

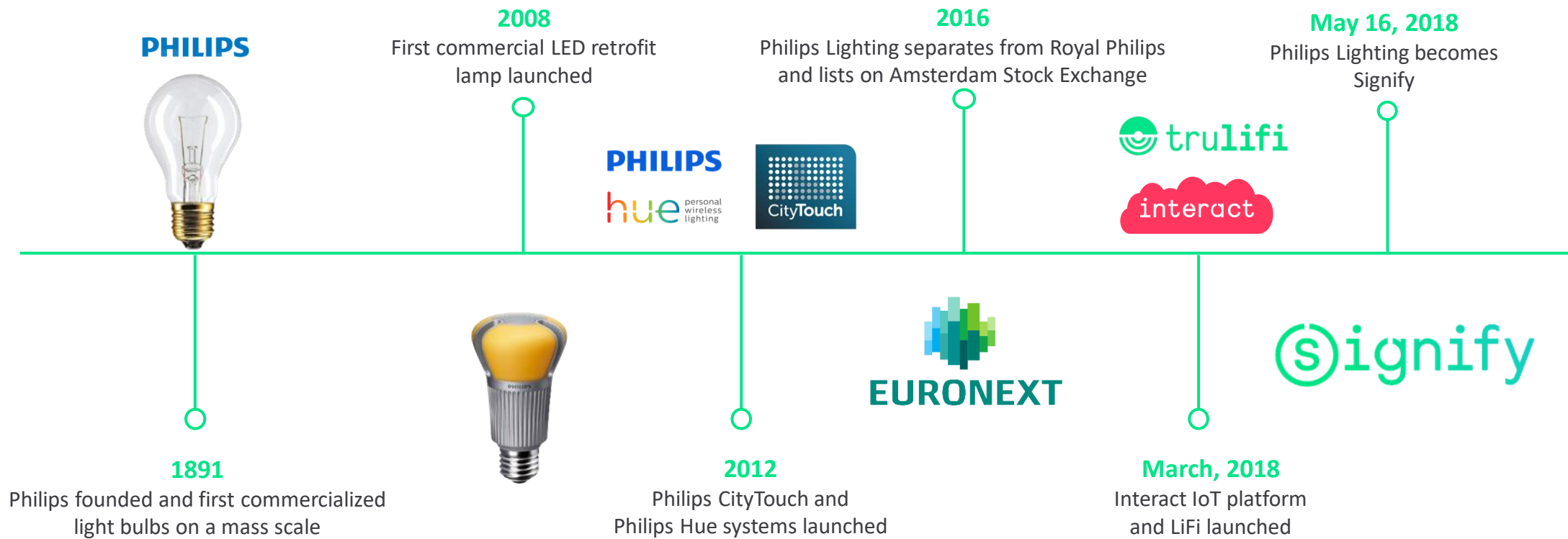


# @ignify

Unlocking the extraordinary  
potential of light

Company presentation

# From Philips Lighting to Signify, 125 years of legacy



# Meet our global brands

**PHILIPS**

**PHILIPS**

**hue** personal  
wireless  
lighting

**WIZ**

 **COLOR  
KINETICS**

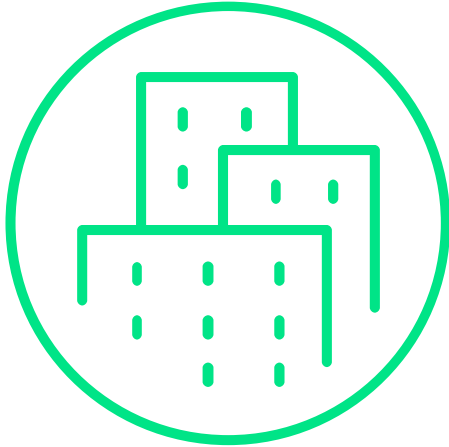
 **MODULAR  
LIGHTING —  
INSTRUMENTS**

**interact**

Our Internet of Things platform  
and connected lighting systems

# Our world is changing

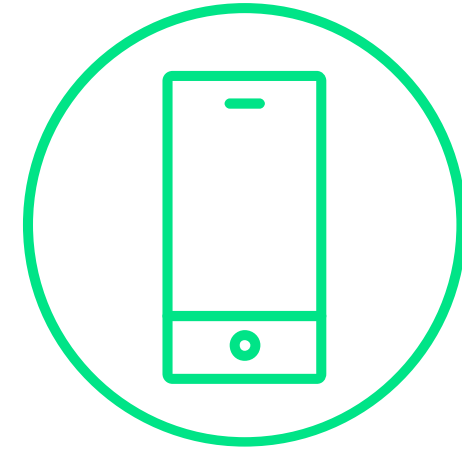
## Global trends & challenges



Population growth & urbanization



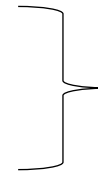
Resource challenges



Digitization

Sustainable development momentum insufficient

- **Rational:** need economic, environmental & social benefits
- **Emotional:** need to restore the appetite for change



Vision & Narrative  
Required!

