

Signify UKI CLC ConstructZero – Business Champion submission

Questions to the business leader:

- **Why is making progress on Net Zero important to your business?**

Climate change is a pressing issue globally, one that needs to be tackled with utmost urgency. So, as a business owner, local authority or agency, manufacturer, agriculturalist, utility or service provider, it is imperative to think about where to get started and contribute to a greener tomorrow. The failure in doing so can have a devastating impact on us as a generation, society and economy.

The use of halogens bulbs and fluorescent light bulbs can cause around 1.26 million tonnes of carbon to be emitted every year - the equivalent of carbon produced by over half a million cars on the UK's roads. Additionally, moving to LED light bulbs can save consumers an average of £75 a year on energy bills. Our data shows that a complete switch to LED lighting across the UK over the five years would help reduce the UK's carbon footprint by the equivalent of one of our four coal power plants or 636 thousand cars or nearly half a million (496K) households. We recognised the need for the industry to transform and innovate to set an example of how the lighting industry can help the UK with its green recovery and decide to take the leading role.

At Signify, sustainability is at the heart of our purpose: to unlock the extraordinary potential of light for brighter lives and a better world. We are proud that we also 'walk the talk'.

- At the end of 2020, we have already become a carbon-neutral company. We have also achieved 100% renewable electricity and celebrated our ambitious milestones on sustainable revenues, safety, supplier sustainability and zero waste to landfill.
- We also generated 84% of our revenues from energy-efficient products, systems, and services, ahead of our target of 80%.

Now, we embark on a new, five-year journey to double our positive impact on the environment and society. Guided by the UN SDGs, we aim to double our impact towards the Paris Agreement, double our circular economy revenues, double our Brighter lives Better Future revenues to benefit society and double the percentage of women in leadership. Watch the video here for more details: [Brighter Lives, Better World 2025](#)

Bold climate action is needed, and it's needed now. As world leaders in lighting, we are excited to have already set an example of how the lighting industry can significantly help the UK on its journey to decarbonisation.

- **Which of the nine priorities are more relevant to your business and clients and why?**

Sustainability is at the heart of what we do, and therefore, each of the priorities are relevant to our business and clients. As a business, we want to double the pace of action towards a greener future. We offer lighting solutions that can help decarbonise the transport sector and substantially reduce GHG emissions. We are riding the renovation wave as we believe that lighting is the easiest and least intrusive way to make buildings more energy-efficient and smart. We also believe that a circular economy is at the heart of combating biodiversity loss and adapt to climate change, all while creating green jobs. Our circular model is about reducing waste and preserving value by aligning the goals of our customers, the growth of our business, and the future resources of our planet. However, we would like to point out the following priorities that resonate the most:

Priority 4

Work with the government to deliver retrofitting to improve the energy efficiency of the existing housing stock

Priority 6

Enhancing the energy performance of new and existing buildings through higher operational energy efficiency standards and better building energy performance monitoring

Priority 8

Become world leaders in designing out carbon, developing the capability of our designers and construction professionals to develop designs in line with circular economy - reducing embedded and operational carbon, shifting commercial models to incentivise and reward measurable carbon reductions

The role that buildings have to play in climate change rarely gets the same attention as issues such as energy production or transport, but they are a significant part of the problem. The UN estimates that, in 2019, emissions from buildings hit an all-time high, accounting for more than a third of all energy-related greenhouse gases. In Europe, buildings account for 40% of energy consumption and more than one third of greenhouse gas emissions.

According to BEIS, upgrading from conventional lighting to LED technology can deliver significant cost savings of up to 80% for a business

We believe refurbishing the built environment – building stock and public infrastructure will help pave the way for a decarbonised and clean energy system, building toward the climate-neutral UK. But this isn't happening at the speed that's needed.

Lighting is the quickest, easiest, and least intrusive aspect of a building renovation compared to areas like thermal insulation and plumbing, which can be very disruptive and time-consuming. LED lighting can be as simple as changing a light bulb and can halve your electricity usage. But the real benefits are achieved when that LED lighting is smart. Connecting light points to sensors, devices, and software to manage them drives further energy efficiencies. For example, luminaires equipped with sensors can dim or brighten in response to changing daylight conditions: a process called "daylight harvesting". Sensors can also detect when people enter and leave a room to switch on and off the lights automatically.

Connected lighting also helps build the digital infrastructure that is crucial for adaptability, optimal operation, and efficient maintenance of buildings and street lighting. Moreover, it goes beyond illumination, providing the foundation for space management and wayfinding solutions and a scalable base to expand and meet future needs. Here, UV-C lighting should also be considered a crucial part of renovating buildings. UV-C radiation is a known disinfectant for air, water and surfaces and harnessing that capability within lighting solutions will build smarter, healthier buildings that safeguard wellbeing.

