

dormakaba Modern Slavery and Child Labor Statement 2023/2024

This Statement responds to the regulations on business and human rights being enacted in numerous countries, such as Switzerland, Canada, Australia, the Netherlands and the United Kingdom. Our document describes what we have done to ensure that modern slavery, in particular child labor and forced labor, are not taking place in our supply chains or in any part of our businesses.

We understand the importance of these regulatory changes and welcome their approach to eradicating forced, compulsory, and child labor from all areas of life. We also acknowledge our responsibility to respect human rights in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs). Further, as our Statement of Commitment on Human Rights states, we are fully committed to upholding the UNGPs and keeping to our Group Directives covering human rights.

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A. Highlights

- More than 150 dormakaba employees trained on human rights topics.
- 6 audits conducted in dormakaba's own operations.
- 6 audits conducted in high-risk suppliers.
- 12 corrective action plans developed as a result of the audits.

B. About dormakaba

B.1 Activities

dormakaba Group ("we" or "dormakaba") is a leading provider in the access solutions market. We offer customers a broad, innovative portfolio of products, solutions, and services that easily fit into building ecosystems. We clearly split our global core businesses into Access Automation Solutions (door operators, sliding doors, and revolving doors); Access Control Solutions (connected devices and engineered solutions); Access Hardware Solutions (door closers, exit devices, and mechanical key systems); and Services. We are also a market leader for Key Systems (key blanks, key cutting machines, and automotive solutions such as transponder keys and programmers), as well as Movable Walls, including acoustic movable partitions and horizontal and vertical partitioning systems.

We have a long tradition of innovation and engineering expertise. We strive to be an innovation leader that anticipates and fulfills customer needs through continual technological advancement, creating state-of-the-art solutions that add value for customers and end users alike. We are active in about 130 countries and are present in all relevant markets through production sites, distribution and service offices, and collaboration with local partners.

B.2 Structure

dormakaba Holding AG is the parent company of dormakaba Group, which was formed by the merger on 1 September 2015 of two unaffiliated enterprises: the family-owned German company Dorma Holding and the Swiss Kaba Group. After the merger, dormakaba Holding AG owns 52.5% of dormakaba Holding GmbH + Co. KGaA, an intermediate holding company that comprises all the Group's operating entities and is fully consolidated in the financial statements prepared by the parent company. Minority interests are shown separately as part of equity capital.

Our total workforce consists of 15,736 employees, based on headcount. While the majority of our employees work full-time with permanent contracts, 6% are engaged part-time. Around 40% of our employees are covered by collective bargaining agreements. We also have 359 apprentices, trainees, and interns, and employ 2,025 contract workers.

B.3 Supply chain

Our global supply chain is large and complex, which makes sustainability management difficult. Our global procurement with external vendors, excluding inventory, corresponds to about 41% of total sales, making our procurement strategy highly relevant to achieving our financial and sustainability targets. The number of active suppliers for goods and services is about 16,800, with spend focused in Europe (40%), Asia (23%), and the Americas (14%). The most used raw material types include brass, zinc, aluminum, nickel silver, high-alloy special steels, and glass. Indirect spending is mainly on capital goods and services.

In the FY 23/24, we continued our efforts to consolidate and reduce the supplier base in order to leverage synergies, build strong supplier relationships, and support better due diligence.

C. Human rights due diligence

The UNGPs is the framework that underpins our Human Rights Due Diligence Strategy. We have found that forced and compulsory labor as well as child labor are salient issues for us.

C.1 Policies

C.1.1 dormakaba Code of Conduct

Our core values and principles are defined in the [dormakaba Code of Conduct](#). The Code also contains rules and requirements on human rights and forced, compulsory, and child labor, as well as compliance with all applicable laws and legal regulations. The following sections are the most relevant to these topics:

- Section C.1: Compliance with the law and internal regulations
- Section C.2: Human rights
- Section C.3: Trust, respect, and tolerance
- Section C.4: Health and safety
- Section C.12: Supplier code of conduct

C.1.2 dormakaba Statement of Commitment on Human Rights

In line with the "[Protect, Respect, Remedy](#)" framework provided by the UNGPs, we recognize our role in supporting and respecting the human rights of all people, as stated in the dormakaba Code of Conduct. The [Statement of Commitment](#) introduces a proactive approach to human rights risk management for the Group that underpins all our business activities and partnerships.

