



Brighter Lives, Better World 2025

October 22, 2020

Sustainability, Signify

Signify is the world leader in lighting

We provide high-quality energy efficient lighting products, systems and services

Light sources



Luminaires



Systems and Services



No. 1

Connected, LED,
Conventional

€6.2bn

sales in 2019,
~ 75% professional

36,000

people in 74 countries

100% Carbon

neutral
in our operations

Signify's sustainability highlights in 2020

**Carbon neutral
in
all our
operations**

**100%
renewable
electricity
to power our
operations**

**83% Sustainable revenues and
more than 2.5 billion LED delivered**



A list for climate and supply chain

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

DJSI World Index since IPO for 4 consecutive years



EcoVadis Platinum Medal and top 1%

**Zero waste to
landfill in 2020**

**Safe & healthy
workplace**

**99% of risk
suppliers with 90+
audit score**

We are carbon neutral in 2020

- Since 2015, we reduced the emissions of our operational footprint:
 - **Manufacturing: 46% less** emissions through LED, optimized HVAC, process optimization
 - **Offices: 92% less** emissions through increased office space utilization and automated building processes
 - **Logistics: 52% less** emissions through more sea freight and increased efficiency
 - **Business travel: 80% less** emissions through more sustainable travel
- We shifted to **100%** renewable electricity:
 - Virtual power purchase agreements in Texas and Poland
 - Solar energy in Gulf region
- Offsetting projects which have clear societal and environmental benefits, such as reforestation and off-grid solar energy in rural India



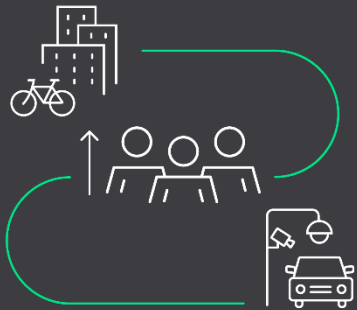


Brighter Lives, Better World 2025

We address global challenges and SDGs guided by our purpose



**Climate change
& Resource scarcity**

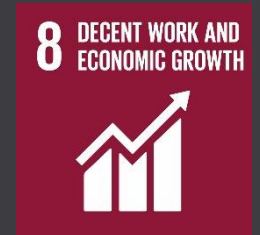


**Demographic change
& Urbanization**

Our purpose

**to unlock the extraordinary
potential of light for brighter
lives and a better world**

**UN Sustainable Development Goals
we aim to address**



Our strategy is aligned with the Sustainable Development Goals



Brighter Lives, Better World

Climate action



Circular economy



Food availability
Safety & security
Health & wellbeing



Great place to work



Brighter Lives, Better World 2025 is integral to our strategy



Strategic areas

Climate action

Circular economy

Food availability
Safety & security
Health & wellbeing

Great place to work

SDGs



2025 commitments







Double the pace we achieve the Paris Agreement

Double Circular revenues to 32%

Double Brighter Lives revenues to 32%

Double % women in leadership to 34%

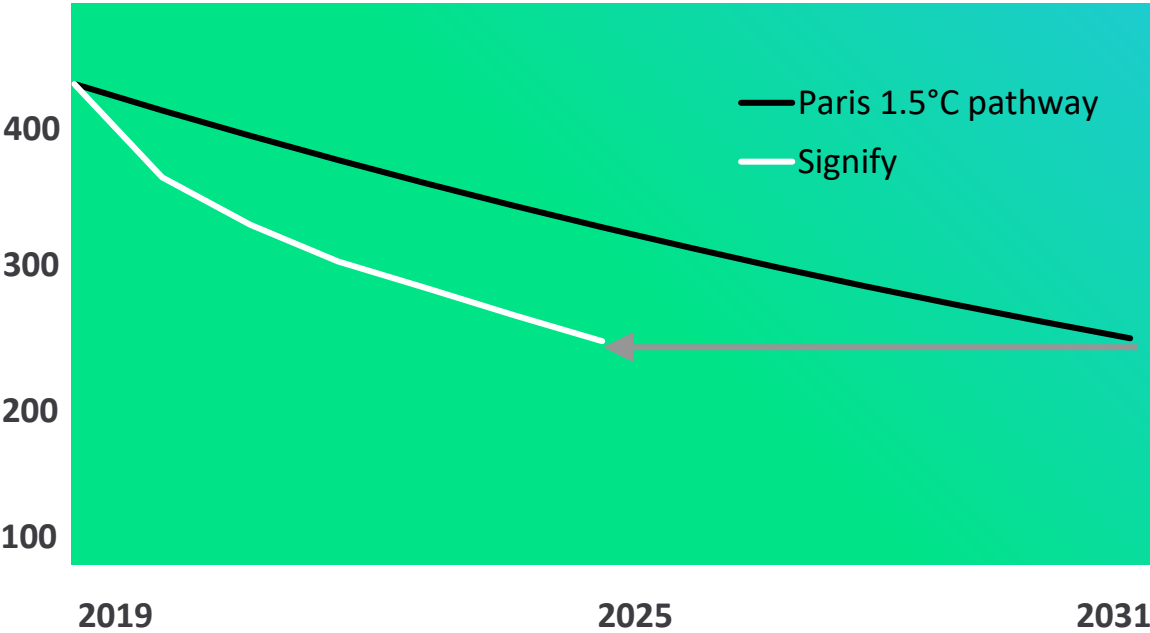
Brighter Lives, Better World 2025: Doubling our positive impact

