



Signify Circular Economy Policy



Introduction

In contrast to the linear “take-make-waste” model, the circular economy is a system whereby materials never become waste and natural materials are regenerated. In this system, products and materials are kept in circulation through processes like maintenance, reuse, refurbishment, remanufacture, recycling, and composting. This approach aims to decouple economic activity from the consumption of finite resources and tackle global challenges such as climate change, biodiversity loss, resource depletion, waste, and pollution.¹

Signify is committed to sustainability, and we view our efforts to contribute to a circular economy as a key element of our sustainability goals. Our circular economy ambition is to decouple our growth from the increased consumption of finite resources.

This Policy outlines our company's commitments and principles regarding circularity, as well as our efforts to support the United Nations Sustainable Development Goal (SDG12) of Responsible Consumption and Production. Our approach is inspired by several international frameworks and European commitments, such as the European Green Deal (EGD). This policy is further aligned with regulations such as the Corporate Sustainability Reporting Directive (CSRD), Circular Economy Action Plan (CEAP), Ecodesign for Sustainable Products Regulation (ESPR), the EU Taxonomy, and Packaging and Packaging Waste Directive (PPWD). Together, these regulations aim to make the circular economy an essential element of achieving climate neutrality and keeping resource use within planetary boundaries.

This policy applies across our value chain and is addressed to our employees, suppliers, customers, waste processors, and other business partners. This policy supports our company's purpose to unlock the extraordinary potential of light for Brighter Lives and a Better World.

Principles of conduct

Signify complies with all applicable laws and regulations. We expect upstream and downstream value chain partners, such as suppliers, customers and waste processors to uphold similar standards. The Policy is based on 3 principles of conduct:

1. Assess

To identify material impacts related to resource use and waste generation, Signify conducts its double materiality assessment (DMA) and has a due diligence process in place. Furthermore, we collect and assess data on inflows and outflows, including waste.

2. Mitigate

To manage and mitigate our material impacts and opportunities, we are committed to adopting EU circular economy principles² in our own operations and in our value chain.

¹ Signify refers to the [Ellen McArthur foundation](#) for the definition of Circular Economy.

² EU Circular economy principles: Usability; Reusability; Repairability; Disassembly; Remanufacturing or refurbishment; Recycling; Recirculation by the biological cycle; Other potential optimization of product and material use.



The approach is based on three commitments on which we continuously engage with internal and external stakeholders:

- **Use less:** Use fewer materials for our products and packaging and increase the use of non-virgin/renewable materials. Focus on highly recycled materials such as metals and glass, to minimize the environmental impact linked with the extraction of raw materials. Furthermore, where possible use third-party verified raw materials.
- **Use longer:** Increase the lifetime of our products through design and by making them more serviceable and upgradable or by providing our customers with lighting as a service.
- **Use again:** Reduce the amount of waste from our own operations, products, services, and packaging. Prioritize the avoidance and minimization of waste over waste treatment and engage in activities such as reusing products through re-manufacturing and parts harvesting. Furthermore, we are committed to enabling recycling and since 2020, have continuously achieved zero manufacturing waste to landfill.

3. Implementation and monitoring

The Board of Management is accountable for the implementation of this Policy and the relevant departments leading the commitments are responsible for it. Through an internal action plan, we monitor actions and indicators related to our commitments, to ensure we are realizing our ambition to contribute to a circular economy and delivering the action plan.

Key performance indicators (KPIs) for Circular revenues and waste are in place, and additional KPIs will be established to monitor progress, including metrics on resource efficiency (*use less*), resource preservation (*use again*) and product lifetime (*use longer*). These findings are reported to senior management and relevant stakeholders.

By continuously monitoring our progress and seeking opportunities for improvement, we aim to achieve lasting positive impacts on the environment and society and to contribute to a circular economy.

Alice Steenland –
Chief Strategy, Sustainability & Marketing Officer

A handwritten signature in dark ink, appearing to read 'AK' followed by a long, horizontal, wavy line.





About this Policy

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