The Statement of Commitment clarifies:

- the relevant international human rights frameworks we subscribe to
- our salient human rights issues
- our Human Rights Due Diligence Strategy describing the appropriate policies and processes that implement our human rights commitment.

The Statement also pledges adherence to prominent international human rights frameworks, such as the Universal Declaration of Human Rights (UDHR); the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social and Cultural Rights; the Core Conventions of the International Labour Organization (ILO); and the OECD Guidelines for Multinational Enterprises.

The Statement was one of the major outcomes of the Human Rights Saliency Assessment we undertook in 2019. It encompasses the perspectives of more than 20 internal and external stakeholders and experts consulted before it was drafted. Among the broader human rights issues identified, we commit to focusing on the following salient human rights issues (in alphabetical order):

- Child labor
- Contributing to conflict
- Customer safety
- Environmental issues impacting human rights
- Migrant workers (forced labor)
- Outsourced services
- Occupational health and safety

The commitments apply to the whole Group. Should there be conflicts with local standards, the stricter rule applies.

C.1.3 dormakaba Supplier Code of Conduct

We are committed to leveraging our purchasing power to the benefit of those partners and suppliers that align most closely with our values and sustainability goals. The dormakaba Supplier Code of Conduct (SCoC) sets out our requirements on human rights, fair working conditions, environmental responsibility, and business ethics that suppliers and business partners must uphold if they wish to do business with us or any of our controlled entities. In addition, the SCoC includes a pass-on-clause that requires suppliers to cascade our requirements down their own supply chains.

The SCoC is integrated in the online supplier onboarding and bidding systems. It is also part of the new standard contracts. We created a user-friendly, explanatory document to help us communicate the Code to our supplier base.

C.1.4 dormakaba Statement of Commitment on Responsible Minerals Sourcing

As a company procuring electronic components, we acknowledge our responsibility to take action to increase transparency in our mineral supply chains, in particular regarding potential human rights violations during the mining of certain minerals. This is why, during the FY 2023/2024, we adopted the Statement of Commitment on Responsible Minerals Sourcing to provide our entities with the framework they need to source responsibly from conflict-affected and high-risk areas, while creating the enabling conditions for constructive engagement with suppliers. The document lays out our commitments on responsible sourcing of minerals, the main elements of our due diligence policy, and the obligations of suppliers of products or materials that contain conflict minerals or cobalt.

C.1.5 Group Directive Sustainable Procurement (internal)

In the FY 2022/23, we adopted the Sustainable Procurement Directive. The Directive formalizes the processes and systems we have long set for ensuring the sustainable management of our supply chain. Prominent examples are the supplier preference system, the sustainability contractual agreements, the sustainable purchasing factors, and the escalation process for cases of non-participation or non-compliance. The Directive aligns our internal purchasing practices with our external human rights commitments. In doing so, it prioritizes and provides commercial incentives for suppliers that demonstrate a commitment to social responsibility and human rights due diligence.

C.1.6 Group Directive Responsible Labor (internal)

We recognize that responsible employment and recruitment are critical to the protection of workers and their human rights. Apart from laying out obligations and procedures in areas like freely chosen employment, working hours, wages and benefits, and humane treatment, the Responsible Labor Directive imposes an absolute ban on employing people below the age of 15, prescribes a rigorous set of protective measures for young workers and working students, and sets out a comprehensive remediation process for child labor victims.

C.1.7 Group Directive Zero Recruitment Fees (internal)

The Zero Recruitment Fees Directive states that no worker may be required to pay fees for their recruitment or employment by us or by any labor agent, sub-agent, or intermediary acting on our behalf. The document also contains tailored prescriptions for internal and foreign migrant workers. It specifies the fees that migrant workers must never be asked to pay (e.g., transport fees), as well as their rights to be informed of the working conditions and to receive their employment contract before leaving their home country. Through this set of rules, we aim to mitigate the risks of forced labor that often result from paying employment fees, in particular in the case of migrant workers.