	SDGs	Strategic areas	Our 2025 commitments	
Better World		Climate action	Double the pace we achieve the 1.5°C scenario of the Paris Agreement	Carbon neutral operations & 100% renewable electricity
				Increase Climate action revenues to 72%
		Circular economy	Double our Circular revenues to 32%	Zero waste to landfill and sustainable packaging
Brighter Lives		Food availability	Double our Brighter Lives revenues to 32%	10 million lives lit through our Signify Foundation
		Safety & security		Safe & healthy workplace with a TRC rate less than 0.30
		Health & wellbeing	Double our percentage of women in leadership to 34%	Supplier sustainability performance of 95%
		Great place to work		

Double the pace of the Paris Agreement over our value chain

We aim to achieve the Paris agreement 1.5°C target for 2031 already in 2025 - 6 years early!

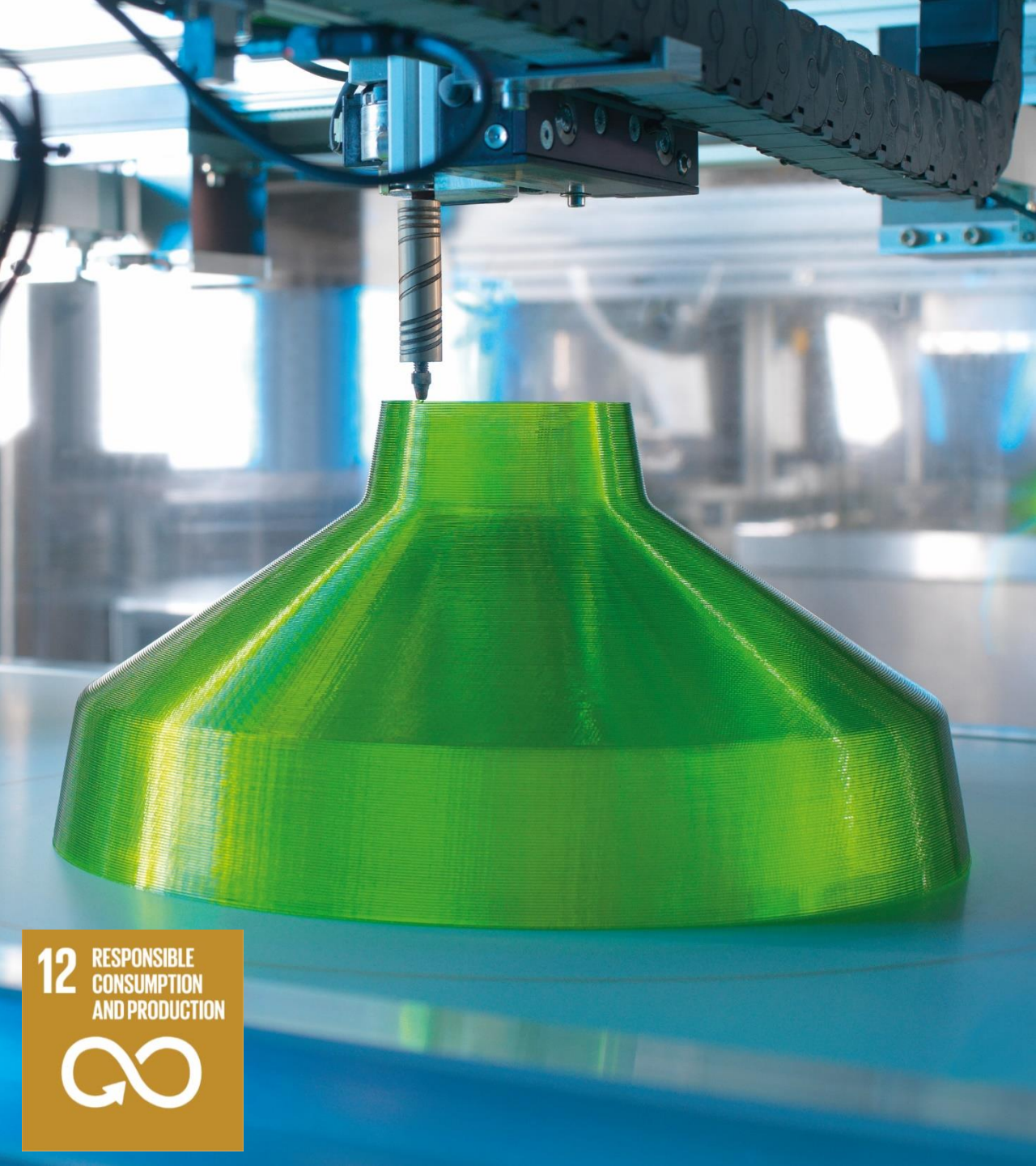
CO₂ (Mt/yr) including product use & supply chain