# The Sustainable Development Challenge

## From a Linear to a Circular Society

### Lowest 1st cost

- Behaviour
- Processes
- Judgement

### Linear Society

- Extraction
- Consumption
- Disposal / emission

### GDP



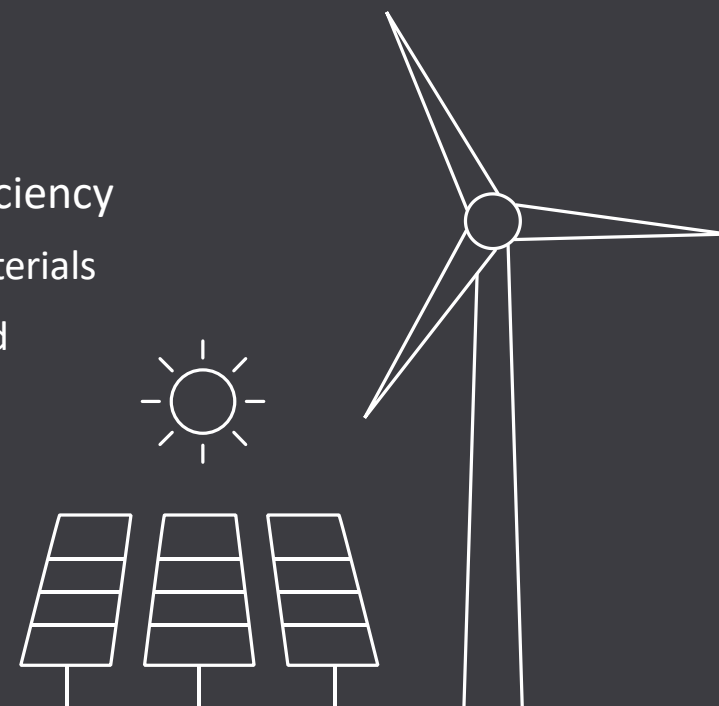
### Lifecycle value

- Economical
- Ecological
- Social

### Circular Society

- Resource efficiency
  - Energy; Materials
  - Water; Food

### Quality of Life



# The bigger Paradigm shift

Capitalism, Communism, Socialism → Sustainalism

## From

More is better

Lowest initial cost

Open product chains

Invoicing products / hardware

Product focus

GDP metrics

## To

Better is best

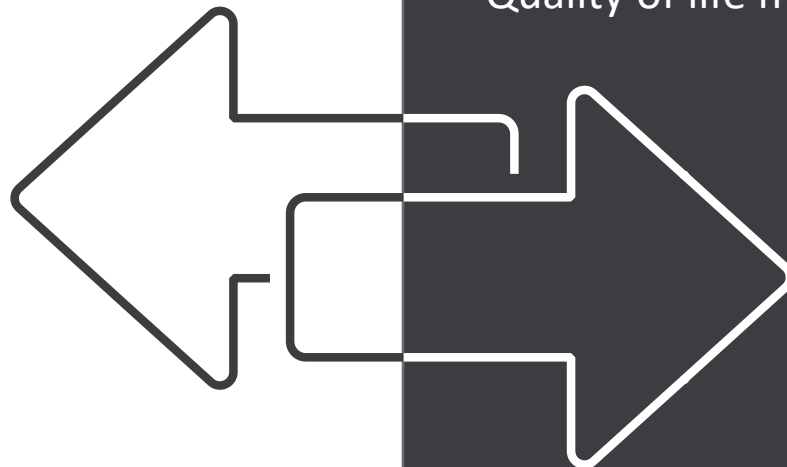
Least lifecycle cost

Closed systems / cycles

Leasing / financing

Service focus

Quality of life metrics



# Sustainable Development

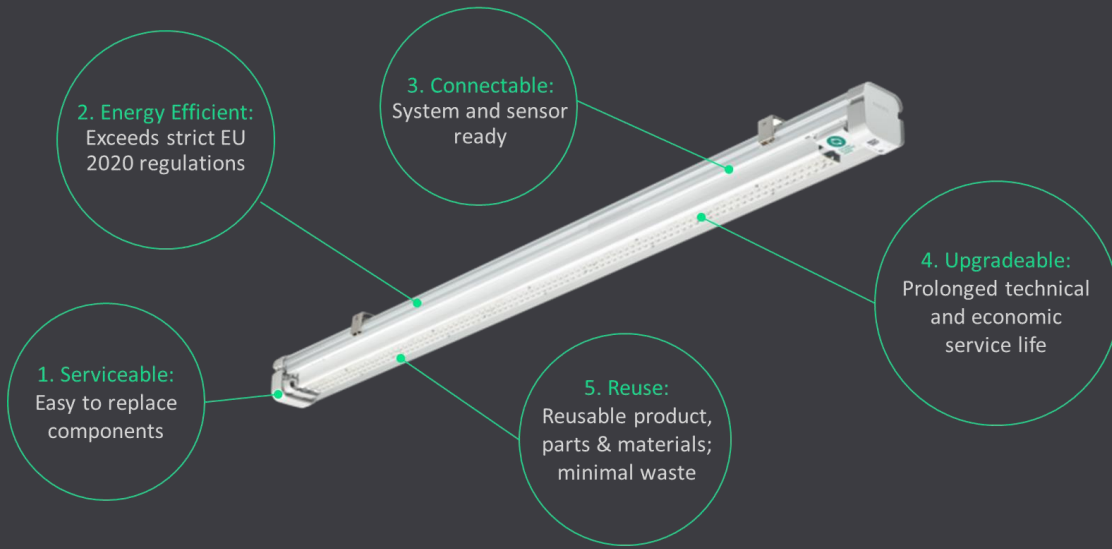
## Building blocks

1. Technology
2. Policy Frameworks
3. Financing
4. Communication



# Our contribution to sustainability

## Support the circular economy – circular economy ready luminaires



### Circular specifications:

- Replaceable driver, controls and mechanical parts
- Luminaire can interface with a system or sensor
- Exceeds the strict 2020 EU Single Lighting regulation
- Environmental Product Declaration (family level)
- All circular benefits and specs in product leaflet

### Other Circular Economy ready families:

- Pacific LED
- Trueline
- GentleSpace
- Maxos fusion
- Various outdoor products



# Our contribution to sustainability

## Support the circular economy – additional benefits 3D Printing



### No paint, less parts, less screws

3D-printed luminaires are designed for a circular economy, reducing significant waste

- Higher serviceability and upgradable by default due to smart modular design. Advantage of these modular designs is that at the end of life dismantling of these products for recycling becomes easier.