Thanks to our commitments, we set out clear standards to be followed by our business partners while driving internal alignment and accountability. The first four above-named documents are accessible on our website in different languages.

C.2 Impact assessment

C.2.1 General impact assessment

We ran a process to define the material topics of our sustainability strategy. This focused on the results of a research-based impact assessment of sustainability topics along our value chain. Our aim was to concentrate efforts where we could have the greatest impact on sustainable development. The analysis included data from procurement, sales, production, and human resources. The data was then overlaid with over 50 risk indicators from social hotspot databases, the World Bank, and the Organisation for Economic Co-operation and Development (OECD). The assessment showed we had high impact potential on human rights across the value chain. Moreover, forced, compulsory, and child labor were evaluated as high in the steps "own operations," "raw materials," and "sourced goods."

Geographically, the general risk was seen as high in China, India, and Taiwan. However, the industry exposure along the value chain was lower than the average risk.

C.2.2 Child labor impact assessment

During the saliency assessment process, we mapped the risks of child labor present in our value chain, taking into consideration our own operations, the supply chain, distribution, products, clients, end users, and end of life. The resulting data showed that the risk of child labor mainly occurs in the extraction of certain raw materials in some of our products. The risks occurred in areas of the value chain far removed from our daily business operations. Even so, we have developed tailored due diligence actions and specific projects to better manage the child labor risks identified (see section on remediation).

Apart from acting on the findings of the saliency assessment, we strive to continually identify and assess any actual or potential risk of child labor that may exist in other areas of the value chain. Examples of our efforts are:

- the inclusion of child labor in our Human Rights Risk Management System; our close collaboration with industry experts and civil society organizations such as Save the Children, the Centre for Child Rights and Business, ELEVATE, and the Responsible Business Alliance; and
- the embedding of child labor risk assessments in regular and particular operating processes such as in our Internal Audit and Mergers & Acquisitions functions.

C.2.3 Annual impact assessments

Own operations

Following the requirements of the German Supply Chain Due Diligence Act, we have designed and implemented a Human Rights Risk Management System that allows us to systematically identify and prioritize the human rights risks in our own operations.

The system is based on internal and external social Key Performance Indicators (KPIs), ranging from country risk indexes provided by Verisk Maplecroft to working hours records, whistleblowing reports and injury incident rates. Each KPI is weighted based on the likelihood, scope, severity, and remediability of the associated human rights risks. A final risk score is derived for each site. Sites are then classified on a four-level risk scale: extreme, high, medium, and low. This scale, in turn, serves as

a basis for prioritizing sites for extra due diligence measures, such as on-site auditing cycles, mandatory training tailored to the risks identified, and one-to-one support. We update the risk scores on an annual and event-based basis.

Supply chain

We have defined a target group for sustainability assessments based on identified sustainability risk factors – such as origin country and the material content of the goods procured, or potential labor risks for outsourced services.

To determine the sustainability risk factors on a country level, we used an impact assessment and hotspot analysis as a baseline. The hotspot analysis identified child labor and forced labor as being among the sustainability topics of highest relevance in our supply chain. For these high-impact topics, we include any supplier from countries listed as high-risk in the sustainability target group for assessment. We updated the target group at the end of FY 22/23 based on the latest available full-year data.

C.3 Responsibility and resources allocation

The dormakaba Sustainability Charter identifies the staff involved in the decision-making processes related to human rights due diligence, with the Human Rights function reporting to the Group Sustainability Officer. In addition to staffing subject matter experts on corporate level, we are steadily building the capacities of other relevant functions – such as HR, Procurement, and Internal Audit – for them to be adequately equipped to play a central role in achieving our Human Rights Roadmap.

Corporate Sustainability holds regular meetings where functions and stakeholders linked to human rights due diligence share their progress and difficulties. Also, the Group Sustainability Officer regularly briefs the Executive Committee and the Board of Directors about our progress in implementing the Human Rights Due Diligence Strategy. These regular interactions mean that stakeholders and levels of management are engaged and aligned with our human rights goals. Whenever tensions arise between the human rights strategy and other policies or business imperatives, we remain faithful to our commitments and find solutions that fit the needs of the business and those of human rights due diligence.

Regarding resource allocation, we assign adequate resources to identifying and managing human rights risks. Examples include the recent creation of specialized job functions (particularly a human rights specialist and regional supplier sustainability specialists), the allocation of sufficient budget for conducting social audits in the company's operations and high-risk suppliers, and for remediation efforts and to pay the membership fees for multistakeholder organizations.

C.4 Prevention and mitigation

C.4.1 Own operations

To prevent and mitigate modern slavery risks and impacts, we have set a system of controls and assessments that range from thorough identity checks during the hiring process, to access systems that require personal identification, self-assessment questionnaires, on-site external and internal audits, and capacity-building exercises. We have also set strict requirements and processes to ensure that young workers and students are kept away from any hazardous tasks and their rights to education and development are respected.

In FY 23/24, we conducted six audits to identify actual or potential human rights risks and abuses in facilities classified as of high or extreme risk by our Human Rights Risk Management System. We engaged ELEVATE, an industry leader in Environmental, Social and Governance (ESG) and supply chain

services, to conduct the on-site audits. The audits were conducted according to the ERSA 3.0 standard, which is in line with local law in addition to the International Labour Organization (ILO) Conventions and industry protocols including RBA, ETI, BSCI, SEDEX SMETA, and IETP.

Of these, the Singapore and Nogales (Mexico) plants achieved good results (B level). The closure audit in Taishan (China) showed an improvement versus previous findings but further corrective actions continue to be necessary. The initial audit in Taiwan found that migrant workers had paid recruitment fees, which violated our Employer Pays Principle. We are developing a reimbursement plan.

In Senai (Malaysia) all major findings from the initial audit were resolved – however, a new Zero Tolerance finding was discovered related to forced labor risks faced by agency workers managed by an external security firm. Local management acted quickly to address the issue directly with the security company. Results from the closure audit in Melaka (Malaysia) were unavailable at the close of the financial year.

Each audit is followed by the development of a comprehensive corrective action plan that addresses the findings and builds the capacity of the different stakeholders to prevent the same human rights issues from recurring. To ensure complete objectivity and best practice in developing corrective actions, ELEVATE guides the identification of root causes and the development of corrective action plans.

With a view to tackling the root causes of modern slavery and preventing the precarious situations that force people to stay in a job against their will or send their children to work, we refrain from offering excessively low wages (“wage dumping”). Moreover, we are a Living Wage Employer in some sites and strive to meet this standard worldwide.

C.4.2 Supply chain

To increase our leverage in the commercial relationship, we strive to foster long-lasting, trust-based relations with most of our supplier base, providing incentives for those commercial partners that collaborate and behave responsibly. If the supplier refuses to participate in the assessment or implement our required corrective actions, we follow a governance system comprising steps that range from active communication to supplier offboarding.

To help safeguard the interests and wellbeing of workers, we refrain from immediately leaving business relationships with suppliers where nonconformances have been found, with the exception of Zero Tolerance findings. Instead, we take the time and make the effort to work with suppliers in putting things right. We believe this better protects the interests and wellbeing of workers, vulnerable groups, and local communities than immediately closing the business relationship.

Our activities to prevent and mitigate human rights impacts in the supply chain include the following:

- **Engagement during the pre-onboarding phase**

Before entering a business relationship, we require the supplier to sign our Supplier Code of Conduct and thus uphold our human rights standards in its own operations and supply chain (refer to policies section to know more about the Code). Apart from the Supplier Code of Conduct, we have additional contractual clauses for suppliers that pose heightened risks, such as the Terms & Conditions for Labor Agents & Labor Contractors.

- **In-house risk assessment**

We regularly perform a risk assessment of our entire supplier base. We have identified 10% of all

suppliers that pose high risks to the environment or human rights, our "target group." We base this assessment on the criteria of country, material code, and annual spend.

- **Off-site risk assessment**

We invited the suppliers in our target group to participate in an off-site sustainability assessment covering 21 sustainability criteria across four themes – environment, labor and human rights, ethics, and sustainable procurement. The assessment was conducted by EcoVadis, a leading provider of sustainable supply chain management services. For suppliers with bronze, silver, gold, or platinum level, reassessments are required in two to five years. For suppliers with partial performance, an annual reassessment is required and an improvement plan is defined in the EcoVadis system.

In FY 23/24, we contacted 544 of our other high-risk suppliers and asked them to participate in the EcoVadis assessment. 30% of them did so. From the suppliers with a completed rating as at 30 June 2024, 60% scored "good" or above. However, 34% had only partial performance, with scores lower than 45. Another 6% were considered to have insufficient performance. In FY 23/24, we terminated six business relationships and blocked five suppliers from new business.

Since we began working with EcoVadis, 31.7% of high-risk suppliers have been assessed. 825 high-priority corrective actions have been requested and 9% of these have been closed.

- **On-site risk assessment**

To examine our suppliers' sustainability performance on-site, we developed a standard audit questionnaire that contains topics related to quality system management. The questionnaire addresses sustainability topics such as adherence to labor, health-and-safety, and environmental standards. Moreover, we ask on-site auditors to check documents about:

- workers' age and identity records
- receipt of wages
- training and communication on internal Code of Conduct
- signature of the dormakaba SCoC
- training for workers on safe handling and storage of hazardous materials
- injury rates
- development of water, energy, and waste metrics in recent years.

In FY 23/24, our quality team conducted on-site audits for 11 suppliers in China. There were no findings of nonconformance regarding sustainability criteria.

We pay particular attention to suppliers performing subcontracted work, as these on-site audits identified higher risks for human rights impacts and poor labor conditions. The audits include a workers' sentiment survey that enables a supplier's workers to voice their concerns and communicate their views about how specific topics are managed, such as working hours, health and safety, and discrimination. When designing remedial actions, we consider the concerns voiced in the survey or during interviews.

During FY 23/24, we conducted six audits on subcontractors: three initial audits in Taiwan, two closure audits in China, and one initial audit in Malaysia. Major findings from initial audits at some of the subcontractors included retention of passports, workers barred from being interviewed by the auditor, wages being retained, excessive working hours, and health-and-safety hazards. For those with Zero Tolerance findings, we stopped all our orders until the finding was corrected. For example, regarding passport retention, we stopped business immediately until passports were released to the workers and safe storage provided. Thereafter, the local teams worked with the subcontractors and ELEVATE to agree on additional corrective measures. Depending on the severity of the other findings, a closure audit will take place within three to 12 months to verify the remediation of the violations.

At the two closure audits, considerable improvements were verified regarding age verification, formalization of the working relationship, some health-and-safety findings, annual leave, and delayed payment of wages. However, other findings from the initial audits – such as inconsistencies in the payroll and attendance systems, access to grievance channels, and other health-and-safety findings – remained open. We will continue working with the subcontractors to improve their systems and processes, and to close the findings that remain open.

- **Cobalt traceability efforts**

The extraction and processing of cobalt is often linked to human rights violations, including child labor. As a responsible company that procures electronic components, we have set a target to ensure supply chain traceability for minerals having high risk of child labor until 2027.

To meet this target, we use collective action. We continue to request Conflict Mineral Reporting Templates (CMRTs) from suppliers via Assent Compliance. By the end of FY 23/24, in the USA we contacted more than 1,000 suppliers (excluding non-production suppliers and services). Of these, 61% submitted Conflict Mineral Statements, representing about 89% of the procured parts. Some 36% of suppliers indicated that they did not intentionally use any 3TGs (tungsten, tantalum, tin, and gold) in the delivered goods, 16% had a strong compliance program, and around 6% had weak conflict mineral procedures.

To gain greater visibility and a deeper understanding of the upstream parts of our supply chains of high-risk minerals, we have been consulting directly with suppliers since 2022. Our goal is to assess the maturity of the supplier's management system on conflict minerals and cobalt, helping them improve, and finding ways to collaborate further. We select suppliers on the basis of their responses to the Conflict Minerals Reporting Templates, which indicate the presence of high-risk smelters or refiners. Of the suppliers evaluated in FY 23/24, we have prioritized ten for further action and invited five to join a dialogue in FY 24/25. This project's ultimate aim is to galvanize support among our supply-chain partners and to work together to increase pressure at the supply chain's "choke points" (i.e., smelters and refiners) wherever these are not acting responsibly.

We are also an active member of multistakeholder organizations like the United Nations Global Compact, and the Responsible Minerals Initiative, and we regularly collaborate with several others, such as the ILO Child Labour Platform. Indeed, we are often invited to share experiences and best practices in multistakeholder discussions, such as the webinar series on Child Labour Due Diligence organized by SECO International Labour Affairs (Swiss State Secretariat for Economic Affairs) and the UN Global Compact (Swiss network). Furthermore, we have published an in-depth study of the cobalt supply chains to raise awareness among industry peers and society in general about the complexities in the extraction, handling and transport of cobalt and its links to child labor. The study, by the University of St. Gallen, includes contributions from various sustainability and supply-chain professionals, who shared those practices they believed could improve labor standards and prevent human rights violations in cobalt supply chains.

Despite all the above efforts, we know it is virtually impossible to permanently maintain conflict-free supply chains for certain minerals. This is why we have begun a 10-year partnership with Save the Children Switzerland to establish a ground-breaking project that will effectively help child labor victims of small-scale mines in the Democratic Republic of the Congo (DRC). You can read more about this project in the following section.

C.5 Access to remedy

As stated in our Code of Conduct, we are committed to providing rightsholders with access to remedy.

C.5.1 Remediation process should child labor be found in our operations

The child labor remediation process detailed in our Responsible Labor Directive is a prominent example. The process says that any child found working on our premises must have access to medical checks, financial support to complete their compulsory schooling, and the maintenance of their income until they become eligible to work. If legally and practically possible, the child must be transferred to a workplace learning program. Following the [ILO-IOE Guide for Business](#), we strive to ensure the child's best interest by replacing the lost family income and accompanying the child through the recovery process. Labor agents and subcontractors must also adopt the above remediation process. Regarding the rest of the supplier base, we expect all our suppliers to provide adequate remedial help for any child laborer found in their own operations or supply chain.

C.5.2 Remediation of child labor victims in the Democratic Republic of the Congo

In a landmark project, we have joined forces with Save the Children Switzerland and The Centre for Child Rights and Business (The Centre) to address the pervasive issue of child labor in small-scale mining communities in the DRC.

We recognize that any company sourcing electronic components cannot be sure that the cobalt in its products does not come from the DRC, where 70% of the cobalt mined worldwide originates and which is well-known for high levels of child labor. The project – to which we are committed for ten years – supports affected children and young people in mining centers in the DRC and provides long-term remediation. Children and young people working in cobalt mines are reintegrated into school or vocational training programs to give them new opportunities. The project offers monthly living stipends, covers all educational and possible medical costs up to the age of 16, and provides each child with a case manager who supports the family and looks after the child's interests.

Each child is given a unique plan tailored to their specific needs, ensuring a holistic approach to the remedial help they get. For some children, adequate help means reintegration into the school system, while for others it also requires extensive psychological support. This individualized care is critical in helping these children overcome their difficult circumstances. By working closely with local organizations and practitioners, our external partners – Save the Children Switzerland and The Centre – ensure that the interventions are culturally sensitive and more likely to succeed. This community approach uses local knowledge and expertise. It fosters the creation of a network of support that helps current victims and prevents children falling into the same circumstances in future.

We are committed to boosting the impact of this initiative by encouraging other companies that use cobalt to join it. This will drive broader change and contribute to the larger-scale fight against child labor in cobalt supply chains.

C.5.3 Remediation for migrant workers

Another example of our remediation efforts is the reimbursement process in the Zero Recruitment Fees Directive, which responds to the risks related to migrant workers identified during our Human Rights Saliency Assessment. Migrant workers are known to be a particularly vulnerable group in today's value chains. They often face unequal treatment, discrimination, and abusive and fraudulent recruitment processes such as deception about the nature of the job, retention of passports, illegal wage deductions, and unethical business practices by recruitment agencies, which sometimes charge high recruitment fees and related costs set up as loans they must repay. Until workers can pay their debt, they are de facto trapped in debt bondage, a form of forced labor.

We have not only translated our commitment to remediation into practical processes, but applied it to real-life situations. As an example, the on-site audit of our own operations in Taiwan in FY 23/24 found that migrant workers had paid recruitment fees to their labor agent. We will reimburse the fees to these migrant workers regardless of when they were originally paid.

C.6 Training

C.6.1 Own operations

We strive to build the capacity of our functions and our overall organization to identify and manage human rights risks and violations. To raise awareness and increase the knowledge among our relevant functions, in the FY 23/24, all members of our internal auditing team and our supplier quality auditing team attended a workshop to learn to identify potential risks or violations of human rights in their regular work. This 2-hour mandatory training was delivered by focusright, a consultancy firm specializing in business and human rights. The content included case studies, role plays, and practical resources to identify and communicate human rights risks and violations.

To ensure that capacity-building efforts reach beyond particular functions, since July 2024 all our employees have access to 12 micro-training modules that cover aspects of responsible labor and the Group's standards, such as responsible recruitment of migrant workers, due diligence measures for preventing child labor, working hours, and fair wages. The modules include case studies and practical examples. They are mandatory for the HR managers of sites identified as high-risk for the specific topic that each training module covers.

The modules are also fundamental to our Human Rights Good Practices Hub, which was also developed in FY 23/24. The Hub serves as a "one-stop-shop" for local managers to find out about the Group's human rights standards and applicable regulations, and lessons learned by their peers, as well as readily available assets to help them communicate and fulfill their obligations.

To accompany the roll-out of the Sustainable Procurement Directive, we launched training that conveys the new processes and standards established by the Directive. The training includes a test and is mandatory for all our procurement personnel. In the same vein, after the Statement of Commitment on Responsible Sourcing of Minerals was published, we launched dedicated training that covers the human rights risks and violations prominent in supply chains of minerals like the 3TGs and cobalt – such as child labor and forced labor – and conveys the main elements of our strategy to mitigate those risks. The training includes tests and is mandatory for our procurement leadership team and for purchasing managers who deal with materials related to high-risk minerals. So far, 142 members of our procurement team have completed this training.

Lastly, the Human Rights Specialist continually works on building the capacity of high-risk sites and relevant functions through regular calls, workshops on specific topics, and general advice.

C.6.2 Supply chain

In pursuing our commitment to contribute to positive change in global supply chains, we finance training for suppliers assigned with high-priority corrective actions. The training is provided by ELEVATE via the EiQ platform. This delivers modules in an accessible manner, including case studies and examples of practical actions to be taken. The program includes four learning plans: environment, climate change and greenhouse gas emissions, labor, and health and safety. These training modules are available in several languages. Completing the training modules assigned is a mandatory corrective action for the selected suppliers. Any suppliers that refuse to participate in the program face the usual escalation process and may be offboarded. In FY 23/24, we invited 221 suppliers with high-priority corrective actions to complete training on sustainability topics.

To further mitigate our salient human rights risks, in FY 23/24 we developed e-learning that lays out our requirements on ethical recruitment. These include freely chosen employment, zero recruitment fees, and mandatory pre-departure information. The training aims to protect prospective migrant workers and reduce their risk of being trapped into forced labor. The training will launch in early FY 24/25.