Increase our Climate action revenues to 72%

Energy efficient and solar products, systems and services help to save energy and reduce carbon footprint:

- **Products** which meet strict luminous efficacy thresholds (min 80 lm/W) to reduce energy consumption
- **Systems and managed services** enable further energy savings (up to 80% total) by optimizing the lighting use
- **Solar solutions** use renewable energy
- **Electronic control gears** optimize the energy and light performance of the light source



Double our Circular revenues to 32%

Circular products, systems and services preserve value and avoid waste:

- **Serviceable luminaires** are upgradable, serviceable, connectable, energy efficient, reusable and recyclable
- **Circular components** are exchangeable and recyclable parts, such as drivers, controls, and LED board
- **Intelligent systems** monitor serviceable luminaires and enable preventive maintenance
- **Circular services** aim to prolong lifetime and provide customers with end-of-contract options

Brighter Lives: food availability

Horticulture

- 150 light recipes to help increase crop yield & quality
- 90% less water and no pesticides in indoor farming

Aquaculture

- Light which promotes healthy fish growth, with lower feed cost, fewer infections and cleaner water

Animal centric lighting

- Improved growth and more natural environment



Brighter lives: safety & security

Safer cities

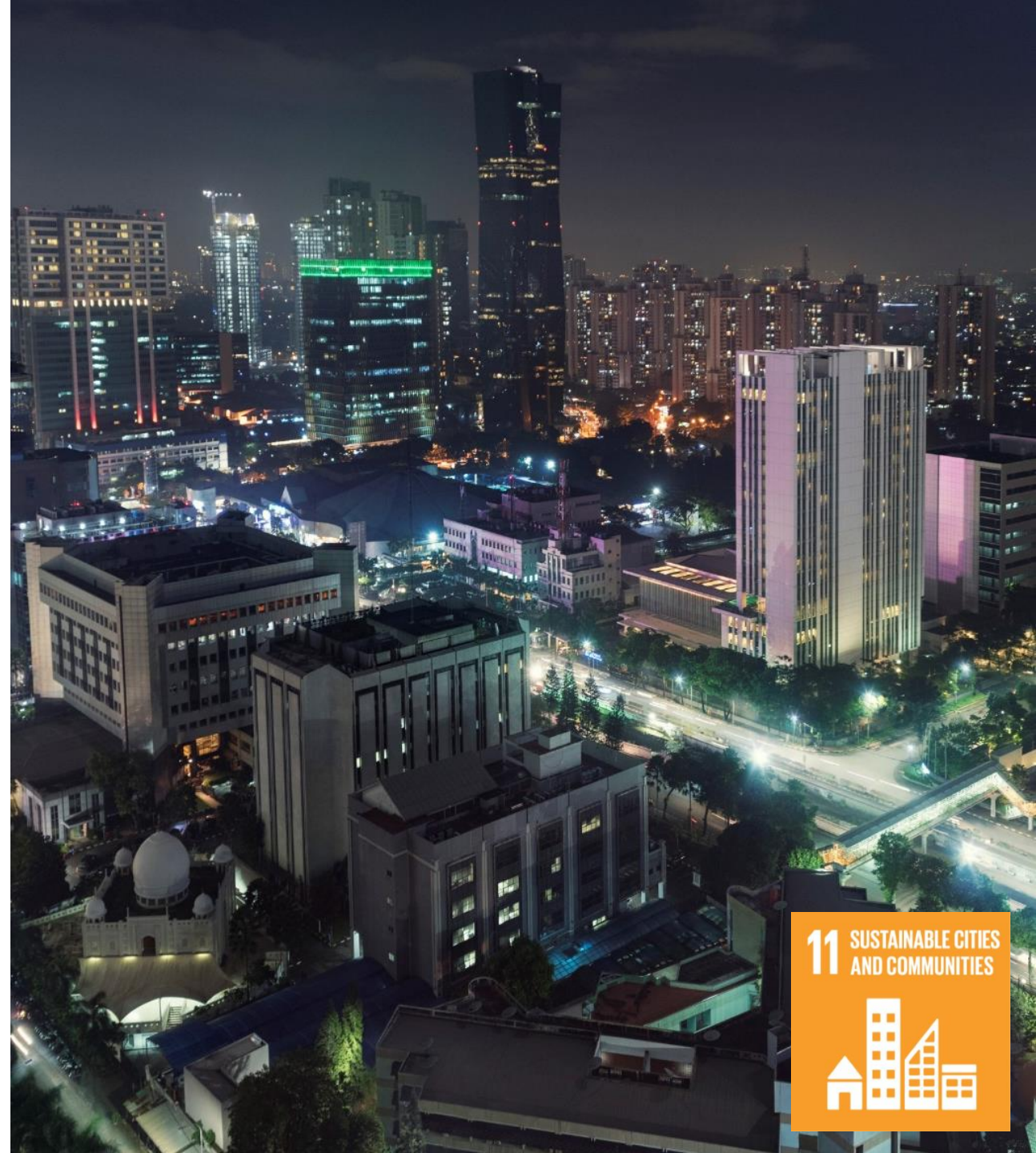
- Connected LED streetlighting helps to reduce street crime by 21% and night-time traffic accidents by 30%

Security at home and work

- Connected home and workplace lighting communicates with alarms and cameras, giving peace of mind

