

PHILIPS

sense **and** simplicity

Philips Woodstove

World Bank, Energy 2009 conference

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Philips Consumer Lifestyle

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Philips uses its global competences to develop a sustainable business in efficient & clean biomass stoves

- Health and Wellbeing company founded in 1891, consisting of three sectors: Healthcare, Lighting, Consumer Lifestyle
- Manufacturing sites in 28 countries, Sales outlets in 150 countries
- Turnover of € 26,385 M – R&D expenditure € 1,622 M (2008)
- Sustainability as part of management agenda

“Improve the quality of people’s lives through timely introduction of meaningful innovations”



Healthcare

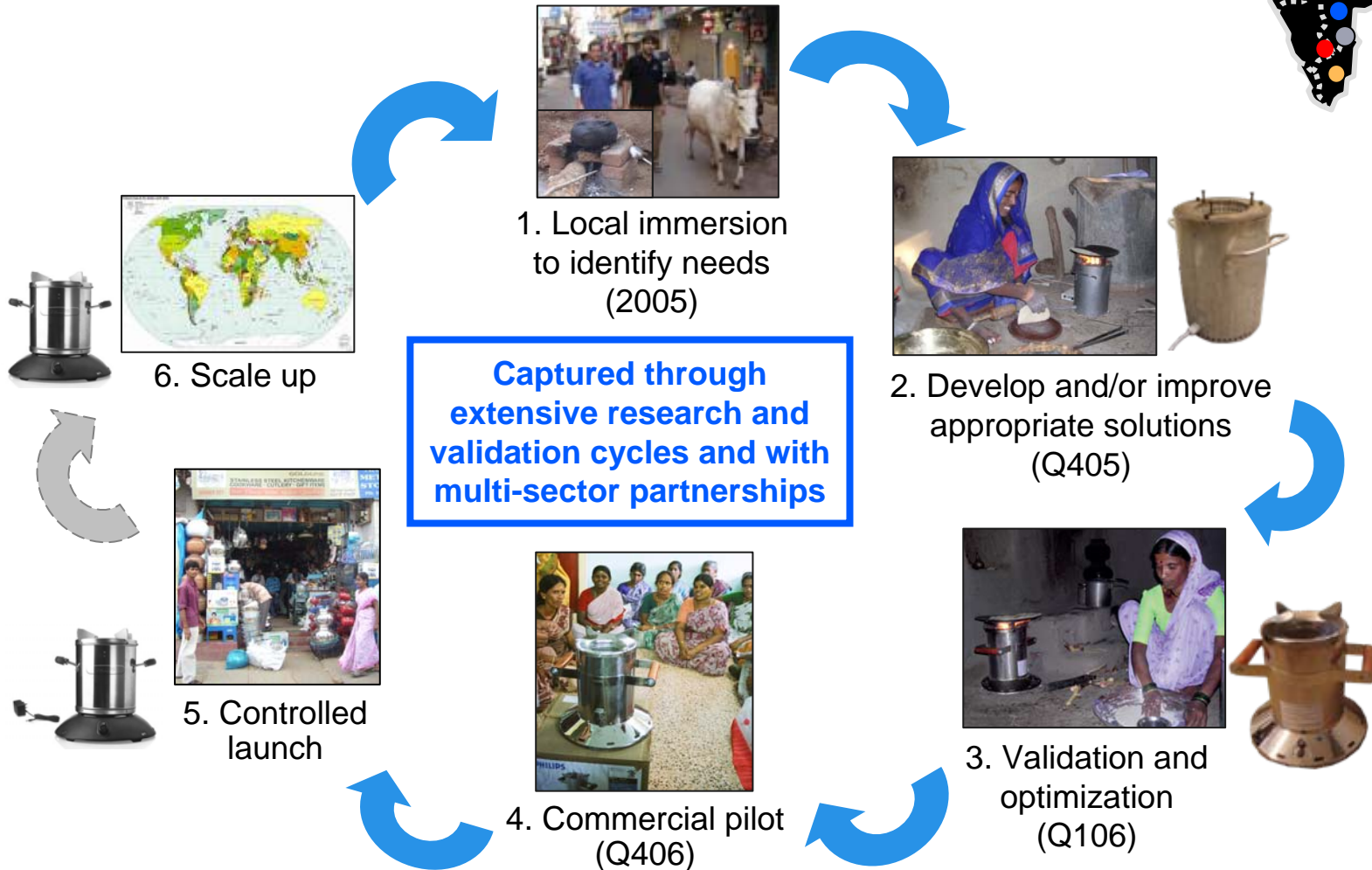


Consumer Lifestyle



Lighting

Woodstove project focuses on deep stakeholder understanding



Woodstove offer focuses on improving lives of people who still rely on biomass for daily cooking