### 100% recyclable polycarbonate

3D-printed luminaires are designed for a circular economy, reducing significant waste

- Closing the material loop within the factory, like with other Signify factories, re-using own material

Technology is advancing at an unprecedented pace and provides triple win solutions for consumers, environment and economy

# Shaping the Lighting Revolution

Lighting is evolving beyond offering products



- Analog / Conventional / Lamps
- Stand-alone / 'Dumb'
- Products / Replacement sales

- Digital / LEDs
- Connected / 'Smart' / IoT
- Systems & Services

# Energy & climate change: the relevance of Innovation

## Example: Lighting

Four drivers for action:

- Rising energy prices
- Climate change/ Kyoto
- Security of supply
- Economic growth



Our value proposition:

## Energy Efficient lighting solutions

Lighting share of global electricity cost

2006	19%
2015	15%
2030	8%

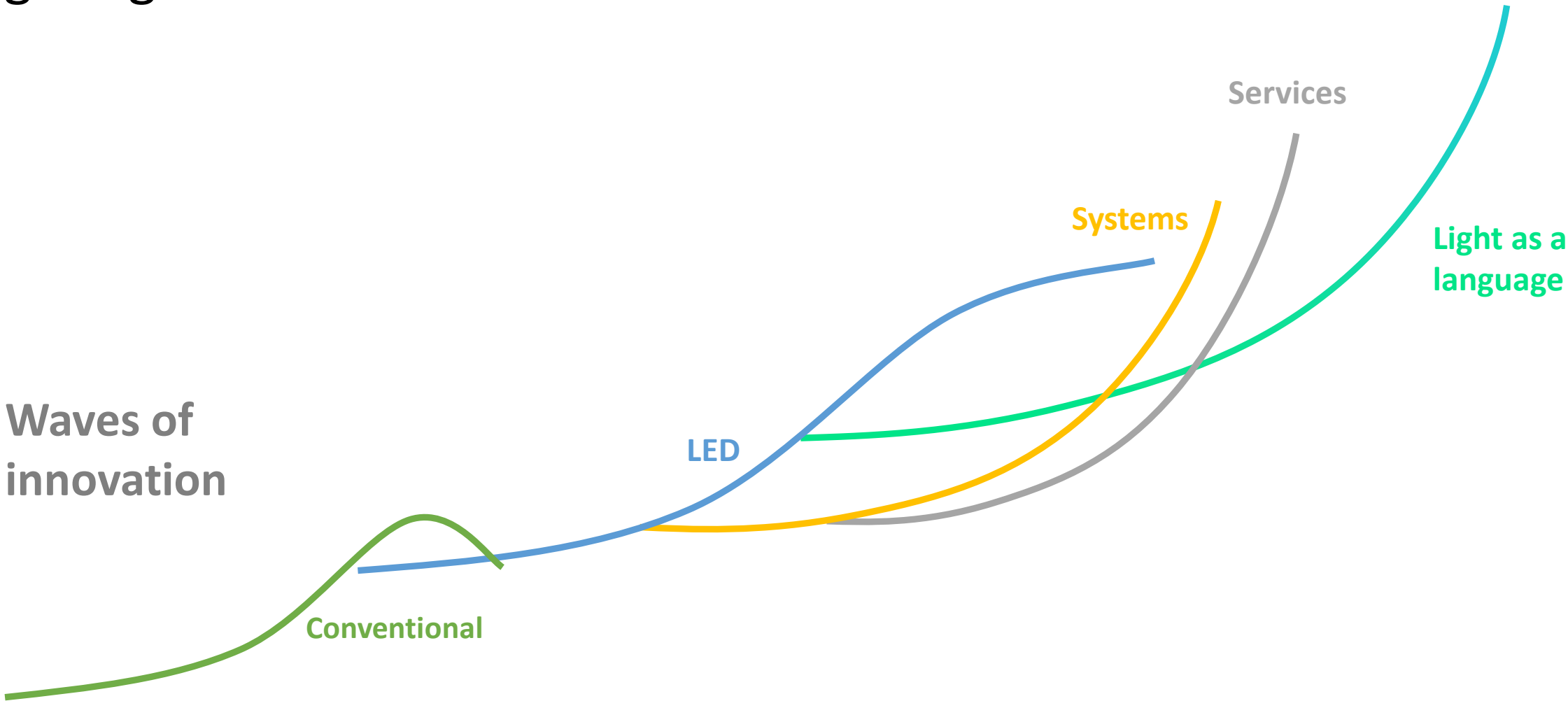
LED Lighting share

2010	1%
2021	50%
2030	90%

Potential saving 40%

	Global
Electricity cost/yr (Bio €)	272
CO <sub>2</sub> emissions/yr (Mio tons)	1400
Car emissions@10kmile/yr(Mio)	520
Power plants (at 2TWh/yr)	1250