Trulifi

- Secure communication infrastructure



11 SUSTAINABLE CITIES
AND COMMUNITIES



Brighter lives: health & wellbeing

UV-C light

- Inactivates viruses, including the virus causing COVID 19, in a matter of seconds

Human Centric Lighting

- Tunable to people's natural, circadian rhythm
- Optimizes people's energy levels
- Helps people to see, feel, and function better



3 GOOD HEALTH
AND WELL-BEING





Brighter lives: creating a great place to work

Double the percentage of women in leadership in our business to 34% through:

- Women in succession plans
- Sponsorship and mentoring programs
- Women4More program
- At least 30% women in leadership development and talent programs
- Diverse interview panels
- Unconscious bias trainings for everyone

Ensure a safe & healthy workplace through our injury prevention program

8 DECENT WORK AND ECONOMIC GROWTH



Brighter lives: supplier sustainability

Sustainability audits

- Suppliers need to comply with our supplier sustainability declaration
- 95% of risk suppliers must achieve a 90+ score

Climate action

- We encourage our suppliers to report carbon emissions, reduce their carbon footprint and commit to targets and 100% renewable electricity

Responsible minerals

- Engagement, partnerships and due diligence on 3TG, Cobalt, Lithium, Mica and Graphite to safeguard against human rights abuses

Substances management

- Suppliers need to comply with regulated substances requirements beyond legislation



Better World: zero manufacturing waste to landfill

Through our commitment to send zero manufacturing waste to landfill, we change the way we produce and consume to generate less waste and increase the use of waste as resource.

