



Signify Annual General Meeting of Shareholders 2025

Presentation by CEO Eric Rondolat

April 25, 2025 | Eindhoven, the Netherlands

Good afternoon, ladies and gentlemen, and welcome to our 2025 Annual General Meeting of Shareholders.

Let's start by looking back at 2024.

Despite headwinds in China and in the Professional business in Europe, we delivered sequential improvements, with a particularly strong performance from the Consumer business.

We delivered full-year sales of 6.1 billion euros and achieved our guidance for the full year, with an adjusted EBITA margin of 9.9%.

We delivered a healthy free cash flow of 7.1% of sales which includes a cash out related to the restructuring program and a reduction of our US pension liabilities. Available free cash flow was used to reduce 440 million euros of debt. As a result, we have strengthened our balance sheet and reduced interest charges for the coming years.

LED-based sales now represent 93% of our topline. We continued to see growth in connected and specialty lighting, driven by underlying demand for energy-efficient and innovative solutions. Our installed base of connected light points reached 144 million at the end of 2024.

We continued to advance our innovation, investing 4.3% of sales in Research & Development, to drive a future-proof portfolio of sustainable products, systems, and services.

Finally, we launched a share repurchase program for a total of 350 – 450 million Euros of shares until the end of 2027. This underscores our commitment to create value for shareholders while maintaining financial flexibility to support growth opportunities.



Let's look at our sustainability progress.

In 2024, we completed the fourth year of our Brighter Lives, Better World sustainability program, aiming to double our positive impact on the environment and society. We made substantial progress and are on track to deliver three of the four commitments.

First, we are tracking ahead of our target to reduce emissions across the entire value chain by 40% against the 2019 baseline.

Our circular revenues remained ahead of our target at 35%, with a strong contribution from serviceable luminaires.

At 33%, we also surpassed our Brighter lives revenues target, driven by the strong performance of professional luminaires and consumer light sources.

The percentage of women in leadership positions dropped to 28%, which is below our target. We are continuing our efforts to increase overall representation through focused hiring practices for diversity across all levels, and through retention and engagement actions.

Additionally, we launched our Climate Transition Plan, which outlines our path to reduce greenhouse gas emissions across the entire value chain by 90% and achieve net zero by 2040 (!!).

Finally, Signify has enjoyed some very valuable external recognition, including our eighth consecutive year in the Dow Jones Sustainability World Index, placement in the Corporate Knights Global 100 most sustainable corporations, and a fifth EcoVadis Platinum medal, which places us in the top 1% of companies assessed.

Let's now move to our 5 Frontiers strategy.

We are building a more customer-focused organization and driving process excellence. We are steadily building on our customer Net Promoter Score, which increased to 59.

We continued to develop a differentiated position in the market. This includes investing in research and development, and as of the end of the year, we have secured 20,250 patents.

In addition, we achieved double-digit growth on ultra-efficient, B-brand and private label offerings.



Signify continued to perform strongly in connected professional systems and services, with LED-based sales at 93% and connected lighting reaching 27% of sales.

We reached 33% on Brighter lives revenues from products, systems, and services which contribute to food availability, safety & security, as well as health and well-being.

Enhancements in our direct-to-consumer platforms have improved the customer journey across multiple markets and product segments. Our direct online sales in the consumer channel reached 12.4%.

Generative AI presents significant opportunities for our business. In 2024, we deployed multiple use cases across customer service, software development, and engineering functions.

To ensure Signify continues to be a great place to work, we are investing in our people, creating a diverse and inclusive workplace, as well as deepening our digital and commercial competencies.

Our employee Net Promoter Score reached 29 in 2024. Our focus on internal mobility has enabled 47% of mid-senior positions to be filled internally.

Let's now look briefly at the highlights of where our strategic journey has brought us.

We are the world leader in lighting. We provide high quality and efficient light sources, luminaires, systems and services.

We employ 29,000 people in 70 countries. We achieved 6.1bn Euro sales in 2024 and expanded the number of connected light points by more than 20 million to 144 million.