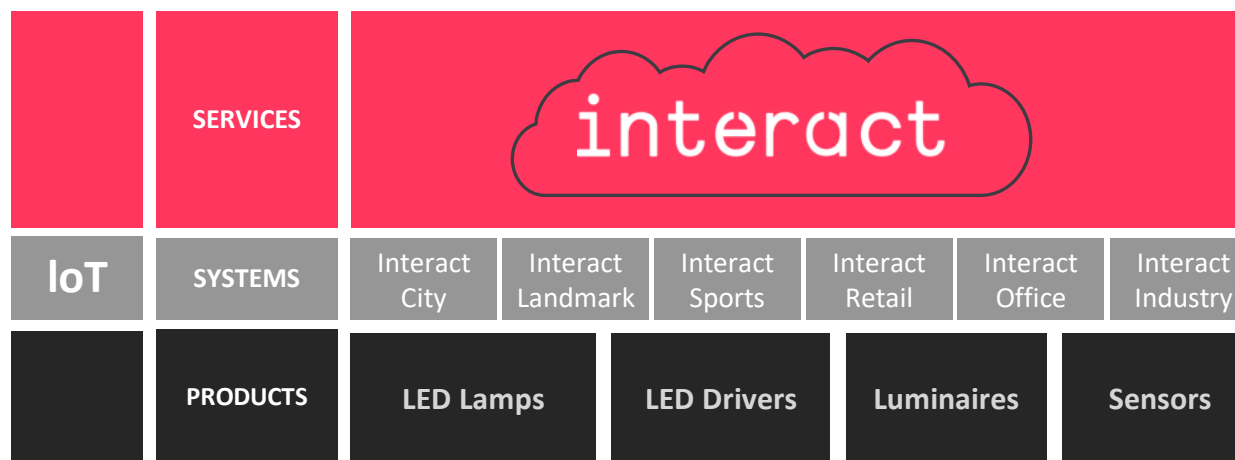
# Lighting Sector



# Interact

## Lighting

### connected



Interact  
City



Interact  
Landmark



Interact  
Sports



Interact  
Retail



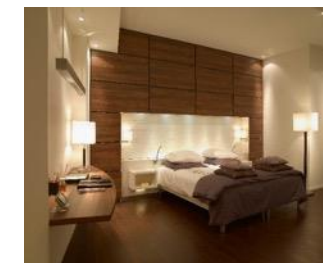
Interact  
Office



Interact  
Industry



Interact  
Hospitality



Policy Frameworks will accelerate market adoption of innovation and drive phase-out of costly in-efficient technologies that are a burden to our environment and our budgets

# Policy measures; 'supply' & 'demand'

**Restrict SUPPLY of least efficient products**

**Boost DEMAND of most efficient products and systems**

- (Progressive) Minimum Energy Performance Standards a.o. for Appliances, Buildings, Vehicles
- Building Codes with pathway to Net Zero Emissions in 2050 for existing and new buildings
- Integrated Policies (EE Buildings; Electric Vehicles; Renewable Energy)
- From Product towards System and Infrastructure policies & regulation
- Policy ambition levels that are in line with Science Based Targets
- Performance Based ('green') Public Procurement
- Accounting rules & Financing mechanisms that stimulate service based business models