Over 90% of all manufacturing waste is being recycled. The remaining waste that cannot be recycled is incinerated.

This is mainly achieved by optimization of waste management, improved waste sorting, training of factory staff, more accurate weighing methods and a shift to more sustainable waste contractors.

Better World: plastic free packaging

Plastic pollution has become one of the most pressing environmental issues. And consumers are becoming critical on the packaging of products they buy.

Signify has started phasing out all plastics from packaging for consumer-related products with the aim to be plastic-free in 2021!

New packaging for LED Lamps has been introduced in Europe in September 2020, avoiding over 500 metric tonnes of plastic waste per year.





Brighter lives: light lives through our Signify Foundation

Lighting lives

Lighting for homes, institutions & outdoor communal spaces

- E.g. light for better learning - solar lighting for indigenous communities in rural Vietnam, where 6000 ethnic minority students aged 11-15 in 20+ schools received solar lighting

Lighting entrepreneurs

Business & technical skills training for local youth & women

- E.g. training provided to young women in rural Uganda, leading to employment in the lighting sector

Humanitarian lighting

Lighting as emergency relief for communities impacted by disasters

- E.g. as the pandemic has made its way around the globe, we have supported 80+ essential services and health care facilities with lighting infrastructure

11 SUSTAINABLE CITIES
AND COMMUNITIES



enlight
SOLAR ACADEMY

Signify

Brighter Lives, Better World 2025: Doubling our positive impact

Better World

Double the pace of the Paris Agreement

- Carbon neutral in our operations
- Reach the 1.5 °C target for 2031 over our value chain already in 2025
- Increase energy efficiency of our portfolio
- Carbon reductions at our suppliers



Double our Circular revenues to 32%

- Double Circular revenues through serviceable luminaires, circular components, intelligent systems, and circular services
- Zero waste to landfill
- Sustainable packaging program



Brighter Lives

Double our Brighter Lives revenues to 32%

Double revenues from innovations which benefit society to increase:

- Food availability
- Safety & security
- Health & wellbeing



Double our percentage of women in leadership to 34%

- Create a great place to work
- Strengthen diversity & inclusion
- Safe & healthy workplace
- Light 10 million lives
- Supplier sustainability



Signify

Climate action:

Hotels go green

- The hotel industry faces the challenge to reduce its carbon emissions by 66% by 2030 to meet the Paris Agreement.
- Signify's connected guest room management system, Interact Hospitality, helps hotels consume 28% less energy. An additional 10% savings can be achieved through the 'Green Mode'.
- Interact Hospitality communicates with various hotel IT systems, from housekeeping to guest tablets. In addition to energy efficiency, staff productivity and the guest experience are improved.



13 CLIMATE ACTION



Circular economy: Serviceable Luminaires

- The new Luma generation street light is serviceable, connectable, recyclable and has a long (100 thousand hours) and extendable lifetime
- Gearflex helps installers replace and reprogram drivers within 30 seconds, without the need to touch any wiring
- The service tag enables spare parts and upgradeable components to be easily applied to prolong the product lifetime



Food availability:

Automated vertical farms

- Planet Farms wanted to expand its business and deliver the tastiest aromatic herbs and lettuce to its customers all year round in its vertical farm.
- Signify's Philips Greenpower LED managed with the Philips GrowWise Control System helped optimize the 9,000 m² multilayer crop cultivation by adjusting light recipes.
- This improves crop results and operational efficiency with >25% productivity increase, no use of pesticides, 95% less water and 90% less land use.



