

PHILIPS

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From Fleet to Mobility Management

Pim de Weerd
IMS Procurement

innovation  you

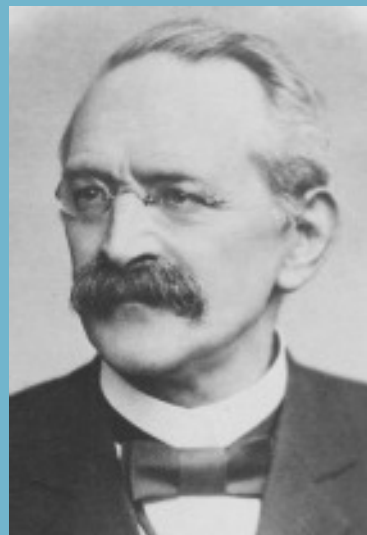




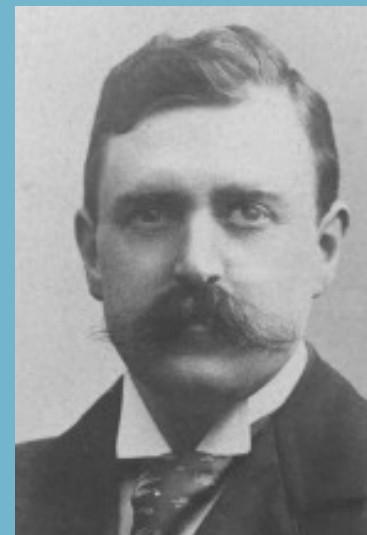
Philips, a born innovator

For over 128 years,
we have been
improving people's
lives with a steady
flow of ground-
breaking innovations

The founding fathers of Philips



Frederik



Gerard



Anton



We strive to make the world
healthier and more sustainable
through innovation

We're aiming to **improve the lives** of

3 billion

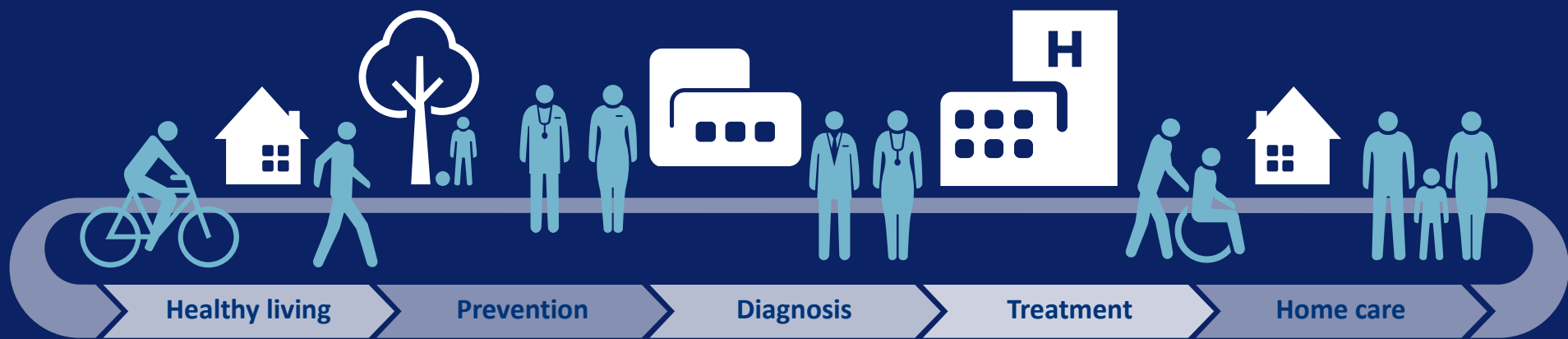
people a year

by 2030



Focused on customer needs

The health continuum is at the center of our strategy





We turn
possibilities
into **great
innovations**

EUR 1.9 billion
invested in R&D in 2019

1,015 new patents
filed in 2019

Approximately

1 out of 2

R&D personnel in software
and data science

64,500 patents

“Reflecting our commitment to the universally agreed United Nations’ Sustainable Development Goals, we continue to embed sustainability deeper into the way we do business.

We do this because of its benefits for society, and because we believe that it is a driver for economic growth.”