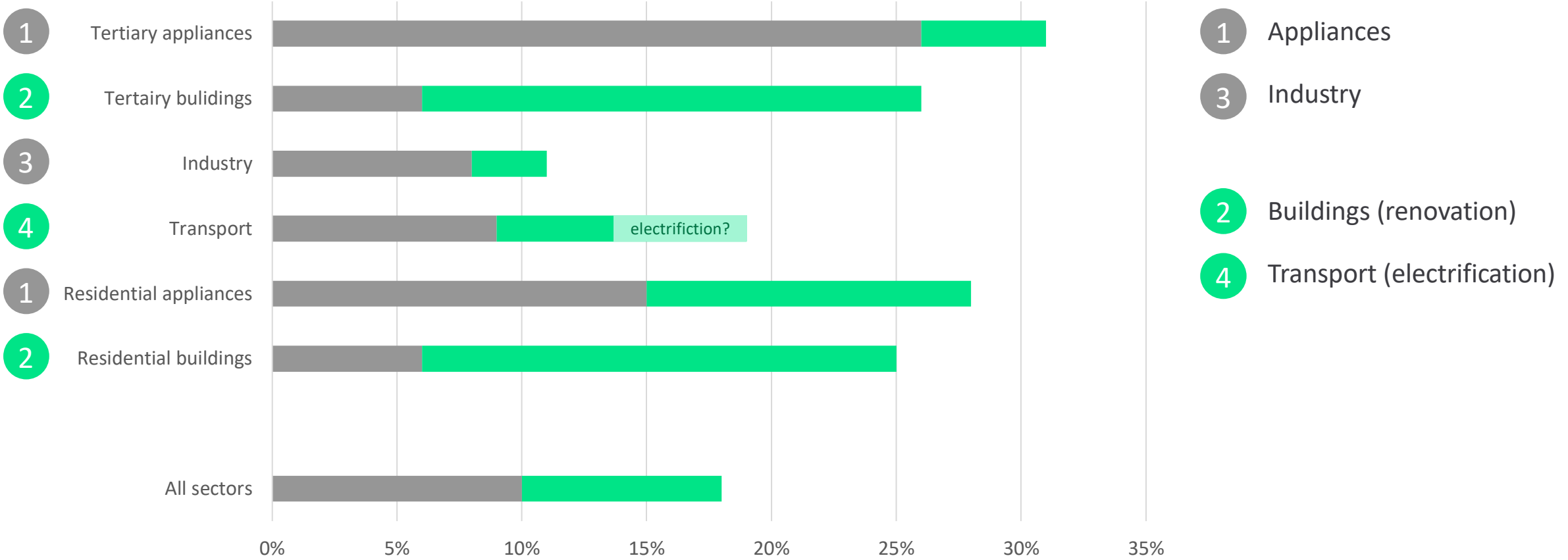
# Government Policy Frameworks

- Accelerate buildings renovation rate from 1.2% to 3% by 2030
- Develop building renovation initiatives for:
  - Residential buildings
  - Commercial & Industrial buildings
  - Public buildings
- Long-term 2050 vision for 'net-zero carbon' building stock



