



Charter of the Corporate Governance and Nomination & Selection Committee

Philips Lighting N.V.

Definitions

Board of Management	:	the board of management of the Company;
Company	:	Philips Lighting N.V.;
CGNS Committee	:	the corporate governance and nomination & selection committee of the Supervisory Board;
CGNS Rules	:	these rules of the CGNS Committee;
Supervisory Board	:	the supervisory board of the Company; and
Supervisory Board Rules	:	the supervisory board rules of the Company.

Responsibilities of the CGNS Committee

Article 1

- 1.1. The CGNS Committee shall advise the Supervisory Board and prepare the decision-making of the Supervisory Board in relation to the committee's responsibilities.
- 1.2. The specific responsibilities of the CGNS Committee are the following:
 - a. preparing the selection criteria and appointment procedure for members of the Supervisory Board and the Board of Management;
 - b. periodically assessing the size and composition of the Supervisory Board and the Board of Management and reporting its recommendations to the Supervisory Board relating thereto;
 - c. periodically assessing the functioning of the individual members of the Supervisory Board and the Board of Management and reporting its findings and recommendations to the Supervisory Board;
 - d. interviewing or having interviewed on its behalf possible candidates for the appointment or reappointment as member of the Supervisory Board and the Board of Management and reporting its findings and recommendations to the Supervisory Board;
 - e. supervising the policy on the selection and appointment of senior executives within the Company's group and reporting its findings and recommendations to the Supervisory Board, and preparing the decision-making of the Supervisory Board regarding approval of the appointment of individuals in certain senior executive positions designated by the Supervisory Board and the removal of individuals from such senior executive positions; and
 - f. at least once a year, reviewing the corporate governance of the Company and reporting its findings and recommendations to the Supervisory Board.

- 1.3. The CGNS Committee will consult with the CEO (*chief executive officer*) of the Company and, if it so desires, other members of the Board of Management from time to time on the matters referred to in article 1.2.

Composition of the CGNS Committee

Article 2

- 2.1. The members of the CGNS Committee, its chairman, vice-chairman and secretary shall be appointed by the Supervisory Board. The secretary does not need to be a member of the Supervisory Board.
- 2.2. The chairman is primarily responsible for the proper functioning of the CGNS Committee. He/she shall act as the spokesperson of the CGNS Committee and shall be the main contact for the Supervisory Board.
- 2.3. Rules regarding the independence of members of the CGNS Committee must be complied with, unless they apply on a comply or explain basis and the non-compliance is explained.
- 2.4. All the members of the CGNS Committee must be independent within the meaning of article 8.4 of the Supervisory Board Rules, with the exception of no more than one member.
- 2.5. If a member of the CGNS Committee is or becomes aware of any circumstance which may reasonably impair or affect his or her independence or the perception of his or her independence, that member will inform the CGNS Committee promptly. The CGNS Committee will then consult with the Supervisory Board to determine whether there is sufficient cause for that member to resign from, or terminate his or her membership of the CGNS Committee.
- 2.6. The vice-chairman deputises for the chairman when the occasion arises. The vice-chairman acts as contact of individual members of the Supervisory Board concerning the functioning of the chairman.

Meetings

Article 3

- 3.1. The CGNS Committee meets whenever one or more of its members have requested such meeting and at least twice a year.
- 3.2. Meetings of the CGNS Committee are called in writing by or on behalf of the chairman or in his absence or inability by the vice-chairman of the CGNS Committee. The invitation to meetings must contain the agenda. Every member can suggest items for the agenda. The agenda and accompanying materials for the meeting must be sent to the members in good time before any meeting.
- 3.3. The CGNS Committee and the chairman may request officers, external advisors of the Company's group or other parties to be present at a meeting of the CGNS Committee.
- 3.4. Meetings of the CGNS Committee are chaired by the chairman and in his absence by the vice-chairman. If both the chairman and the vice-chairman are not present at a meeting, the most senior member present will act as chairman.
- 3.5. If a member of the CGNS Committee is frequently absent during meetings of the CGNS Committee, the chairman of the CNGN Committee will discuss this with that member. If the

chairman of the CNGN Committee is frequently absent during meetings, the vice-chairman will discuss this with the chairman.

- 3.6. The minutes of the meeting are prepared by the secretary of the CGNS Committee or any other person designated by the chairman or in his absence or inability by the vice-chairman of the CGNS Committee. The minutes must be signed for adoption by the chairman and the secretary of the relevant meeting.
- 3.7. The CGNS Committee shall provide the Supervisory Board with a report of its deliberations and findings.

Resolutions of the CGNS Committee

Article 4

- 4.1. The provisions of the Supervisory Board Rules regarding the adoption of resolutions by the Supervisory Board apply mutatis mutandis to the adoption of resolutions by the CGNS Committee.
- 4.2. In deviation of article 4.1, if no resolution can be adopted by the CGNS Committee as a consequence of a Conflict of Interest (as defined in the Supervisory Board Rules) of all members of the CGNS Committee, the relevant resolution will be referred to the Supervisory Board.

Status and contents of the CGNS Rules

Article 5

- 5.1. The CGNS Rules have been adopted by the Supervisory Board pursuant to article 3.3 of the Supervisory Board Rules.
- 5.2. The CGNS Rules are complementary to the rules and regulations (from time to time) applicable to the members of the Supervisory Board under Dutch law, the articles of association of the Company and the Supervisory Board Rules. If and to the extent these CGNS Rules are inconsistent with Dutch law, the articles of association or the Supervisory Board Rules, these CGNS Rules shall not apply.
- 5.3. The CGNS Committee may in exceptional cases, as the circumstances may require, at its discretion decide to deviate from the CGNS Rules.

Governing law

Article 6

These Rules are governed by and to be construed in accordance with Dutch law.

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