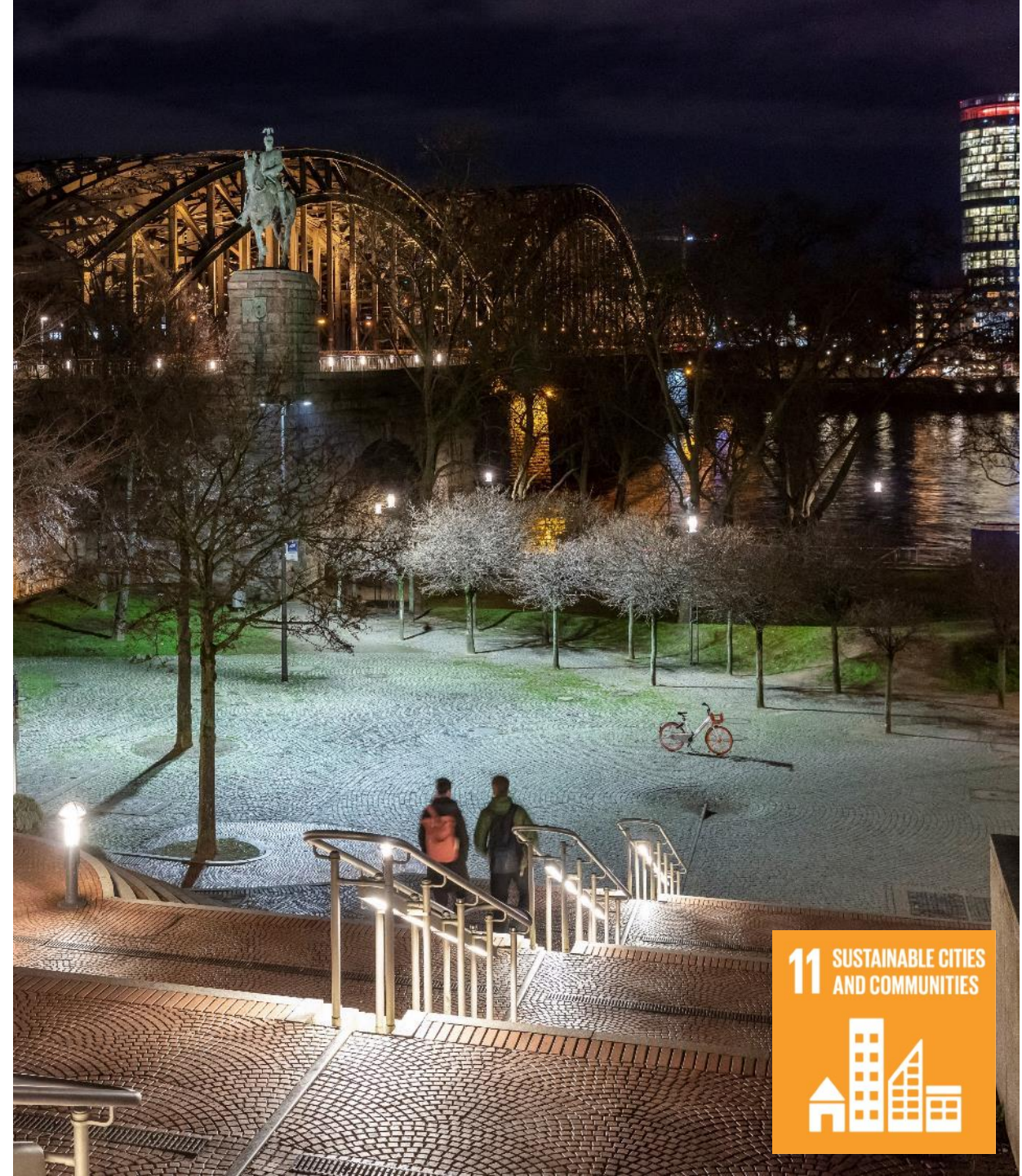
3 GOOD HEALTH
AND WELL-BEING



Safety & security:

The smart city of Cologne

- Cologne aims to be a smart city with improved safety and quality of life for its citizens, with increased energy efficiency and reduced costs.
- Signify is converting the city's 85,000 public lighting points to digital and networked lighting, connected to Interact City.
- The system enables the integration of sensors and allows for remote monitoring and control. This will help to increase the safety and sense of security of citizens, while reducing energy use and increasing maintenance planning and efficiency.



11 SUSTAINABLE CITIES
AND COMMUNITIES



Health & wellbeing:

The benefits of natural light indoors

- Skanska brought elements of nature into interior spaces to create healthy, engaging and inspiring environments.
- Signify's NatureConnect combines LED luminaires with intuitive controls to create lighting scenes tailored to people's needs. It supports our natural rhythm, provides a view to the sky and brings the colors and dynamics of nature.
- Recent research shows this helps to increase productivity by 6%, wellbeing by 15% and creativity by 15%.



3 GOOD HEALTH
AND WELL-BEING