A move to green buildings also offers the potential to open up jobs in the UK, which would lead to growth across the country. This can also be seen from the fact that the UK government also recognises the need for change and has included green buildings in its 10-Point Plan for a Green

Industrial Revolution. Under the green building initiative, the government's focus will be on putting homes, workplaces, schools and hospitals at the heart of our green economic recovery, supporting 50,000 jobs and building new supply chains and factories in the UK.

- **What are you doing to make progress against the relevant priorities (of the 9) in the short and long-term? (Could include targets or milestones)**

As the world looks to recover from the impact of coronavirus on our lives, livelihoods and economies, we have the chance to build back better: to invest in making the UK a global leader in green technologies. At Signify, we lead the way and set an example for the lighting industry on how to become a part of the UK's green recovery and resilience.

Our achievements so far:

In 2018, 79% of our sales comprised energy-efficient products, systems and services. Each day we make a difference, one light bulb, one luminaire, at a time. But more, we also walk the talk. At the end of 2020, Signify reduced its carbon footprint by 49%, and we're now a carbon-neutral company. We have also shifted to 100% renewable electricity; we are moving vehicle fleets to hybrid and electric, making buildings carbon neutral, investing in energy efficiency and offset programs, and developing recyclable products for a circular economy. These and other actions make a real difference.

The future:

As a world leader in lighting, we created the Green Switch programme to help the industry act without delay.

LED and connected lighting offer one of the simplest and most often overlooked paths to reducing greenhouse gas emissions. Not only that, but IoT capabilities built on top of the connected lighting infrastructure can help make the smart future a reality today, spurring job creation and driving prosperity, as mentioned above.

As we are in the first year of the critical decade for climate action, bold climate action is needed, and it's needed now.

Signify's [Green Switch](#) provides many ways for businesses to participate in the UK's green revolution. Green Switch underpins various ways in which light can contribute to recovery to carbon emission reduction and economic progress.

- **Renovation Wave** - Refurbishing the building stock and improving the public infrastructure in the EU will help pave the way for a decarbonised and clean energy system while creating jobs. Signify offerings towards this initiative: LED & connected lighting; UV-C
- **Clean energy** - Decarbonising energy systems and support up to twice the capacity of renewable generation forms an essential part of the government's ten-point plan as a critical measure to reaching its climate objectives. To help with this, Signify works with the industry to harness the power of sunlight and offers solar and hybrid solar LED street lighting, systems and services.
- **Circular economy** - Signify's recyclable 3D-printed luminaires cut the carbon footprint for lighting in half (excluding the use phase). Circular systems monitor the lighting and run preventive maintenance schedules. Circular lighting / Light-as-a-Service – for streetlamps, buildings, and homes – extends lifetimes, reduces

maintenance costs by 60%* and provides multiple 'end-of-contract options to avoid waste to landfill.

- **Clean mobility** – In line with the focus on electric vehicles in the UK's ten-point plan for a green industrial revolution, Signify encourages charge stations to be built into connected LED streetlights as a practical solution to achieve this target. Savings from energy-efficiency renovations and LED and solar street lighting can power tens of thousands of electric vehicles without the need for extra power generation. To support this, Signify offers the use of LED lighting to offset new power generation, smart poles
 - **Biodiversity** – In line with the focus on protecting our natural environment, we offer solutions; a farm-to-fork approach helps preserve the world's food supply and deliver sustainable food production. LED grow lights boost crop quality and yield with half the energy consumption. Lighting designed for vertical farming near cities reduces the food miles needed to get food to the table, increases crop predictability and improves quality. Aquaculture lighting increases yield, improves feed conversion and improves animal welfare. For this, we offer horticulture and aquaculture lighting
- **How have you helped your supply chain understand what is required against the 9 priorities?**

As a leader in the lighting industry, we have shown how to lead by example.

- Five years since announcing our carbon neutrality commitment to COP21 delegates in Paris, we've become 100% carbon neutral
- As a global company, Signify has reduced our operational emissions by more than 70% since 2010, making us the first major lighting company in the world to reach carbon neutrality.
- Globally, Signify is also committed to a new journey that will see us focus on "doubling our positive impact on the environment and society" through [Brighter Lives, Better World 2025](#), our new five-year sustainability programme.
- Energy efficiency has been a particular focus, having transitioned to advanced technologies in offices and factories and looking at more sustainable transport modes. As a result, between 2011 and 2020 energy efficiency of our operations has improved by 70%.

We share the knowledge and best practices with our supply chain, identify issues and opportunities and gain insight to refine our supplier sustainability strategy. We run multiple programmes that are designed to improve the sustainability performance of our supply chain. These include carbon disclosure, substance management, ensuring we do not use any conflict minerals in our products and are part of the Responsible Minerals, Fair Cobalt Alliance.