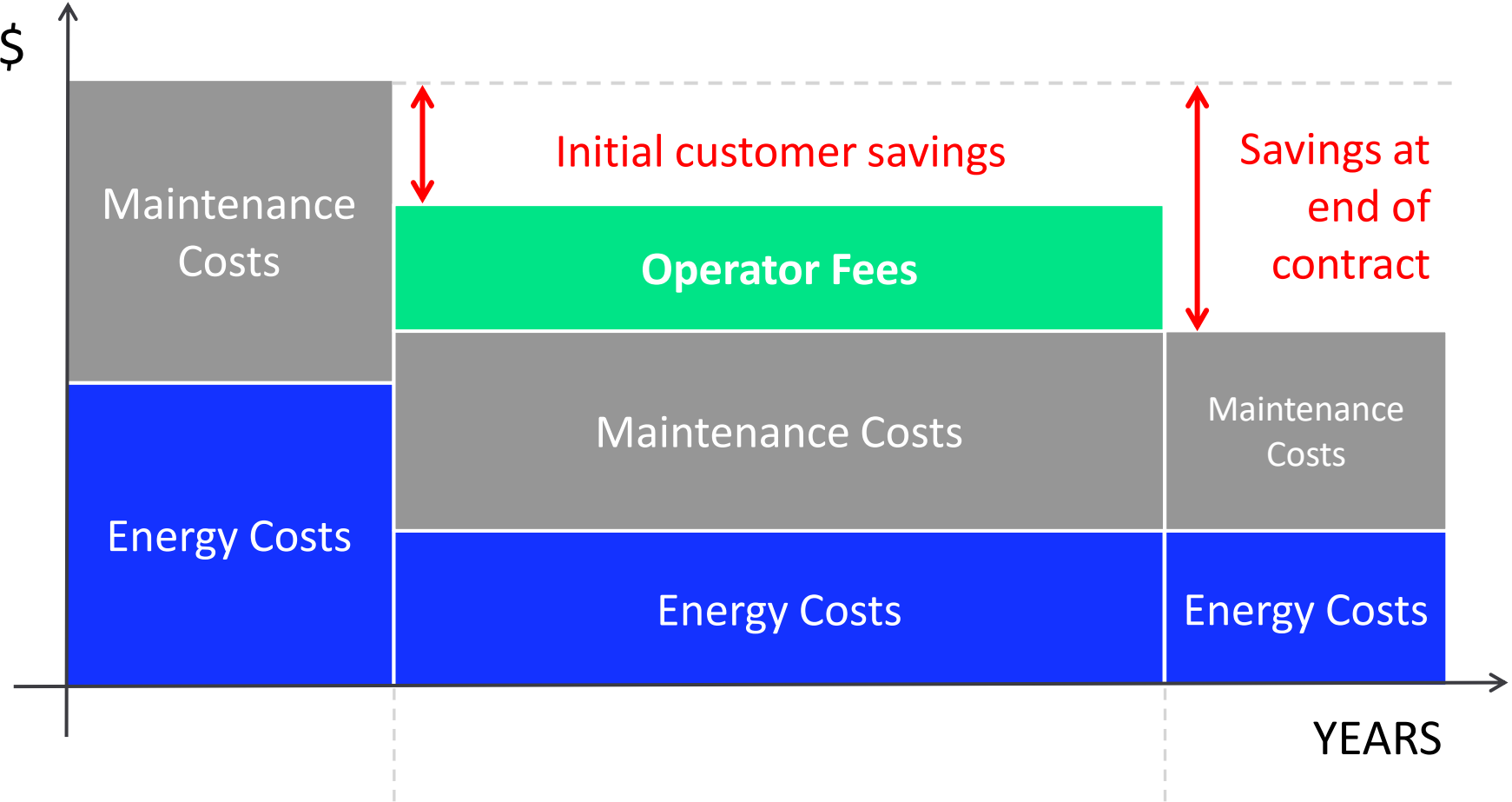
# Integrated Policy Frameworks (Buildings; Electric Vehicles; RE)

Four key efficiency areas to meet <2°C



Innovation benefits that can be obtained faster by using Financing Mechanisms that balance capital and operational expenditures

