Press Release

June 23, 2026

Capital Markets Day 2026: Signify introduces strategy to create a more focused, better-performing company

- 2029 medium-term objectives and updated capital allocation policy:
  - Comparable sales growth of 0-1%
  - Adjusted EBITA margin of c. 10%
  - Free cash flow generation of 7-8% of sales
  - Updated dividend policy to pay an annual cash dividend with a pay-out ratio of 40–50% of continuing net income*

Eindhoven, The Netherlands – Signify (Euronext: LIGHT), the world leader in lighting, today introduces an updated strategy, portfolio priorities and medium-term financial objectives at its Capital Markets Day 2026.

"Today, we are setting out a strategy to build a more focused, better-performing Signify. We are making deliberate portfolio choices and applying differentiated playbooks to drive a step-up in performance, while organizing the business for greater speed, accountability, and customer focus.

Our ambition is to return to a stable topline, improve profitability, and create sustainable value for all stakeholders. For customers, that means a market-leading experience. For employees, it means a company where people grow, perform and build meaningful careers. For investors, it means a stronger and more compelling investment case. And for society, it means continuing to unlock the extraordinary potential of light for brighter lives and a better world.

This is not about reinventing Signify. It is about becoming a better version of the company we already are. More focused, better performing, more customer-led, and well positioned to capture the opportunities ahead."

As Tempelman, CEO, Signify.

During the event, to be held at the company's headquarters in Eindhoven, CEO As Tempelman, CFO Željko Kosanović and members of the leadership team will outline how Signify will sharpen its focus, improve performance and create sustainable value for stakeholders.

The strategy outlines six clear portfolio choices, defined by a Build or Harvest mandate. Signify will invest in Build areas where Signify has a strong right to win, including connected lighting, Consumer, selected Professional segments and a more focused geographic presence. Harvest areas, which include non-connected LED lamps, Conventional and more commoditized activities will be optimized for performance and revenue.

Addressing a more granular view of performance in the business, the company will apply three differentiated playbooks to each performance area: maximizing operating leverage in growth areas, turning around EBITA-dilutive performance areas and maintaining high profitability in low-growth and declining businesses.

Execution will be supported by a performance focus on commercial excellence, supply chain, digital and AI, and continued cost discipline.

Medium-term objectives for 2029

Signify aims to deliver a comparable sales growth of 0-1%, Adjusted EBITA margin of circa 10%, and free cash flow generation of 7-8% of sales by 2029. These objectives are to be supported by operational improvements and a disciplined financial framework. The company expects margin expansion to be driven by reduced indirect costs, a resilient gross margin and improved performance management across newly defined performance areas. Free cash flow is to be supported by targeted profitability improvements, working capital discipline and a continued focus on cash conversion.

Capital allocation

Signify is setting out a balanced capital allocation framework with four priorities:

- Maintain a robust capital structure to support its commitment to an investment grade credit rating.
- Pay an annual cash dividend with a pay-out ratio of 40-50% of continuing net income[*]
- Continue to invest in organic and inorganic growth opportunities aligned with the company's strategic priorities.
- Provide additional capital return to shareholders with residual available cash.

The revised framework, including the updated dividend policy, provides greater flexibility to invest in growth opportunities, while maintaining a robust capital structure. Shareholders can expect the company to propose a rebalanced dividend per share for the 2026 financial year.

Signify does not intend to resume the share repurchase program announced in 2025. Further share repurchases will be subject to the company's financial performance, capital requirements, and market conditions.

Capital Markets Day webcast and presentation materials

The Capital Markets Day webcast will be live from 9:00am CET on June 23, 2026. The webcast and relevant materials can be accessed via this link: https://www.signify.com/global/our-company/investors/news/cmd

A replay of the webcast will be available following the conclusion of the presentations.

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About Signify

Signify (Euronext: LIGHT) is the world leader in lighting for professionals and consumers. We proudly bring to market the world's best lighting brands, from Signify, Philips, Philips Hue, Signify Interact, Signify Dynalite, Color Kinetics and many more. Our advanced products connected systems and services unlock the extraordinary potential of light for brighter lives and a better world. In 2025, we had sales of EUR 5.8 billion, approximately 27,000 employees, and a presence in over 70 markets. We are in the Dow Jones Best-in-Class World Index, earned a CDP 'A' score for climate performance and transparency and hold the EcoVadis Platinum rating.

News and updates from Signify can be found in the Newsroom, on LinkedIn and Instagram. Information for investors is located on the Investor Relations page

Important information

Forward-Looking Statements and Risks & Uncertainties

This document and the related oral presentation contain, and responses to questions following the presentation may contain, forward-looking statements that reflect the intentions, beliefs or current expectations and projections of Signify N.V. (the "Company", and together with its subsidiaries, the "Group"), including statements regarding strategy, estimates of sales growth and future operational results.

By their nature, these statements involve risks and uncertainties, and there may be many factors that could cause actual results or outcomes to differ materially from those expressed in or implied by these statements. These risks, uncertainties and other factors include macroeconomic volatility, geopolitical and regulatory changes including trade tariffs, competitive price pressure, technological disruptions, reduced governmental funding for energy efficiency and sustainability, currency risks, changes in international tax laws, effects of environmental crises, climate change and natural disasters, cybersecurity risk, and export controls and sanctions.

The above risks may not include all factors that ultimately affect the Group. Additional risks and uncertainties that are currently not known to the Group or not considered material may have a material adverse effect on the business, strategy, results of operations, financial condition and prospects of the Group, or prevent the forward-looking events discussed from occurring. The Group undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.

Market and Industry Information

All references to market share, market data, industry statistics and industry forecasts in this document consist of estimates compiled by industry professionals, competitors, organizations or analysts, of publicly available information or of the Group's own assessment of its sales and markets. Rankings are based on sales unless otherwise stated.

Non-IFRS Financial Measures

Certain parts of this document contain non-IFRS financial measures and ratios, such as comparable sales growth, adjusted gross margin and indirect costs, EBITA, adjusted EBITA, free cash flow, Net debt, Working capital and other related ratios, which are not recognized measures of financial performance or liquidity under IFRS. The non-IFRS financial measures presented are measures used by management to monitor the underlying performance of the Group's business and operations. Not all companies calculate non-IFRS financial measures in the same manner or on a consistent basis and these measures and ratios may not be comparable to measures used by other companies under the same or similar names. For further information on non-IFRS financial measures, see "Chapter 18 Reconciliation of non-IFRS measures" in the Annual Report 2025.

Market Abuse Regulation

This press release contains information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

* Continuing net income is defined as net income excluding discontinued operations and excluding material non-recurring items such as restructuring and acquisition related charges.