We support our suppliers in their pursuit of continuous improvement and operational excellence. At the same time, we ask our suppliers to meet the highest standards in terms of quality, ethics and sustainability

- **As a business leader, what do you think the biggest challenge is and how are you working to overcome it?**

As a company, we are cautiously optimistic. However, we are optimistic since we, as an industry, are heading in the right direction. We also recognise across sectors; companies are

waking up to the role they need to play to ensure the UK is on track for its net-zero ambitions.

But, we are concerned as we also realise that we are not moving fast enough. We feel the pace of actions needs to double up.

As a leader in the lighting industry, we are using different technologies that have already been proven to be beneficial in improving the quality of the living environment, their economic relevance and to the lives of people in their homes, workplaces and in the city.

We are also part of several coalitions and are engaging with governments globally on the EU deal, the American jobs plan, and the UK's green revolution on what needs to be done and sharing how it can be done. We feel the pace of action can pick up when the industry acts as a collective force and can bring together their best practices and learning. In the UK, we are a signatory of the Terra Carta; we work closely with the Corporate Leaders Group and The World Green Building Council to help expand the reach and impact of the corporates and the private sector and also enable them to gain valuable insight and perspective on the actions required to develop sustainable economies around the world.

- **In your view what is the one innovation or change that is going to have the biggest impact on carbon or progress in our industry?**

We would be tempted to call out the unique nature of LED lighting in response to this and show how in less than a decade how the products offered in the range has moved from analogy to being IoT enabled to become a significant driver of reducing carbon emissions. In essence, it is not about the one technology or the one change that can have the most significant impact. It is about the integrated approach where we advance on LED efficiency, where we combine this with our goals and also bring forward more electrification of transport and energy services. Only when these are integrated we can tackle this monumental yet critical task at our hands- that will define the future of several generations to come.

Questions to the emerging leader:

Answered by Matt Burton, Product Marketing Lead & Channel Manager (Trade & Spec), Signify UK&I

- **What do your peers and wider employees within your company think about the businesses' approach to Net Zero?**

At Signify, we have a committed approach to sustainability and carbon reduction which we are all proud to be a part of. Everybody here is on board, and we all work together throughout every department to achieve our sustainability goals. Signify status of Industry Leader in the Electrical Components and Equipment category of the 2019 Dow Jones Sustainability Index(DJSI) with a score of 88/100. Our score demonstrates the continued progress we have been making on implementing sustainable measures in all aspects of our business. 2019 was the third year in a row that Signify was named Industry Leader and the third year it has been included since it became an independent company. We are honoured to work for an already carbon neutral company, with one of the of strongest industry rankings on the DOWJONES Sustainability index – but this is just the start of our journey to keep on reducing and doing even more to preserve our planet.

- **How are the younger generation within your business engaged in this?**

We are very fortunate to have a highly diverse workforce at Signify, including in terms of age. We have just completed another round of Apprentice recruitment, and all of these new (and existing) starters are fully on board with our CSR and Sustainability policies and commitments. The diverse workforce is the backbone of what we are all about and proven to be a key factor in what draws young talent to our company. Team members of all ages are part of our workstreams which look closely at sustainability initiatives, aligned to the UN's SDGs.

- **What more do you think your business could be doing against the 9 priorities?**

We have many key actions in place to address the global challenges we all see and put a huge amount of focus and effort into these – which makes it difficult to point what 'more' we could do. Of course, further accelerating efforts would always be encouraged, and the more we can do to implement changes quicker – the better it is for each one of us. We will also be pushing on further in encouraging other companies within our sector – including suppliers and contractors - to think about their CSR & Sustainability and put in place tangible actions to tackle this topic. We are currently discussing some schemes to expedite this, as we believe we can act as a thought leader in this space.

- **A Youth Voice COP climate is being organised in Milan to bring together young people globally- what would be your key issue to raise?**

Aside from the obvious topic of broader and deeper global awareness on the climate challenges we face, I would want to raise the issue and challenge around the inadequacies of broader recycling operations, particularly in some local areas, and for more to be done to challenge companies who are still using non-recyclable packaging – particularly larger organisations who opt to use throw away materials, usually plastic, purely for the cost benefit. I would love to see rewards or grants for companies to drive them to use recyclable products and services, or even a levy on non-recyclable materials used to really move the needle on this. Therefore, the consumer does not 'pay more' for a more sustainable product.

- **What do you do in your daily life/job that makes a difference?**

I'm highly fortunate to work for Signify which means every single day, I feel I'm making a difference by promoting the energy efficient LED products and services we develop to reduce the carbon footprint of homes and businesses worldwide. Personally, I am making a conscious effort to learn more on what I can do to become more carbon and sustainability conscious, including walking wherever possible, stepping up recycling efforts and looking forward, will be moving towards a hybrid or electric vehicle at the next change-over opportunity.