Consumer benefit: **Improve your life in the kitchen**

Fast and clean cooking with only a little wood



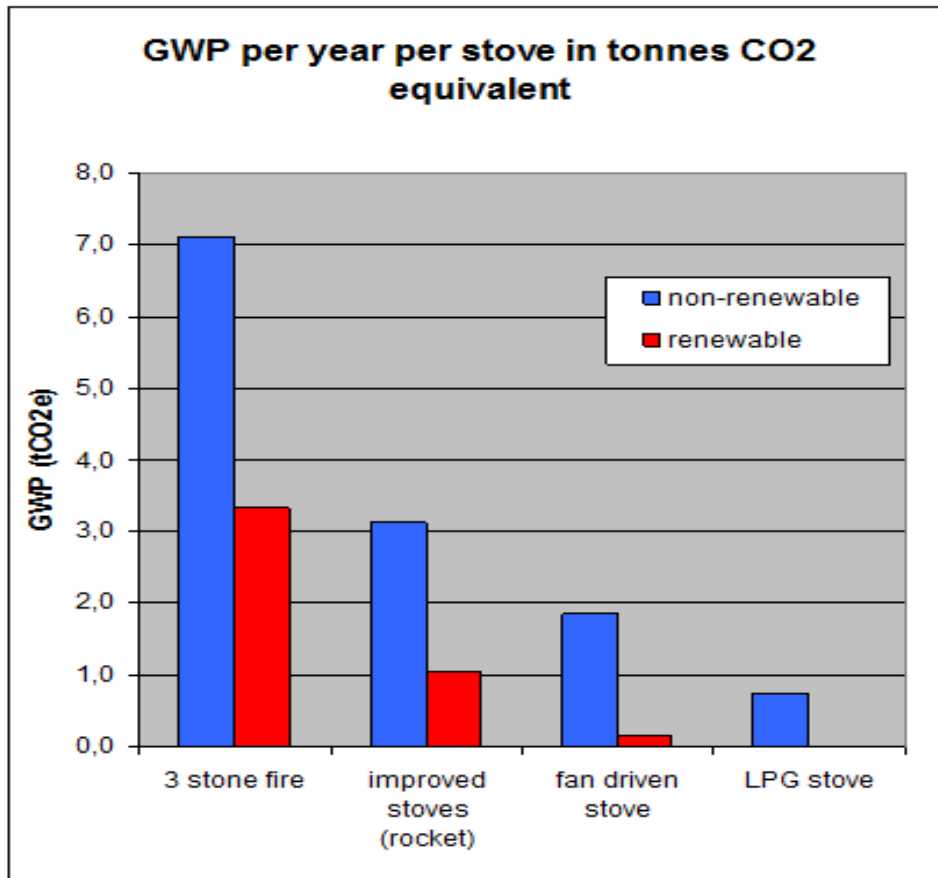
Society benefit:

Significantly reducing **global warming potential** and **indoor air pollution**:

- Up to 55% reduction of fuel
(compared to traditional wood stove. Field tests by ARTI, '06 + '08)
- Up to 90% reduction of smoke emissions
(compared to traditional wood stove. Laboratory tests, '06 – '08)



Philips Woodstove has a significant impact on GWP and IAP



Based on:

- Average result
 - WBT Aprovecho
 - WBT Philips
 - CCT Philips
 - Fuel consumption, field tests, India (KPT)

- Includes estimated GWP due to smoke (PM)

Carbon credits mechanism is explored to increase dissemination through lower acquisition cost for consumers

- Process is complex and is not yet a given :
 - No specific woodstove projects registered under CDM and VER yet
 - some methodologies can apply
 - No sufficient data of non renewability of wood
- Opportunity for optimization is identified:
 - Potential of soot is not considered although very impactful
- Additional resources are required:
 - Expert support needed (not in company)
 - Base line assessment is needed to evaluate Carbon potential
 - Yearly monitoring
- Pay back time is long

Conditions that could reduce cost of the business are multiple

- Create awareness in the market to improve consideration and acquisition
- Reduce duties and taxes
- Facilitate access to consumer and distribution
- Subsidize/support consumer acquisition costs
- Facilitate multi stakeholders dialogue
- Support in developing standards
- Create endorsement

