of our business, and that of our partners. TP Vision has formulated ESG policies including a Code of Conduct for both employees and suppliers, a Human Rights Policy, an Environment Protection Policy, a Modern Slavery Statement, and a Conflict Minerals Report.



ESG Governance

For CSR and sustainability to result in significant change, it's necessary to have support at all levels in our organisation. Our Sustainability Steering Committee is represented by every part of our organisation and across each of the TPV business units.

Members of the Steering Committee are selected by their management team to represent their business unit. Together with workstream owners they discuss new projects and initiatives every eight weeks.



Anti-corruption and Bribery

TP Vision and its supply chain conducts its business in strict compliance with applicable laws and regulations, including national and international anti-bribery laws, and we expect the same from our business partners. Bribes are illegal payments or other types of compensation made to influence and gain profit from an individual, company or government official.

TP Vision and its employees shall not, and shall not attempt to, influence government policy or obtain or retain business or an advantage in the conduct of our business by offering or accepting illegal payments, bribes, kickbacks or other illegal methods.

Anti-bribery laws including national laws adopted pursuant to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the US Foreign Corrupt Practices Act and the UK Bribery Act 2010 prohibit, in general, the payment, offer or authorised gift of anything of value, either directly or through a third party to other persons or to government officials, political parties, politicians, or political candidates, public officers in state owned enterprises, officials of a public international organisation or holders of a legislative, administrative or judicial position of any kind with the intent to obtain or retain business, direct business to any person, obtain an improper business advantage or influence an official act or decision of such other person or government official.

These anti-bribery provisions apply not only to companies but also to individuals, such as employees. If an employee has actual knowledge of bribery, or if bribery is suspected, it is mandatory to report such information to TP Vision's independent compliance officer. The number of cases and reports regarding anti-corruption and bribery was zero in 2023.

Data Privacy

Data privacy is an important consideration in the workplace and when conducting a business. We respect customers' data privacy and their rights to the personal information gathered via our products and services. Data and privacy protection procedures are in place and communicated to our employees through regular trainings. All collected personal data is accessible only by authorised personnel and the data is handled in a confidential manner.

During the development of our products we use 'Privacy by Design' to limit the amount of personal data that is needed and to inform our customers about how their personal information is used. In May 2018, the General Data Protection Regulation (GDPR) was implemented in the EU. This is applicable for all companies that control and process personal information, which is subject to several requirements. These include having the right policies in place and entering data processing agreements with other organisations that process personal data on our behalf.

About this report



Reporting period and approach

Thank you for reading TP Vision's 2023 Sustainability Report. The report covers TP Vision's key activities and accomplishments during fiscal year 2023 related to the legal entities TP Vision Europe BV and TP Vision Holding from January 1 2023 until December 31 2023.

Keep up-to-date with TP Vision. Visit our website www.tpvision.com.

Feedback and contact

We are keen to improve the value of our reporting and therefore welcome comments on this document, and our sustainability information on the website. Please contact our Global CSR & Sustainability Director Stefan van Sabben stefan.vansabben@tpv-tech.com

Other ESG policies

- Code of Conduct
- Human Rights Policy
- CSR Supplier Code of Conduct
- Modern Slavery Statement
- Environment Protection Policy
- Conflict Minerals Report

You can access these policies [here](#).

TPVISION