



Dear Pankaj Kumar,

With this compensation letter, we would like to thank you for your valuable contribution in 2021. We would also like to take this opportunity to reflect on some of Signify's successes in the past year, all of which were made possible by your continued commitment, professionalism, and resilience.

2021 built on the challenges of the ongoing COVID-19 pandemic. Signify faced enormous disruption in our supply chain; most notably, a worldwide shortage of electronic components. This was compounded by shipping delays and congestion at port terminals, all of which made it difficult to respond to customer needs. Thanks to the creativity, flexibility, and focus of Signify employees, we limited the impact on customers and worked relentlessly to build on the quality and service our company is known for.

Despite these extraordinary challenges, we grew our company. In particular, we grew in the areas that will make Signify ready for the future: the products, systems and services that make people's lives safer and more comfortable, businesses more productive, and cities more livable.

2021 was the first year of our Brighter Lives Better World 2025 program, through which we will double our impact on the environment and society. We fell slightly short of our diversity objective, but we are ahead of track when it comes to carbon reduction, circular, and Brighter Lives revenues.

Signify is in the top 1% of its industry in the S&P Global Corporate Sustainability Assessment and is included in the Dow Jones Sustainability World Index for the fifth consecutive year, illustrating our drive for leadership in sustainability.

Once again, we have shown that our values ensure we come together to focus on what's most important to us: the health and safety of our employees, serving our customers, and delivering on our strategic priorities.

We hope that you share our pride in how, collectively, we rose to the challenges and complexity of 2021. Please find enclosed your Annual Compensation Review statement for 2022 which summarizes compensation elements that are key components of your total rewards.

On behalf of the Signify Leadership Team, thank you for your flexibility, professionalism, and resilience.

Sincerely yours,



Eric Rondolat
CEO Signify



Mark van Bijsterveld
Chief HR Officer Signify

2022 Compensation

Pankaj Kumar Bale (70223486)

Compensation Summary			
Job Title	Supply Chain Manager	Merit Increase	INR 431,250.00
Grade per start of review	H17	AI Payout	INR 550,775.25
Manager	Vishal Kaura (22657402)		
PPM Rating	5 - Outstanding		
FTE	100%		

Merit

Current Base Salary	INR 2,875,000.00
Merit Increase	15.00% - INR 431,250.00
New Base Salary	INR 3,306,250.00
Effective Date	1 April, 2022

Annual Incentive (AI)

AI Base Salary	INR 2,875,000.00	Payout	31 March, 2022
Payout %	19.16%	Total Annual Incentive	INR 550,775.25

AI Payout Calculation

Effective Date	FTE	On-Target %	Financials	Realization	Weight of financials	Payout amount
1 Jan - 31 Dec	100%	15%	Signify	116.79%	40%	201,462.75
Effective Date	FTE	On-Target %	Financials	Realization	Weight of financials	Payout amount
1 Jan - 31 Dec	100%	15%	MG Growth Markets	135.00%	60%	349,312.50

* Due to rounding, numbers presented in the payout amounts may not add up precisely to the totals (Total Annual Incentive) provided and percentages may not precisely reflect the absolute figures.

Disclaimer

Changes to other compensation elements directly linked to the content of this statement are not reflected herein. All information pertaining to compensation details is confidential in nature. Any unauthorized disclosure of this information to other employees or external parties may be treated as misconduct leading to disciplinary action. Please note that the amounts as displayed above might differ slightly from the amounts displayed in your pay slip due to rounding off rules. The above terms and conditions are subject to change depending on company policy. This Annual Incentive Payout is based on the performance / productivity targets fixed & agreed with you in lieu of bonus based on profits payable under the Payment of Bonus Act, and this includes the minimum bonus payable as per the Payment of Bonus act, if applicable.