Frans van Houten, CEO Philips



Our action plan **supports the UN's global goals**

Make the world healthier and more sustainable through innovation
Improve the lives of 3 billion people a year by 2030

Healthy people, Sustainable planet

Health and well-being for all (SDG 3)

Sustainable consumption and production (SDG 12) Climate action (SDG 13)

Financially sustainable care

- Value-based care
- Prevention
- Move to digital
- From products to solutions

Access to care for the underserved

- Locally relevant innovations
- CLC roll-out
- Prove impact to local governments

Sustainable use of materials

- Circular product and service design
- Green portfolio
- Close loops
- No landfill

Sustainable use of energy

- Reduce emissions (logistics and travel)
- Energy efficiency
- Green electricity
- Carbon offsetting



Mobility Management

Anticipate on innovation and sustainability in the mobility industry



First in class mobility solutions



sustainable choices in mobility options



Increase **employee satisfaction**

Create opportunities for more **flexible, sustainable** and **cost efficient** mobility solutions.

Management of multimodal mobility solutions for ground transportation



11.890

98.192

64.490

123.289

Why transform from Fleet to Mobility Management?

Workforce of the future has different needs

More sustainable business travel by zero emission transport

Drive innovation with new mobility solutions

Simplify travel administration

Reduce Total Cost of Mobility with a budget approach



How to transform from Fleet to Mobility Management?

TEAM UP

SPONSOR

LOCAL

PILOT

PROJECT

House of Mobility NL



Purpose: To achieve a future-proof mobility proposition flexible to the needs of NL employees, based on an integral sustainable and cost-effective solution.

Scope: Mobility solutions on the ground

1. Aligned vision

Flexible to employee needs

1. From fleet management to full mobility management, enabling travel via optimal modality (car, sharing, public transport, bike, ride hailing etc)
2. Flexible to meet the needs of different (generations of) employees
3. Integral solution, easy to use and with less administrative workload
4. Increased employee satisfaction on mobility benefits

Sustainable

1. Philips wants to be a frontrunner in sustainability by reputation and CO₂ impact
2. Implement sustainable mobility - > practise what we preach
3. Zero emission fleet in NL by 2025

Cost-effective

1. Achieve the same or lower overall cost level
2. Achieve an optimal tax solution for Philips and employee

2. Prioritised objectives

Flexibility



Increase average satisfaction on NL mobility benefits to 70% positive (current: 57,75%)

Sustainability



Reduce mobility NL CO₂ emissions with 15% by 2020 (= -375T); 0% emission by 2025

Cost effectiveness



Mobility spend NL may not increase for Philips

3. Defined improvement targets

We identified 5 Mobility Personas to represent the mobility needs of NL employees and to develop the future mobility solutions



Short track Commuter

- Fixed working location
- Lives <20km's from work (ebike-able)
- Travels only from home to work
- Has no domestic business travel

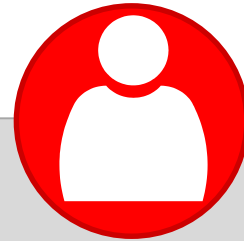
2763
26% of NL Workforce



Long track Commuter

- Fixed working location
- Lives =>20km's from work
- Travels only from home to work which can be long distances and cross border
- Has no domestic business travel

2029
19% of NL Workforce



Occasional Traveller

- Still has one dominant working location
- Can live close to that working location
- Has some domestic business travel

1760
17% of NL Workforce



Mobile Worker

- Works across multiple locations
- Mix of commuting and domestic business travel to different Philips sites and / or customers
- Can have a tool car

