



## Press Release

June 18, 2024

### **Signify delivers plan to reduce greenhouse gas emissions by 90% across its entire value chain and reach net-zero by 2040**

- Signify Climate Transition Plan targets entire value chain to eliminate 90% full-scope GHG emissions and reach net-zero by 2040.
- Completing the switch to energy-efficient LED lighting would reduce total global GHG emissions by 1%, equivalent to half the emissions caused by aviation<sup>1</sup>, more than enough electricity to charge every electric car currently on the road, or power over 100 million heat pumps<sup>2</sup>.
- Signify will work closely with customers, partners, and public decision-makers to accelerate the sustainable energy transition.

**Eindhoven, NL** – [Signify](#) (Euronext: LIGHT), the world leader in lighting, has released its [plan](#) to reduce greenhouse gas (GHG) emissions by 90% across its entire value chain against a 2019 baseline and reach net-zero by 2040. The plan builds on Signify’s long-established leadership in transforming the lighting industry.

*“We fundamentally believe in the potential of light to positively impact society, and fully embrace the responsibility that comes with our leadership. As one of the first global companies to commit to verified science-based targets, we are today proud to raise our ambitions with Signify’s net-zero 2040 Climate Transition Plan.*

*Our innovations continue to deliver leaps forward in energy efficiency and sustainable lighting technologies. We will continue to act with urgency, and use our voice to engage our customers, employees, partners, and public decision makers to accelerate climate action across our industry and beyond.”*

**Eric Rondolat, CEO, Signify**

Signify’s Climate Transition Plan sets out the company’s climate strategy in line with its [SBTi - validated](#) net-zero targets:

- Net-zero greenhouse gas emissions across the entire value chain by 2040
- 50% reduction in absolute scope 1, 2 and 3 greenhouse gas emissions by 2030, compared with 2019 base year
- 90% reduction in absolute scope 1, 2 and 3 greenhouse gas emissions by 2040, compared with 2019 base year



The Plan includes initiatives and programs across the business and value chain, which include incentivizing suppliers to commit to renewable energy, electrification of the logistics fleet and further extending the use of energy-efficient LED lighting – the single biggest factor in reducing the lighting industry’s emissions in recent years.

Since more than 90% of Signify’s value chain GHG emissions come from the use of its products throughout their lifecycle, the company’s 2040 net-zero ambitions focus on continuing to lead the industry in developing increasingly efficient lighting technologies.

As a result of its actions and innovations, Signify has already achieved a 50% absolute reduction in GHG emissions across its entire value chain, including the scope 3 use phase, since 2019. Yet a sizeable proportion of the global lighting stock is still conventional, meaning there is a significant opportunity for rapid progress. A global switch to energy-efficient LED would reduce global GHG emissions by 1%, which is the equivalent of half the total emissions caused by the aviation industry.

Earlier this year, Signify joined forces with Climate Group and other partners to launch Renovation Revolution with the goal of boosting renovation rates across the European Union -a crucial step if the region is to achieve its 2050 net-zero objectives. **Helen Clarkson, CEO of Climate Group**, said of the launch of Signify’s 2040 Climate Transition Plan:

*“Climate Group welcomes this Climate Transition Plan by Signify, which shows what can and must be achieved by companies if we are to decarbonize across the economy and reach net-zero. We’ve been working in partnership for over 15 years to accelerate the global rollout of LEDs and work towards a more energy efficient built environment. We look forward to many more years working together with Signify, along with other businesses and government partners, to unlock a renovation revolution and to double energy efficiency by 2030.”*

**Paul Dickinson, co-founder of Transition Value Partners**, also Founder of CDP where he is Strategic Adviser, and co-presenter of the Outrage and Optimism podcast, said:

*“Signify is the energy efficiency powerhouse behind Philips lighting, and the biggest manufacturer of LEDs in the world. Low energy lighting is pivotal to reducing an activity representing 2% of global emissions. As the premium global brand for responsible manufacturing and ultra-low power consumption, more and more companies committed to a just transition to net zero will specify Signify, not least to comply with their CSRD supply chain requirements. This company is a leader in global decarbonization, and its pioneering transition plan raises the bar, while showing its commitment to helping others meet their Science-Based Targets and get to net-zero.”*

Signify will report regularly on progress against the plan in its [annual report](#).



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**For further information, please contact:**

**Communications**

Tom Lodge

Tel: + 31 6 52 52 54 16

E-mail: [tom.lodge@signify.com](mailto:tom.lodge@signify.com)

**Footnotes**

<sup>1</sup> According to the International Energy Agency in 2022, based on [estimated IEA lighting emissions](#) and estimated [IEA global energy-related emissions](#).

<sup>2</sup> Based on data from Signify's proprietary calculation model. [See here](#) for more detailed information, including underlying assumption and conversion rates used. Sources: [Electric Vehicle Database](#), [IEA Trends in electric cars](#) and [Viessman – do heat pumps use a lot of electricity?](#)

**About Signify**

[Signify](#) (Euronext: LIGHT) is the world leader in lighting for professionals, consumers, and the Internet of Things. Our [Philips](#) products, [Interact](#) systems and data-enabled services deliver business value and transform life in homes, buildings and public spaces. In 2023, we had sales of EUR 6.7 billion, approximately 32,000 employees and a presence in over 70 countries. We unlock the extraordinary potential of light for brighter lives and a better world. We have been in the [Dow Jones Sustainability World Index](#) since our IPO for seven consecutive years and have achieved the [EcoVadis](#) Platinum rating for four consecutive years, placing Signify in the [top one percent](#) of companies assessed. News from Signify can be found in the [Newsroom](#), on [X](#), [LinkedIn](#) and [Instagram](#). Information for investors is located on the [Investor Relations](#) page.

**About Renovation Revolution**

Currently, EU renovation rates are at 1% annually, far below the needed 2.5% to reach net-zero by 2030. Existing technologies can reduce industry emissions by over 50% by 2030, but urgent action is needed. The initiative aims to mobilize, governments, corporates, and communities to revolutionize renovation efforts. Learn more about the initiative [here](#).