In the past decade, Signify has led the transition of our industry from conventional to LED.

In 2012, conventional lighting made up 78% of our sales. In 2024, 93% was LED, with connected LED and specialty lighting reaching 34%.



In 2024, we introduced a multi-year partnership with Mercedes-AMG PETRONAS Formula One team

The partnership is building a stronger awareness of the Signify brand, aligning with a leader in performance and innovation, with the ambition to become one of the most sustainable organizations in professional sport.

Built on our shared commitment to responsible innovation, the partnership highlights our leadership in sustainability, and expertise in lighting which enhances performance & well-being, as well as elevating fan experiences.

One of our first joint initiatives was to install NatureConnect in the team's headquarters and work with the drivers to improve their adaptation to different time zones.

We will look now at our progress in the first quarter of 2025.

We reported sales of 1.4 billion Euros, which represents a comparable sales decline of 2.8%.

Our operational profitability was 8.0% and we delivered a free cash flow of 40 million Euros.

Our installed base of connected light points increased to 153 million.

Additionally, we completed share repurchases to cover share-based remuneration; and continue with share repurchases for capital reduction.

And let's now talk to our 2025 outlook.

Based on our visibility of the market, we expect low single-digit comparable sales growth, excluding Conventional and a stable adjusted EBITA margin.

Additionally, we expect a free cash flow generation of 7-8 % of sales.

Now I will share some examples of our connected LED and specialty lighting in action.

In Düsseldorf, our Interact smart lighting system offers precise monitoring and control of every light point. The city can provide light where it is needed most while dimming or reducing it in low-demand areas. The city's goal is to transition 3,000 public light points annually on the way to becoming carbon neutral by 2035.



The roads surrounding the Italian town of Ventimiglia are hilly, making it difficult to install electrical infrastructure. Here, our Philips SunStay solar lights eliminate the need for underground wiring and provide safe road lighting that is also clean and cost-effective. This is a good demonstration of how improved road safety can coexist with environmental preservation.

Den Berk Délice specializes in growing flavorful tomatoes. Their previous LED hybrid lighting system had simple on-off controls that could be used based on energy markets or levels of sunlight. Now with dimmable lighting, the grower has more control over the lighting levels to make precise adjustments to maintain continuity of light for the plants. With the new system from Signify, the grower can increase light levels, maintain higher temperatures, and speed up the cultivation process for increased productivity.

Here is one example of the lighting installations at the Mercedes Formula one team's Vegas Club during the 2024 Grand Prix. The team's VIP hospitality venue was transformed with Philips Hue lighting in the garden and with a light cloud installation featuring 3D-printed Prentalux luminaires. We also lit the track for this night circuit, in collaboration with DZE, ensuring crisp and clear visibility for drivers, spectators, and fans at home.

The office of engineering firm Søren Jensen in Aarhus, Denmark, is a showcase for sustainable design, featuring recycled materials and regenerative construction practices. Our 3D-printed luminaires contribute to the building's low carbon footprint. The connected lighting system is powered by Interact and equipped with sensors. This provides access to data insights on energy consumption, space utilization, and maintenance needs, which makes it possible for Søren Jensen to optimize the working environment and office energy efficiency.

Finally, I want to draw your attention to the work of the Signify Foundation.

It is an independent NGO funded by Signify that enables under-served communities to access the benefits of sustainable lighting solutions.

The Foundation has just reached a very significant milestone of 10 million lives lit, one year ahead of its target.



In the period since 2023, the Foundation has delivered 72 projects including essential work in refugee communities, schools, and healthcare centers. It has also carried out humanitarian relief work in Ukraine, Morocco, Libya, and the Philippines.

Through their tireless work, aided by Signify employees, the Foundation supports organizations working on the ground to bring lighting to the communities who need it the most.

To finish, on behalf of the Board of Management and the Leadership Team, I would like to sincerely thank all our employees and partners for their trust and collaboration. And I would also like to thank our customers who continue to put their trust in Signify, and our shareholders, for their ongoing confidence and support.

Thank you.