3036
29% of NL Workforce



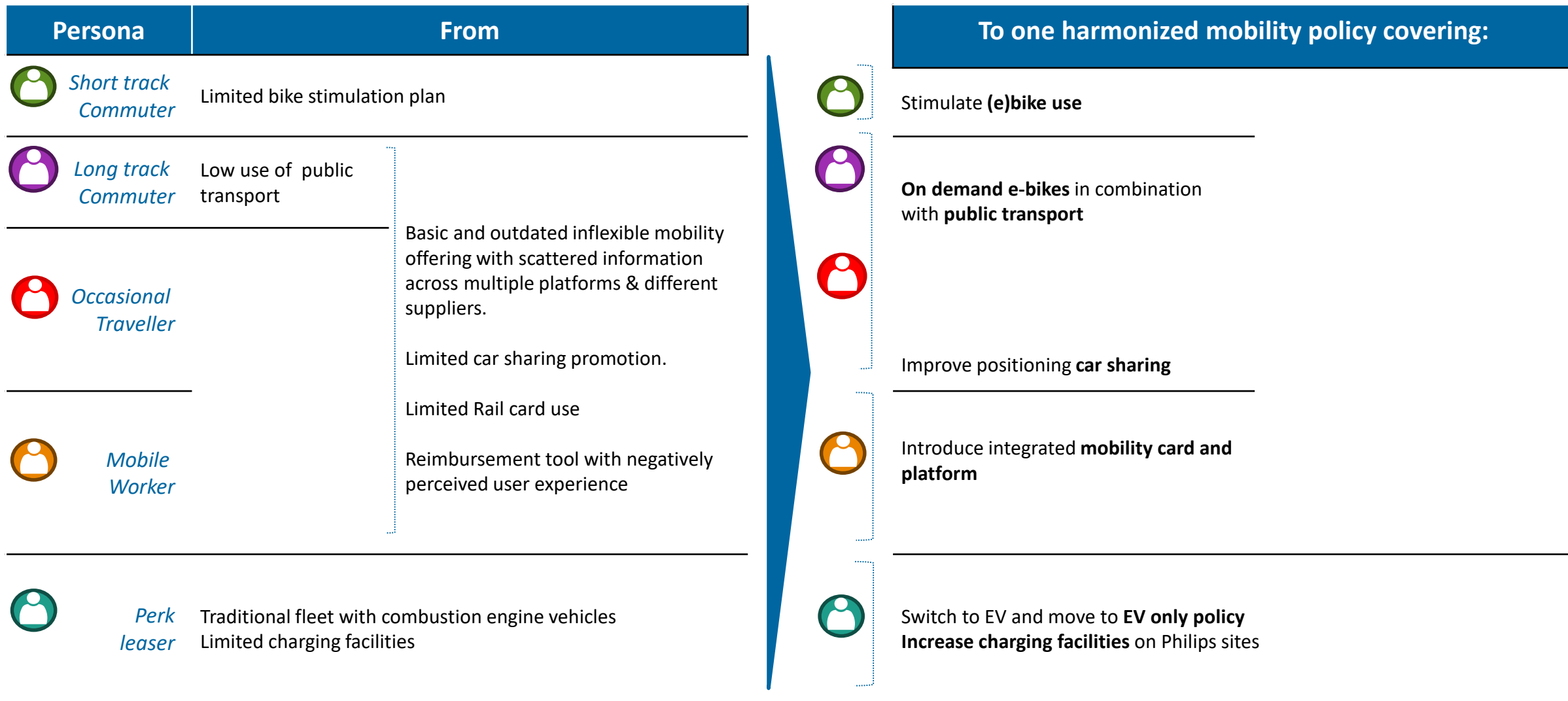
Perk leaser

- Can have a fixed working location
- Travel pattern unknown
- Based on grade entitled to company car

414
4% of NL Workforce



Solutions to meet the needs of our employees represented by different personas



Mobility card & platform

From

- Expense administration
- Multi channels
- Lease budget + travel expenses



Public transport



Taxi



Lease & Rental car

To

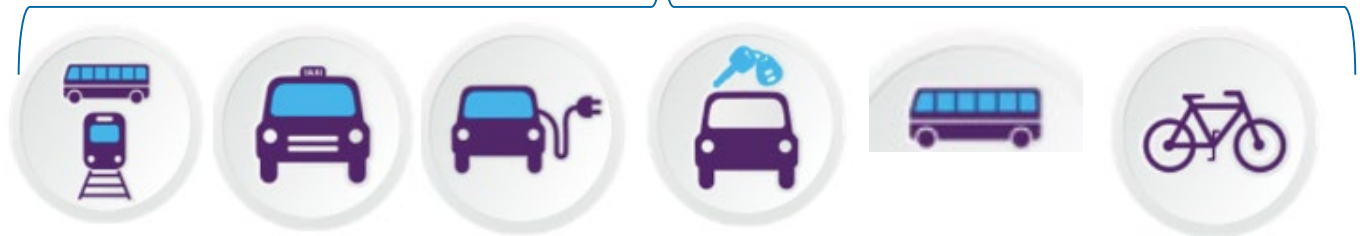
- Zero expense administration
- One-stop-shop
- Mobility budget