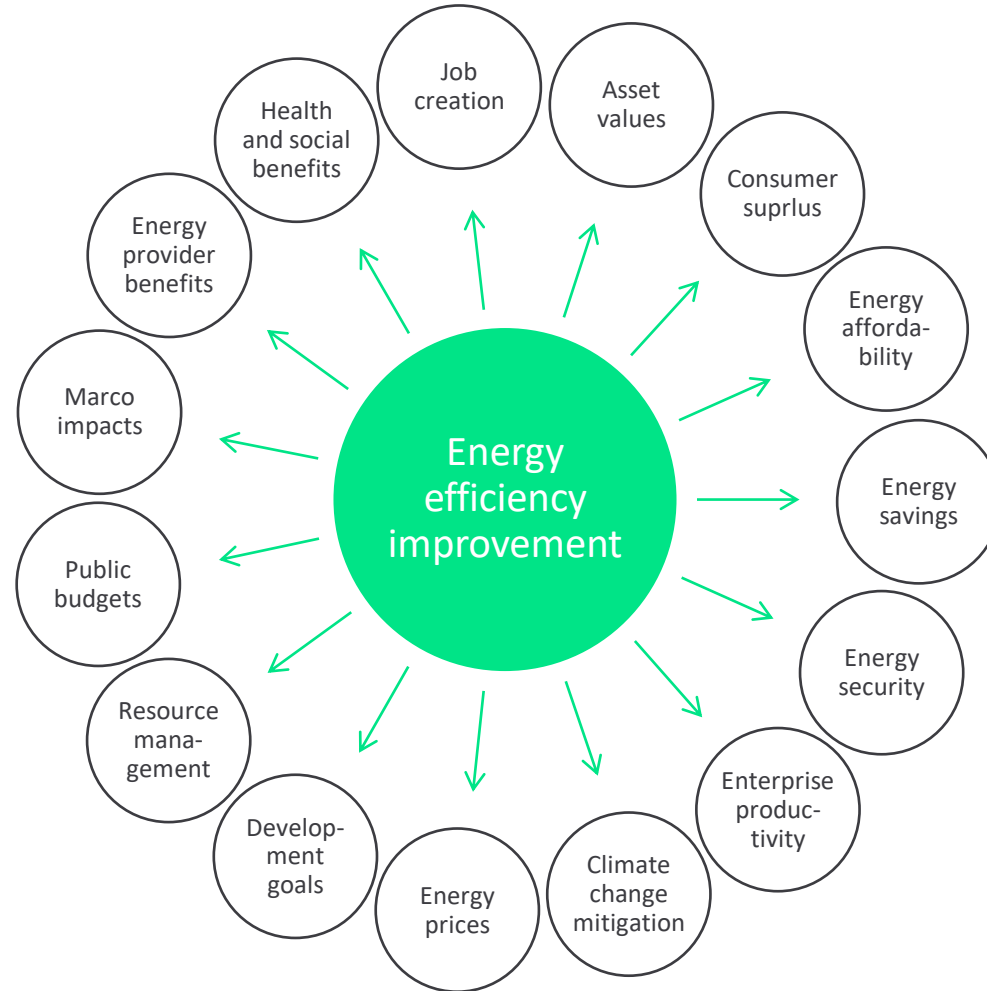
# Typical ESCO business model



We will create more momentum for sustainable development by focusing on communication of tangible social benefits beyond economic and ecological gains alone

# Communication

Multiple benefits beyond efficiency / carbon reduction



Source: IEA

# Communication in Partnership




This row contains seven logos: a large black 'C' with a red dot above it; the World Green Building Council logo featuring a blue and green globe; the WCCD logo with a globe and the text 'WORLD COUNCIL ON CITY DATA'; the ICLEI logo with the text 'Local Governments for Sustainability'; the R20 logo with a globe and three arrows; the C40 Cities logo with the text 'CLIMATE LEADERSHIP GROUP'; and the LUCI Association logo with a grid pattern.



This row contains four logos: the United Nations logo; the Sustainable Energy for All logo with a green leaf-like shape; the en.lighten logo with a globe; and the GOGLA logo with the text 'Global Off-Grid Lighting Association'.



This row contains three logos: EuroACE with the text 'THE EUROPEAN ALLIANCE OF COMPANIES FOR ENERGY EFFICIENCY IN BUILDINGS'; the European Alliance to Save Energy logo with a map of Europe and the text 'Creating an Energy-Efficient Europe'; and The Prince of Wales's Corporate Leaders Group logo with a red crest.



This row contains two logos: Development Finance International, Inc. with the text 'Accelerating growth in emerging markets®'; and Schuman Associates with a stylized blue logo.