

Press Release

June 5, 2020

Signify aims to be plastic-free on all consumer-related packaging in 2021

- Company phasing out plastics from all its consumer-related packaging
- Plastics will mostly be replaced with recycled paper-based materials
- Switch to plastic-free packaging avoids the use of 2,500 tonnes of plastics per year

Eindhoven, the Netherlands – Each year, eight million tons of plastic end up in the oceans, killing one million marine birds and threatening hundreds of marine life species. Plastic pollution has become one of the most pressing environmental issues and consumers are increasingly critical of the packaging of products that they buy.

<u>Signify</u> (Euronext: LIGHT), the world leader in lighting, is actively striving for a reduction of the environmental impact of its products. As part of its packaging policy, Signify already uses 80% recycled paper for its packaging and will now start phasing out all plastics from packaging for consumer-related products with the aim to be plastic-free in 2021.

By phasing out plastic used for consumer product packaging, Signify will avoid the use of over 2,500 tonnes of plastics per year. This is equal to 125 million PET bottles which, placed in a row, would stretch more than 8,000 kilometers (5,000 miles), roughly the distance from Tromsø in the north of Norway, to Gibraltar at the southern tip of the Iberian peninsula, and back¹. On top of that, our new packaging is smaller, reducing carbon emissions from transport and the materials we use by 6,000 tonnes per year – equivalent to the amount of CO_2 that 270,000 fully grown trees can absorb in a year².

"Plastic waste has a very negative impact on our planet and its biodiversity and we decided that we must take a leading role and start using plastic-free alternatives. It is the right thing to do and meets the increasing expectations of our customers," said Eric Rondolat, CEO of Signify. "I look forward to the moment that we can announce that we no longer use plastics in our packaging."

On average, Signify's packaging policy already requires all packaging to contain more than 80% recycled paper and virgin materials must be from certified renewable sources. In cases where paper-based materials aren't applicable, Signify looks into other non-plastic alternatives. Signify has already started the phase-out of plastic by removing commonly used plastic inserts from Philips Hue bulb packaging. It has also selected paper foam to package the recently launched Philips Hue Play HDMI Sync Box. Replacing blister packs with paper-based box packaging will be sequenced across our product portfolio and different regions, starting with LED bulbs in Europe in the third quarter of 2020, and the rest of the world following from the start of 2021.

¹ Based on Signify's own calculations using PET bottles of 0.5 liters

² One tree can sequester 22 kilograms of CO₂ per year



Signify already started replacing the plastic blister packaging for its LED lamps with paper-based materials in the Pacific, where the switch was received very positively and resulted in an increase in sales.

"When we replaced our packaging in the Pacific region, customers said that it was more appealing and environmentally friendly," Rondolat added. "I call upon other companies to join us in making the switch and will gladly share our lessons learned."

Phasing out plastics is a further way we are driving sustainability in our business and another milestone alongside our <u>Brighter Lives</u>, <u>Better World</u> sustainability program. We are on track to achieve carbon neutrality globally this year and already achieved <u>carbon neutrality</u> in 15 of our 19 markets. We were <u>recognized</u> in 2019 by being named Industry Leader in the Dow Jones Sustainability Index for the third year in a row.

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For further information, please contact:

Signify Corporate Communications

Elco van Groningen Tel: +31 6 1086 5519

E-mail: elco.van.groningen@signify.com

About Signify

<u>Signify</u> (Euronext: LIGHT) is the world leader in lighting for professionals and consumers and lighting for the Internet of Things. Our <u>Philips</u> products, <u>Interact</u> connected lighting systems and data-enabled services, deliver business value and transform life in homes, buildings and public spaces. With 2019 sales of EUR 6.2 billion, we have approximately 38,000 employees and are present in over 70 countries. We unlock the extraordinary potential of light for brighter lives and a better world. We have been named <u>Industry Leader</u> in the Dow Jones Sustainability Index for three years in a row. News from Signify is located at the <u>Newsroom</u>, <u>Twitter</u>, <u>LinkedIn</u> and <u>Instagram</u>. Information for investors can be found on the <u>Investor Relations</u> page.