C.7 Tracking of performance

C.7.1 Own operations

Our recently implemented Group-wide Human Rights Risk Management System consolidates and standardizes our monitoring processes and tracks the performance of our measures to prevent and mitigate the risks of forced labor and child labor at site level. As explained in previous sections, because of the first annual results of the Human Rights Risk Management System, we commissioned six third-party on-site social audits to ascertain the management of risks related to forced labor, child labor, and employment abuse in sites identified as extreme- and high-risk, as well as to assess the effectiveness of the mitigation measures we set at Group level. Each on-site audit is followed by a root-cause analysis by a specialized third-party auditing firm, and a corrective action plan. Our Human Rights Specialist receives the external audit results and tracks progress on corrective actions while also fostering continual dialogue with local managers.

Regarding the effectiveness of our awareness-raising efforts, we track participation of our employees in the training modules on human rights and sustainable procurement that are available.

C.7.2 Supply chain

For suppliers participating in the off-site assessment, reporting and statistics – including key strengths and areas of improvement as well as corrective action status – are visible on the EcoVadis platform. They are tracked by members of our Expert Group Supplier Sustainable Development.

Since we began cooperation with EcoVadis, 43% of the assessed suppliers have undergone a follow-up reassessment. 64% of the reassessed suppliers improved their score, with an overall improvement of 4.2 score points. Among those that improved, the average supplier improvements per pillar are:

- Environment: +5.2 points
- Labor and human rights: +4.3 points
- Ethics: +3.1 points
- Sustainable procurement: +3.9 points

The majority of reassessed suppliers (51%) showed good performance. Another 31% showed advanced performance. The proportion of suppliers with partial performance decreased from 21% to 16%. We will continue to support our business partners to improve their rating.

Regarding the on-site audits among our subcontractors, they are followed by a root-cause analysis by a specialized third party, who also designs tailored corrective action plans. Their performance is tracked by looking at their completion of the corrective actions.

Apart from the off-site and the on-site assessments, we give substantial effort to building the capacity of our high-risk suppliers so that they learn how to manage risks to human rights in their own operations and supply chains. We recommend suppliers to undertake specific training based on gaps in their sustainability performance. In FY 24/25, we will measure performance by tracking their completion rates.

We strive to communicate to all our high-risk suppliers the standards on responsible labor that they must follow if they wish to continue doing business with us. To that end, we require our high-risk

suppliers to sign specific contractual clauses that state grounds for terminating the relationship if they do not respect our communicated standards. To ensure the strategy's effectiveness, we track the number of suppliers that sign the different contractual clauses, as well as the ones we offboard because they refuse to sign these documents.

C.8 Communication of performance

We transparently communicate our performance on human rights due diligence and our efforts to eradicate forced labor, child labor, and other forms of modern slavery from our value chain in our annual Sustainability Report and in this Statement.

C.9 Engagement with stakeholders

In developing and implementing our human rights due diligence program, we continually engage with representatives from different functions at local level, external experts, and civil society organizations. The public may also send feedback and questions directly to sustainability@dormakaba.com

C.10 Grievance mechanism

Our whistleblowing tool is for any internal or external stakeholder to use and is accessible in nine languages. This global grievance mechanism is legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continual learning, and dialogue-based. We have recently updated the tool to create a specific category for human rights violations. We successfully closed all cases reported in FY 2022/23. In FY 23/24, 2 more cases related to human rights were communicated via the grievance mechanism. We took appropriate action in both and have closed the cases.

D. Approval

We are committed to building on this approach in the coming years in view of our responsibilities as a good corporate citizen.



Till Reuter
Chief Executive Officer, dormakaba Group
3 September 2024

E. Attestation

In line with Canada's enactment of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular its section 11, I attest that I have reviewed the information in the report for all dormakaba entities, including dormakaba Canada Inc. and Skyfold Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year listed above. I have the authority to bind dormakaba Canada Inc. and Skyfold Inc.



Svein Richard Brandtzæg
Chairman of the Board, dormakaba Group
3 September 2024

The information in this Statement has been approved by the Board of Directors of dormakaba Group and relates to the 2023/24 financial year. The scope included in this Statement covers fully-consolidated operations worldwide, including those of direct and indirect subsidiaries.