



## Signify Annual General Meeting of Shareholders 2025

**Presentation by CFO Zeljko Kosanovic**

*April 25, 2025 | Eindhoven, the Netherlands*

### Agenda Item 3: Explanation of the policy on additions to reserves and dividends

#### Exercising financial discipline

Let me start by saying that Signify will continue to exercise financial discipline in the generation and use of cash.

As part of our capital allocation policy, we continue to focus on Free Cash Flow generation and maintaining a robust capital structure to support our commitment to an investment grade credit rating. In line with this approach Signify strengthened its balance sheet in 2024 by deleveraging 440 million euros of debt and reducing 48 million dollars of US pension liabilities in our main US defined benefit plan.

Our dividend policy is to pay an increasing annual dividend per share in cash year on year. We propose a 2024 dividend of 1.56 euro per share (197 million euros) to be paid in cash in 2025.

We will also continue to invest in organic and inorganic growth opportunities in line with strategic priorities.

Furthermore, we have updated our capital allocation policy by outlining our approach to provide additional capital return to shareholders with residual available cash. We have announced a share repurchase program of 350–450 million euros until the end of 2027, with the first wave of 150 million euros to be completed in 2025.

Now, let's discuss our net debt development in 2024.

**Net debt development**

Our net debt decreased by 151 million to 920 million euros at year end 2024 driven by strong cash flow generation.

At year end 2024 our gross debt was EUR 1,553 million with main debt instruments including a 600 million euro bond due in 2027; and term loans of 725 million euros with maturities in 2025 and 2026.

Our cash amounted to 633 million euros at year end 2024. We generated 438 million euros of Free Cash Flow during 2024.

On top of our cash available we also have unutilized Revolving Credit Facility of 500 million euros.

This concludes my presentation. I will now handover back to our Chair.