Platform & one mobile App



Mobility card



Public transport

Ride hailing

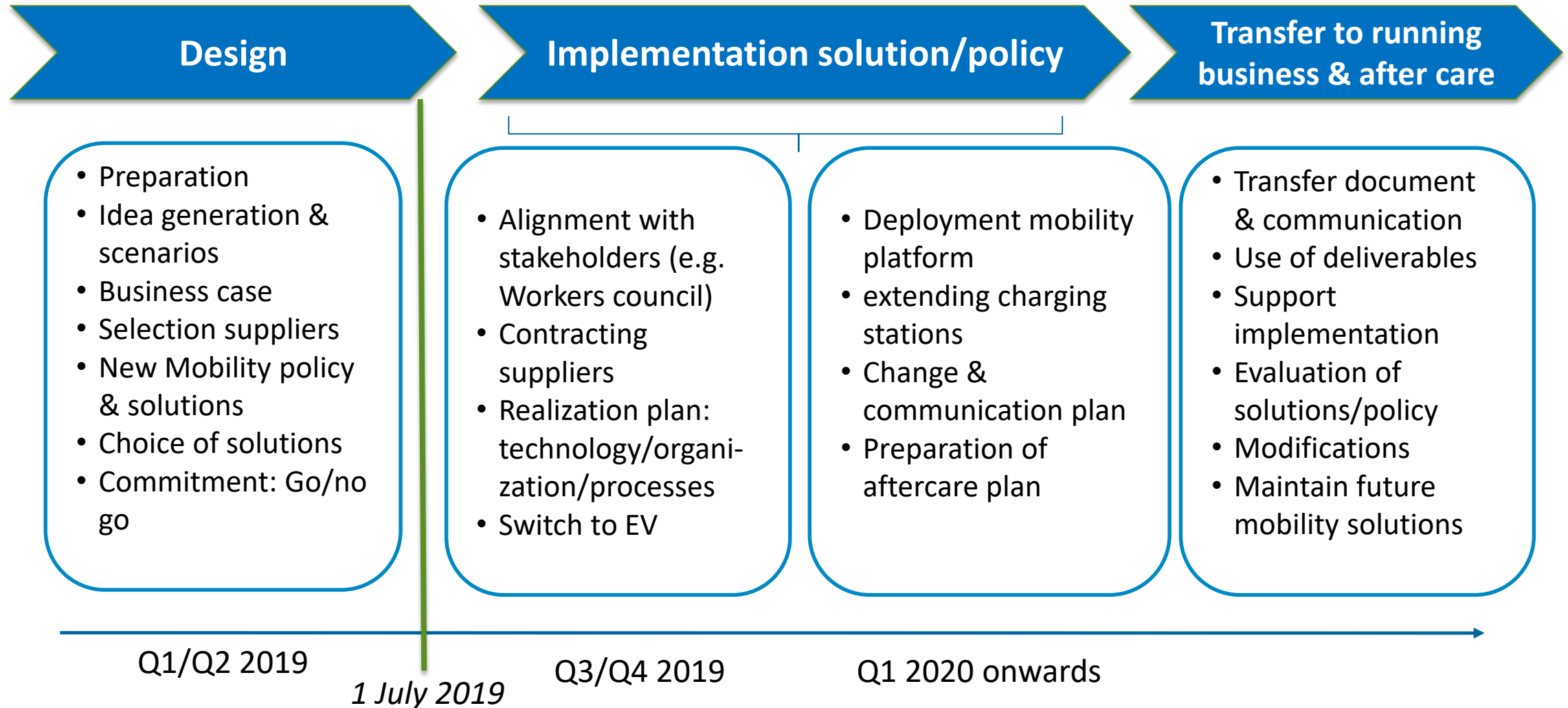
EV leased cars

Rental car sharing

Shuttle services

(e)-Bike sharing

High level implementation plan Future Mobility

























On track with the transition towards a zero emission fleet

19% EV



Closely monitor availability to decide when we switch to EV only

<p>100 kWh 500+ km*</p>								
<p>80 kWh 400-600 km*</p>								
<p>60 kWh 250-450 km*</p>								
<p>40 kWh 150-350 km*</p>								

Current available

Selection of what is soon available

* Realistic mileage based on WLTP

EV country readiness index 2020

Country	Total scoring	E-Vehicle maturity	Charging maturity	Government incentives	Orders
Netherlands	34	11	8	7	8
Norway	34	12	9	6	7
United Kingdom	30	7	7	10	6
Ireland	29	8	5	9	7
Sweden	28	10	5	8	5
Austria	27	8	4	10	5
Luxembourg	26	9	6	5	6
Finland	24	8	6	6	4
Germany	24	8	5	7	4
Belgium	23	8	5	5	5
Portugal	23	7	4	7	5
Denmark	22	8	5	4	5
France	22	5	5	7	5
Hungary	22	5	4	8	5
Switzerland	21	9	6	2	4
Spain	20	5	5	6	4
Italy	17	5	5	4	3
Czech Republic	16	4	5	4	3
Greece	15	3	2	8	2
Romania	12	4	3	2	3
Poland	11	3	2	5	1
Slovakia	11	3	4	3	1
Maximum score	40	12	10	10	8

Supplier Innovation Event

Sourcing solutions for your key mobility challenges



What is it?

A Supplier Innovation Event helps you to find unexplored and untapped inventions of your supply base for your key challenges. This event focusses on solving real, current business “challenges” with breakthrough results through crowd sourcing.

How to organize?

In collaboration between Procurement & business stakeholders, specific business challenges are to be identified. These selected business challenges will be communicated to suppliers, who have the opportunity to respond to the business challenges by submitting proposed innovations.

The road to innovative solutions for your mobility challenges:



