



Diversity, Equity, and Inclusion

Annual Report 2023





Table of contents

#SignifyLife 01

Section 01

Our approach to diversity, equity, and inclusion

Diversity, equity, and inclusion at Signify	03
Two global priorities	04
Diversity dashboard	05
Equal employment opportunities	06

Section 02

Our investment in employees

Internal talent development	08
Global mentoring program	09
Pay equity	10
Living wages	11
Inclusive and equitable access to care	12

Section 03

Our workplace culture

Listening to our teams	14
Always acting with integrity	15
Embracing multiculturalism in the Americas	16

Section 04

Our social impact

DE&I as competitive advantage	18
Industry leadership in the US	19
Our suppliers' commitment	20

#SignifyLife

To introduce this report, we invited our employees to share their take on diversity, equity, and inclusion at Signify. #SignifyLife is about bringing the voices of our workforce to life and celebrating our diversity – it is our employees who form the heart and soul of our DE&I Report 2023.

Ritika Pandey
R&D Program Manager,
Pune, India

From my very first day, I have felt included and respected. My co-workers have always included me in every initiative, big or small, and supported me. This empowers me to confidently drive projects. Inclusion is not just a buzzword, it's the foundation of our daily work culture.



Lindsey Mulrooney
Marcom Specialist, Bridgewater, USA

DE&I is expressed best in daily interactions at work. Since starting at Signify, I have connected with employees across the globe, heard multiple languages spoken in the workplace, learned about the holidays and practices of my colleagues, and become more self-aware. This active learning and growth in the DE&I space, facilitated by both intentional planning and the natural culture of the company, is what I value most.



Anthony Howard
Key Account Manager, OEM and
Past US DE&I Committee Member,
Rosemount, USA

I feel like I belong at Signify, with the opportunities I've been given. I've become a leader, and I also work with my colleagues to extend the understanding of what diversity, equity and inclusion means. I think I finally found my voice while working here.



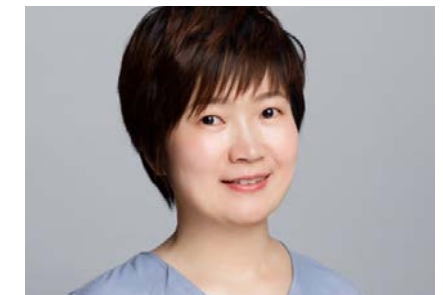
Angelika Langenfelder
Executive Assistant, Rosemont, USA

DE&I underpins our 5 Frontiers strategy and focus on being a Great Place to Work. The company has nurtured a workplace where differences, from race to gender to sexual orientation, are respected and celebrated. DE&I is a journey that needs to be continuously addressed and strengthened, and I truly appreciate that Signify has prioritized this!



Granit Lleshi
Lighting Application Specialist,
Zellik, Belgium

Within the DE&I Benelux team, we've been working on themes such as gender, culture, introvert-extrovert personality types, and age, and really bringing them to life throughout the year, for example during Pride month and International Women's Day, with quizzes, workshops, and more. We mark special occasions, such as Easter lunch, Eid al-Fitr celebrations and Hanukkah. Light is also a meaningful symbol and rainbow hues in our office lighting make special DE&I dates extra colorful. We want everyone to feel at home and welcome here!



Chris Gu
Transport Planner, Shanghai, China

I feel safe bringing my authentic self to work because I am valued and recognized for who I am. We're a lighting company, so the way I like to think about it is we see the light in our people too.

Section

01



Our approach to diversity,
equity, and inclusion

Diversity, equity, and inclusion at Signify

We believe that diverse cultural and professional backgrounds foster a rich variety of perspectives and approaches. A diverse workforce enables us to better understand our customers' viewpoints, delivering a competitive advantage that supports our industry leadership.

Signify is inherently diverse. We operate in 74 countries, and we have 99 nationalities in our workforce, but there is still work to do, especially to boost diversity in our management and leadership positions.

Our 2+1 approach

Our **two** global diversity, equity, and inclusion priorities worldwide are increasing the representation of women and increasing generational diversity by attracting more Gen Z colleagues to our organization.

Diversity challenges vary significantly across markets and geographies. For this reason, we have added an additional local DE&I priority to provide flexibility in meeting market needs and ensure DE&I priorities are relevant for each market. We ask leaders to choose **one** additional DE&I priority that they will drive in their own market. This is what we call our 2+1 approach.



Our diverse workforce

74

countries

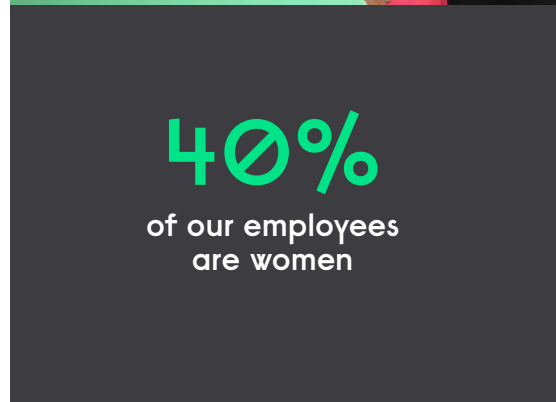
99

nationalities



10%

of our employees
are Gen Z



40%

of our employees
are women



In 2021,
we signed the
United Nations (UN)
Women Empowerment
Principles

Sabrina Madsen received
the Emerging Talent Award



Best place to work
for Gen Z Talent

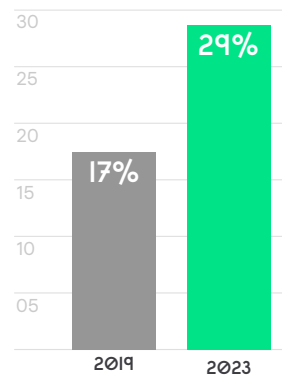
Awarded #1
by Handshake among
750,000 companies
in 16 industries

Two global priorities

Gender diversity

As part of our Brighter Lives, Better World sustainability program, we set an ambition in 2020 to double the number of women in leadership positions from 17% to 34% by the end of 2025. And in 2021, we signed the United Nations (UN) Women Empowerment Principles, which underpins this commitment. We are making progress: the percentage of women in leadership positions has significantly increased from 17% in 2019 to 29% in 2023.

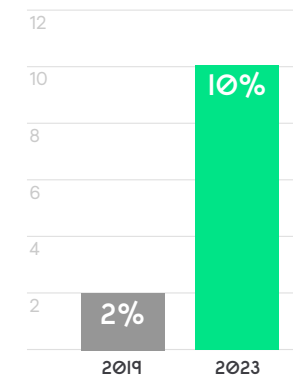
Women
in leadership



Generational diversity

Generational diversity adds unique and fresh perspectives to our workplace, and we greatly value the contribution of people joining us at the start of their careers. In 2023, we expanded our campus hiring and internship program, leveraging an innovative digital platform to attract early career talent. We hired over 400 new recruits on campuses, 57% of whom were women.

Gen Z

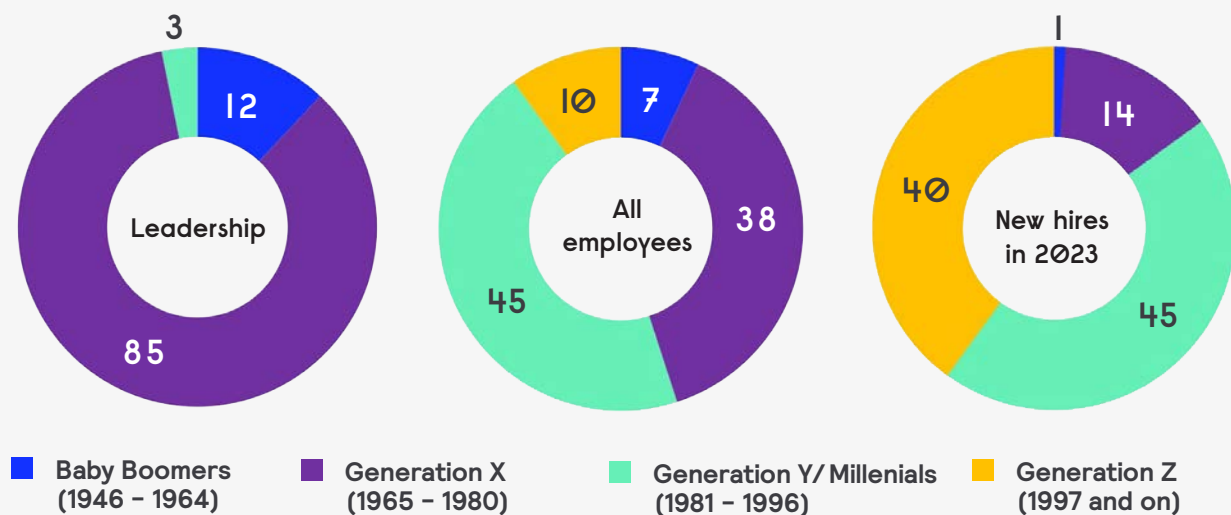


Diversity dashboard

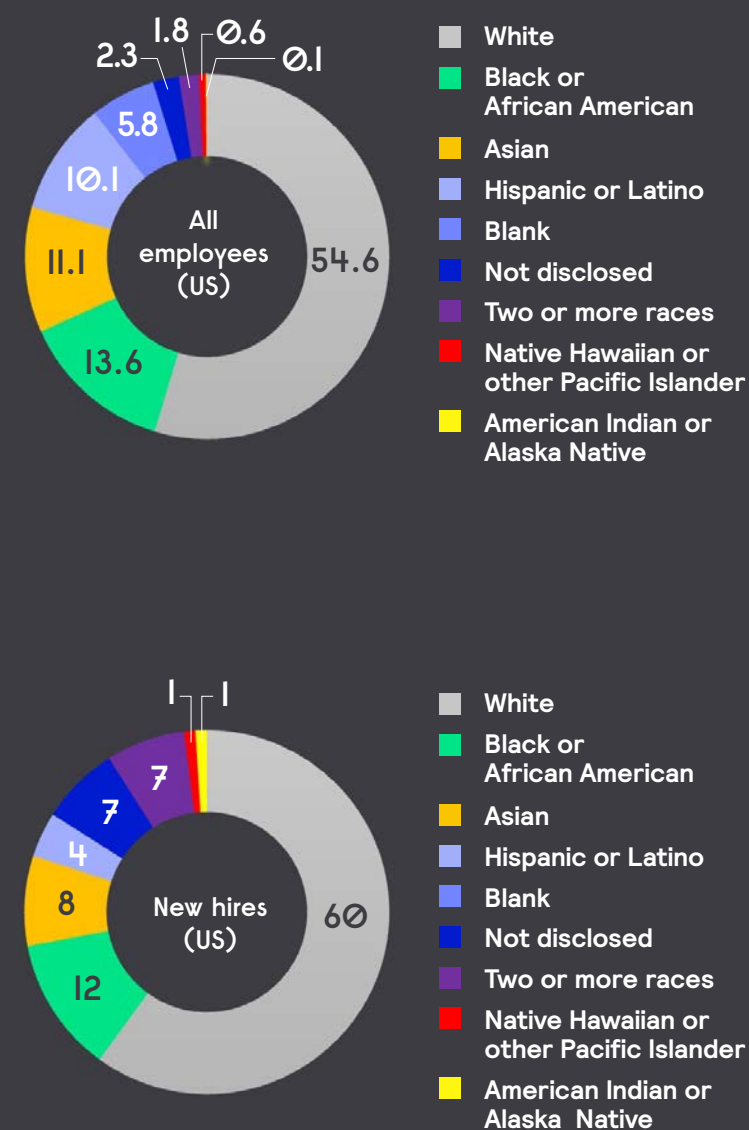
Gender (global %)



Generations (global %)



Ethnicity % (US only)



Equal employment opportunities

We provide equal employment opportunities to all employees and applicants for employment without regard to race, skin color, religion, sex, sexual orientation, gender identity, national origin, age, disability, or genetics...

We integrate DE&I throughout the hiring process, from job descriptions to interview techniques. We employ best practice recruitment strategies: candidate shortlists that reflect a diversity of applicants, diverse hiring panels and debriefs to prevent unconscious bias in our decision-making process.

Over

500

hiring managers completed our upskilling program – License to Hire – in 2023

Upskilling managers

We are committed to training our hiring managers and ensuring they have the latest insights on DE&I practices in the talent acquisition process.

Over 500 hiring managers completed our upskilling program – License to Hire – in 2023.

The purpose of this program is to:

- Build awareness of the importance of equity and diversity in our hiring process and practices.
- Enable hiring managers to make inclusive hiring decisions free of unconscious bias.
- Ensure an equitable recruitment process for all candidates.



Early career talents attending a DE&I event in China



Members of our HR Services Team in Burlington, US

Section

02



Our investment in employees

Internal talent development

We are committed to building a culture where people can express their talents and come to work as their authentic selves. Inclusive and equitable HR practices across our talent development, succession planning, and learning initiatives are central to our approach.



Winnie Wong

Learning Program Manager,
The Netherlands

“It’s rewarding to work on programs that promote inclusive and equitable learning at Signify. A personal highlight for me from 2023 is our first-ever worldwide Learning Week, which reached 12,500 employees and was very positively received.”

Building talent

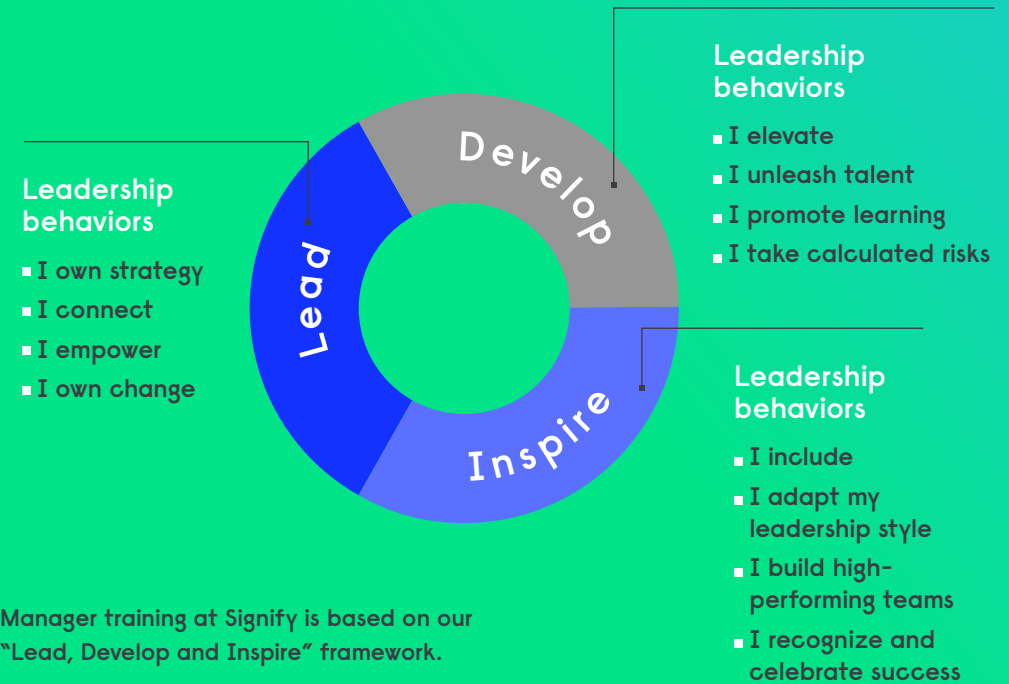
We aim to be a talent-builder, developing people and supporting them to build a lasting career at Signify. Retaining talent remained a key priority in 2023. We promote an equitable, inclusive culture through our internal job posting process. Over 60% of our vacancies are filled internally, showing our commitment to promoting our employees. We identify potential successors, assessing their readiness for the next step in their careers at Signify. In 2023

we continued to ensure representation of women in our succession pipelines. Our goal is to build strong succession for at least 75% of leadership positions.

60%

of our vacancies are filled internally

Developing inclusive leaders



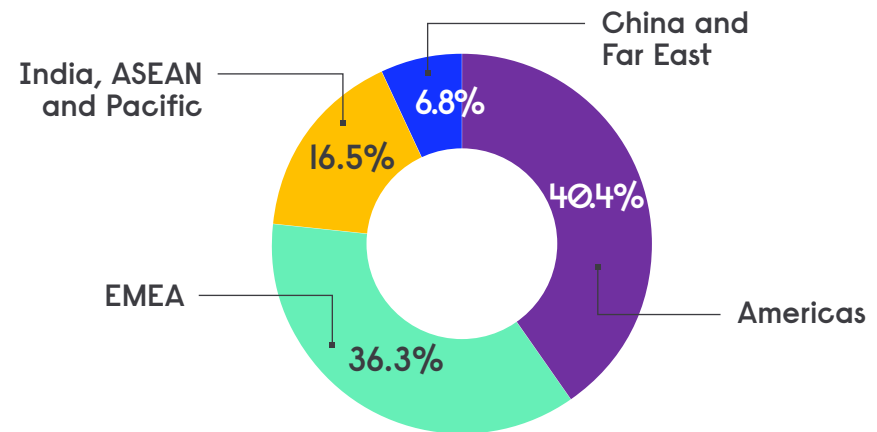
Continuous learning

Continuous learning and development are key to enriching the lives and careers of our employees. Our learning opportunities include challenging on-the-job assignments (experience), coaching and mentoring (exchange), and formally structured teaching and online courses (education).

Our **Basics and Beyond** program helps build inclusive leadership skills for commercial leaders and people managers and also provides dedicated learning for first-time people managers.

Global mentoring program

At Signify we believe one of the most powerful ways to progress in your career is through mentorship. As part of our aim to increase representation of women in leadership roles, we set up a global program to mentor women commercial leaders.



798 mentor and mentee pairs in 2023



Rami Hajjar (mentor)
Head of Emerging Markets
Professional Business, Singapore

“As leaders, it’s our responsibility to support diverse talents, fostering an inclusive environment and equitable growth opportunities, driving innovation and excellence. Serving as a mentor allowed me to do this, giving me fresh perspectives and fulfillment from helping others. As a father to three girls, I hope my efforts contribute to a future with equal opportunities for all.”



Tenille Riordan (mentee)
Commercial Channel Leader
Consumer, Australia

“The mentoring program was a great experience. My mentor’s style balanced being personable with setting clear expectations, giving me the confidence to start my MBA and aim for more senior roles. Since the program, I’ve been appointed Commercial Leader for Consumer in Australia. I now strive to emulate my mentor’s leadership style within my own team, fostering a supportive yet driven environment.”



Burcak Guclu (mentee)
Commercial Excellence Leader
Emerging Markets, Turkey

“This program helped me to grow in my professional career. I connected with other women leaders, which helped expand my network. My mentor encouraged me, showing trust and confidence that I can achieve more in my career. I feel privileged to be part of a program that supports women in their professional development by creating more opportunities and encouraging a culture of gender equality and inclusion.”



Emma de Looff (mentee)
Sales Manager Trade,
The Netherlands

“Since I’ve started working at Signify, I’ve felt empowered to be my authentic self. The mentoring program has been an opportunity to learn from an experienced leader who has taken the time to coach me on a personal and professional level to become a better leader.”

Pay equity

Signify's pay equity journey began in 2017, when we started conducting pay equity analyses on an annual basis for our US employees. Every year since, we have increased the sophistication and expanded the scope of our approach. We are proud that as of 2021 all global employees* are included in the analysis. We achieved gender pay equity globally in 2021 and continue to prioritize it, applying ongoing focus and effort.

Upskilling our managers

Training sessions in 2022 and 2023 upskilled our managers globally, helping them better understand pay equity and their role in addressing it, with a focus on unbiased pay decisions as part of annual compensation reviews. We are building on this in 2024 and sharing with managers country-specific legislation relative to pay equity and pay transparency.

Advancing pay equity

We have partnered with an external company to take our pay equity efforts to the next level. A leader in workplace equity solutions, Syndio, is supporting our pay equity journey to help us measure and sustain equity during the employee lifecycle. The platform identifies any inequities in compensation, or promotions to help close any pay gaps. It also enables us to stay abreast of changing global legislation. This partnership is an important step forward in further advancing and delivering our commitment to pay equity.

Measuring our impact

We conduct an annual global analysis on pay equity. We analyze substantially similar work groups, based on criteria such as country location and job family. In addition, we identify any statistically significant difference in pay between men and women. Our intention is to address any discrepancies within 30 days.

As a result of this ongoing focus, the number of pay equity cases requiring remediation has reduced each year. In 2021, we analyzed 5,102 pay equity job groups, resulting in 31 adjustments that needed to be made. In 2023, we made significant progress, analyzing 5,962 pay equity groups, giving us a strong view across our full employee population. Only 14 adjustments had to be made, reflecting 0.057% of our employee population. We also ran disparate pay analysis after our manager training sessions and saw an immediate decline in cases.

*Please note that the data used for diversity reporting excludes employees from newly acquired companies, joint ventures, interns, and contingent workers, who have not been integrated in our human resources system.



What is pay equity?

Pay equity means providing equitable pay for the same or similar jobs when considering differentiating factors such as location, performance, experience, and skillset. It does not differentiate based on gender, ethnicity, race, age, religion, ability/disability, sexual orientation or identity, gender assignment, marriage and civil partnership status, or any other protected status.

In 2023, of the over
24,000
employees* we analyzed,

99.94%
were determined to be paid
equitably for the same or
similar role.



Living wages

We are committed to equitable remuneration practices. We focus on providing a fair, safe, and respectful work environment, offering an inspiring place to work and grow, for employees directly employed by Signify.

In 2017, we launched our Living wages program to deliver a commitment that our employees should be paid a living wage. Living wages are generally higher than minimum wages. We follow best practice guidelines set by the Global Living Wage Coalition, which defines a living wage as

sufficient to afford a decent standard of living for the worker and their family. Elements of a decent standard of living include food, water, housing, education, healthcare, transportation, clothing, and other essential needs.



Living wages program

We regularly analyze salaries and benefits of employees directly employed by Signify to ensure they are receiving a living wage.

Since our program began in 2017, we have enhanced our approach, focusing on specific regions. We focus on those at a higher risk of not receiving a living wage, analyzing 35 regions across six different countries, representing 70% of the overall Signify population. We compare our wages to the Wage Indicator Foundation database. In 2023, 98.84% of the employee population we analyzed exceeded living wage standards. We are working hard to close the gaps identified in the regions where there is still work to do.

In 2023,

98.84%

of the employee population across the 35 regions we assessed, exceeded living wage standards.



Signify assessed 35 regions in 6 different countries, representing

70%

of the overall Signify workforce.



We regularly analyze salaries and benefits of employees directly employed by Signify

Inclusive and equitable access to care

Our employee benefits must be inclusive, fair and meet the needs of our diverse, global workforce. Equitable access to care is central to this, fostering a resilient workforce where our employees can perform at their best.

Global minimum standard

As a global organization, we take a decentralized approach to benefits to ensure they address the specific needs of our employees, country by country, in line with relevant cultures and norms.

In 2023, we partnered with industry-leading benefits advisors to develop a comprehensive understanding of the challenges and opportunities in achieving our goals. We have introduced a **global minimum standard** to ensure the needs of our diverse employee population are met and employees have consistent and fair access to employee benefits regardless of their location.

Global program

We plan to offer a **Global Employee Assistance Program** in 2025, covering four critical aspects of well-being – financial, social, physical, and emotional. All employees, regardless of location, will have access to well-being assistance to meet their individual needs. This will include confidential support for areas such as mental health, financial stress and work-life balance. Our aim is to foster a resilient workforce, by creating a supportive environment and helping our employees perform at their best.



India

We offer unlimited teleconsultation and discounted prices on areas such as pharmacy and diagnostics



USA

Colleagues have unlimited access to teleconsultation to support their well-being

Flexible support

Offering flexible healthcare options supports the diverse needs of our workforce. Access to teleconsultation is important as it provides care for our employees regardless of their location and circumstances and removes some barriers to access treatment. Virtual appointments, for example, provide convenient, accessible healthcare, reduce travel time and minimize time off work.



Our team in India coming together

Section

03



Our workplace culture

Listening to our teams

Living our values and following our Integrity code – a shared responsibility we all own together – are at the core of our workplace culture. They also guide our approach to DE&I, helping us make the right choices to support our employees. This extends to how we listen to and act on feedback.

We have several mechanisms for listening to our teams. Our quarterly team survey helps us gauge how we are doing, giving us insight into our colleagues' engagement, their sense of belonging, and how supported they feel by our managers. The survey includes Inclusion and Manager indexes, which are measured on a company and team level.

Inclusion Index

First introduced in 2023 in our quarterly team survey, the **Inclusion Index** measures the impact of inclusive practices. **83% of our employees responded favorably** to the questions in the Inclusion Index.

Manager Index

Our **Manager Index** evaluates the impact of our managers and helps to indicate areas of strength and opportunities for leadership development. Overall, 85% of colleagues agreed with statements such as *"I am empowered and supported for my professional and career development and*

my manager is approachable and makes time to support me." Overwhelmingly, most comments about people managers were positive, reinforcing the positive impact our managers have on their teams.

From data to action

Following the quarterly team survey results, we translate data into actionable insights by holding team dialogue sessions. These sessions encourage open discussion, allowing team members to actively share perspectives and identify areas for improvement.



Leaders learn through listening sessions

Manager accountability

Managers are held accountable for DE&I, through KPIs and targets deployed in our annual planning process. The progress is reviewed in quarterly business reviews and countermeasures are taken when progress is off-track. Our target to double the number of women in leadership, as part of our Brighter Lives, Better World program, is one of the criteria that determines the vesting of long-term incentives for leaders.



83%
of our employees
responded favorably to the
questions in the Inclusion Index

Inclusion Index questions

90%

In my team we **acknowledge others' experience and embrace different perspectives**

89%

I am able to bring my **authentic self** to work

86%

There is **good co-operation** with teams I work with

73%

I have recently received **appreciation/ recognition** for good work or celebrated success

79%

I am **empowered and supported** for my professional and career **development**

Percentages show agreement with above statements



In 2023 we received recognition for being an **employer of choice** in various countries, including:

Certification as **Top Employer in China** (Top Employer® Institute)

Great Place to work in Turkey, India and Panama (The Great Place to Work® Institute)

Kiran Brar, our Chief HR Officer was included in Mogul's list of **Top 100 People Leaders and CHROs in 2023**. The awards highlights leaders who are making a difference and championing diversity, equity, inclusion and belonging in their workplace.

Always acting with integrity

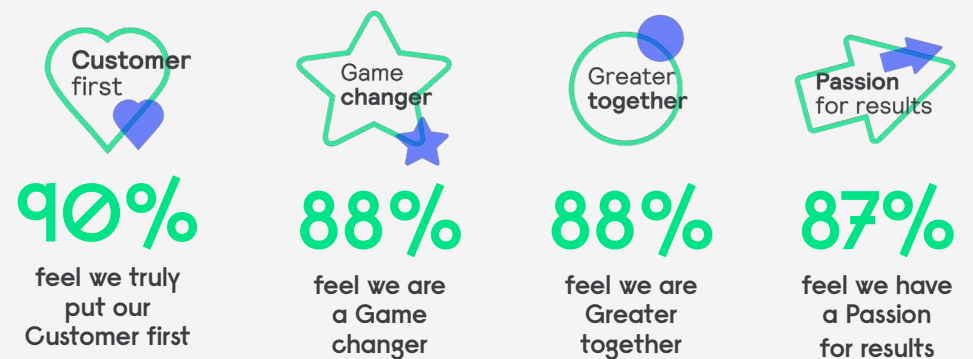
Signify's culture is centered around our four values: Customer first, Game changer, Greater together and Passion for results, and anchored by our Integrity code. Together, our values and Integrity code set the standard of conduct for our business and our employees. Our Integrity code also gives more information on how to speak up or raise concerns.

In 2023, 274 Integrity code concerns were captured via the Signify Ethics line and through our network of compliance officers. Substantiated cases are followed up with corrective actions, such as training, strengthening of internal controls, creation of additional policies or other

measures that aim to enhance a culture of business compliance. Corrective actions can also take the form of disciplinary action. In 2023, Signify applied disciplinary actions ranging from training and coaching to verbal and written warnings and to termination of employment, depending on the severity of the matter.

88%
of employees responded favorably that "The culture at Signify supports us to report unethical behavior without fear or reprisal."

How do our employees engage with our four values?



Embracing multiculturalism in the Americas

Employee-led Connection Point Groups help shape our culture and create a sense of belonging for colleagues from different communities and backgrounds. They support employee development, promote community outreach, foster multicultural fluency and allyship. The groups are formally chartered, benefit from executive sponsorship and offer leadership opportunities through stretch assignments.



Employees come together for diverse cultural celebrations, such as Diwali



BRITE

Black Representation Inclusion Talent Empowerment (BRITE) celebrates, supports and promotes awareness of Black, African American, Caribbean, Afro-Latin and African culture, bridging cultural gaps and fostering inclusion and allyship. In 2023, BRITE helped us observe Black History Month, with a focus on Black Resilience and giving back to local communities.

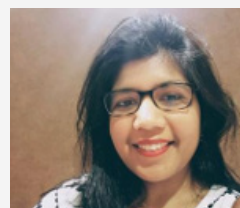


Addy Oluyemi
Indoor Segment
Manager, Genlyte
Solutions

Mentorship, financial literacy and mental health are among the topics we've considered in BRITE. The support and encouragement in the group is immense. We empower each other to achieve our highest potential, personally and professionally.

South Asians at Signify

South Asians at Signify (SAAS) began as a small community creating awareness of South Asian culture. It grew rapidly in 2023, with activities enriched by Diwali and Holi celebrations and a speaker series with South Asian leaders at Signify.



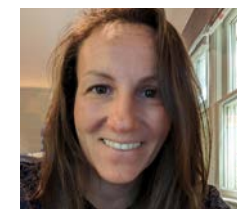
Ankita Srivastava
R&D Manager,
Cooper Lighting
Solutions

As co-lead of SAAS, I've put ideas into action, engaged stakeholders and presented to leadership, all of which are invaluable skills in my career journey. I interact with inspiring individuals who encourage me to embrace my identity and mentor others to do the same.

Supporting Helping Empowering (SHE)

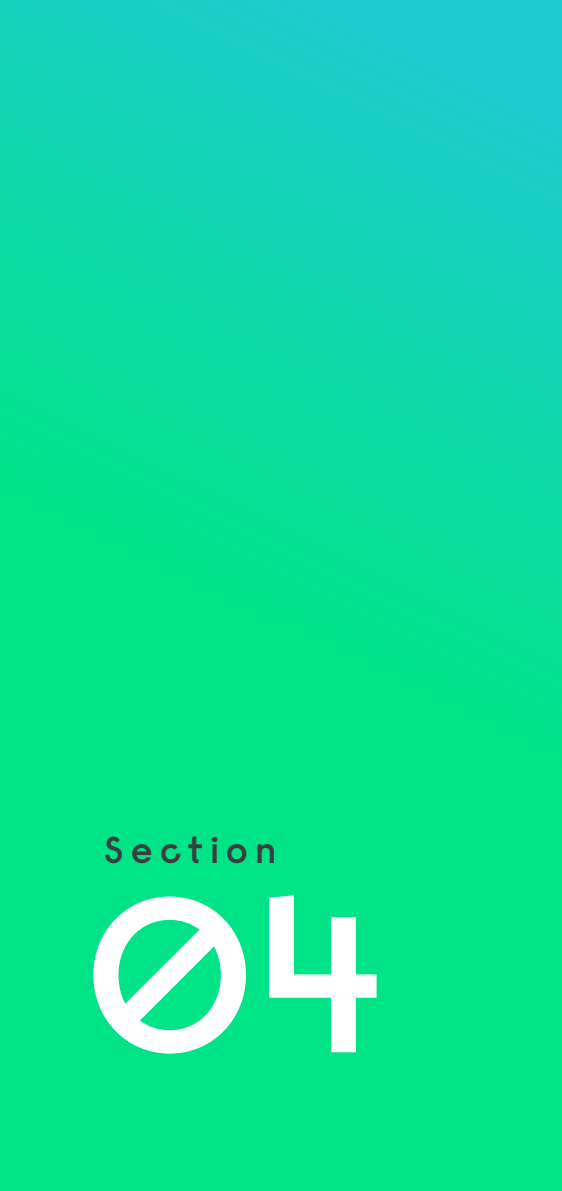
SHE is a women's forum for networking, coaching and professional development. In 2023, the group explored topics including relationship currency, sustainability and the mental benefits of exercise.

SHE marked Breast Cancer Awareness Month in October, with a virtual walkathon and #WearPinkWednesdays. The group expanded to Latin America in 2023.



Laura Davis
Analytics
Business Partner,
Bridgewater

SHE helps me learn new things from colleagues. With different interests, strengths and skills, the group helps us all grow professionally and personally.



Section

04



Our social impact

DE&I as competitive advantage

We believe that DE&I is essential to maintaining our market-leading reputation for innovation. Inclusive design thinking is central to our product development, helping us create innovative products tailored to different customer needs.

Winning the L-Prize

The L-Prize exemplifies how we embed DE&I and inclusive design into our product innovation. This prestigious contest was created by the U.S Department of Energy to spur the innovation of sustainable next-generation lighting in commercial buildings.

Signify (then Philips Lighting) won the first L-Prize back in 2011, leading to the development of the energy-efficient LED light bulb. We were proud winners again in 2023, in the Prototype Phase of the competition, winning the \$750,000 prize.

The L-Prize prioritizes DE&I in the design process, awarding a 20% weighting of the final score on this criteria. Our entry

focused on inclusive design, for example by conducting lab research to identify lighting requirements for people with differing needs. This included designs to support workers with neurodiversity, visual impairment and photosensitivity, as well as testing how different lighting allows people to see their natural skin tone. The judges also commended Signify's work to embed a DE&I focus through our supply chain.

With this award, we are advancing the future of commercial lighting and addressing the needs of today's diverse workforce.



Our first L-Prize in

2011

led to the development of the energy-efficient LED light bulb



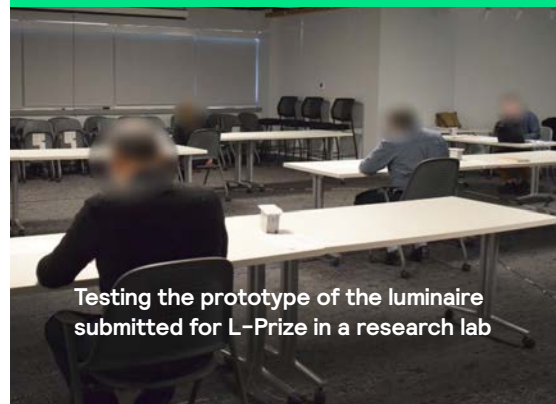
L-Prize 2023: judges commended our efforts to embed DE&I through our supply chain



System track prototype winner



Luminaire track prototype winner



Testing the prototype of the luminaire submitted for L-Prize in a research lab

Signify's entry included designs to support workers with neurodiversity, visual impairment or photosensitivity, taking into account different skin tones

Industry leadership in the US

Our leaders in the US are using their voices to share best practices and advance DE&I in our industry.



As Chairperson, Christy helped boost membership from

300 to
1,200+ women

Christy Tilton

Head of US Sales, Genlyte Solutions

As Chairperson of the Women in Industry group in the National Association of Electrical Distributors, Christy helped boost membership from 300 women to over 1,200. Christy's NAED involvement allows her to share learnings with Signify employees and connects us with a thriving pool of female talent. She also works with Arizona State University, mentoring women in their early career journeys.

"The electrical industry has come a long way in the career development of women. I'm proud of this progress and want to do even more for women in our industry."



Damian is part of a coalition of thought leaders – spanning government, designers, manufacturers, educators, advocates, and change makers – working collaboratively to advance diversity, equity, inclusion, and respect in the lighting industry.

Damian Gardley

Executive Vice President and Commercial Leader, Americas, OEM

Damian represents Signify in external groups dedicated to advancing DE&I and respect (DE&IR) in the lighting industry. These include Black United in Lighting & Design (BUILD) and the US Government's DE&IR in Lighting Working Group.

Damian says: "It's satisfying to see our industry embrace DE&I and respect, and come together to change the way we do

business." Damian says his external engagement enriches Signify's DE&I journey, gaining insights from peers on diverse topics such as light inequity and justice.

In 2024, Damian will represent Signify at the Illuminating Engineering Society's (IES) Lighting Advocacy Congress. This encourages collaboration to instigate positive change in lighting and related industries.



More than 33% of our suppliers have set DE&I targets

29%
2022



33%
2023

Suppliers who set DE&I targets or signed a DE&I pledge

Our suppliers' commitment

Our diversity supplier audit shows that more than 33% of our suppliers have set DE&I targets or signed a DE&I pledge in 2023, up from 29% in 2022. In addition, we continuously work to identify internal barriers to entry for suppliers in our supply chain and help them through those barriers.

DE&I among our suppliers is also addressed as part of a Supplier Sustainability Declaration (SSD) in our supplier contracts.

The SSD, which addresses social impact alongside environmental protection, is derived from the Responsible Business Alliance (RBA) Code of Conduct and sets out the standards and behaviors we require from our suppliers. Fair wages for our suppliers' workers are included in this declaration, which details that compensation paid to workers shall comply with all applicable wage laws and paid overtime rates.



Mural at our India office created by NGO Aravani Art

The
RBA
Code of Conduct
sets out the standards and behaviors we require from our suppliers

SSD
(Supplier Sustainability Declaration)
addresses social impact alongside environmental protection



Signify leaders gather for annual leadership event

In closing

The progress you have read about in this report is the outcome of a consistent long-term focus on diversity, equity, and inclusion at Signify. In 2020, we integrated diversity, equity, and inclusion goals in both our 5 Frontiers strategy and our Brighter Lives, Better World sustainability program, which aims to double our positive impact on the environment and society. These initiatives bring us closer to achieving these goals.

The power of our people defines our overall strength. This is fundamentally true of Signify: we do our best work when we give the floor to voices that mirror those of the customers, partners, and stakeholders who make up the rich and varied ecosystem in which we operate. And it is true of our society. The decisions we

make, from inclusive hiring practices to development paths that lift the brightest talent, define the world we live in. Every step forward makes us stronger, more innovative, and more resilient.

I hope this report will shine a light on the initiatives that are driving progress within Signify, help people to understand what we do, and inspire others who want to do more. I thank the Signify team for their daily focus and energy to shape and uphold this ambition. Through their untiring efforts, we can realize our vision of a diverse, equitable, and inclusive organization where all people can thrive.

CEO Eric Rondolat and the Signify Leadership Team



Signify N.V.

High Tech Campus 48

5656 AE Eindhoven

The Netherlands

E-mail: IR@signify.com

www.signify.com

Dutch Chamber of Commerce

registration no. 65220692

VAT NL8560.25.823.B.01