



## Signify Annual General Meeting of Shareholders 2024

Presentation by CFO Zeljko Kosanovic

May 14, 2024 | 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.

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

Our dividend policy is to pay an increasing annual dividend per share in cash year on year. We propose a 2023 dividend of 1.55 euro per share (196 million euros) to be paid in cash in 2024.

Now, let's discuss our net debt development in 2023.

#### Net debt development

Our net debt decreased by 285 million to 1,071 million euros at year end 2023 driven by strong cash flow generation.

At year end 2023 our gross debt was EUR 2,230 with main debt instruments including 1,275 million of euro bonds due in 2024 and 2027; and term loans consisting of 502 million euros and 225 million US dollars with maturities in 2024, 2025 and 2026.

Our cash amounted to 1,158 million euros at year end 2023. We generated 586 million euros of Free Cash Flow during 2023.

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