dormakaba

Annual Report

Financial Year 2023/24
dormakaba Holding AG

We reimagine access to enhance customer value and experience for a sustainable building lifecycle.

Key figures and other financial information

CHF million, except where indicated	2023/24	2022/23	Change
Net sales	2,837.1	2,848.8	−11.7
Organic growth in %[1]	**4.7**	**8.4**	**-370 bps**
Gross margin	1,141.7	1,137.2	4.5
Gross margin in %	40.2	39.9	30 bps
Personnel expenses	1,210.1	1,127.9	82.2
EBITDA (Operating profit before depreciation and amortization)	293.1	325.8	−32.7
Adjusted EBITDA (Adjusted operating profit before depreciation and amortization)	**416.9**	**384.8**	**32.1**
Adjusted EBITDA in % of net sales	**14.7**	**13.5**	**120 bps**
Net profit	82.2	88.5	−6.3
Net profit after minorities	42.2	45.7	−3.5
Basic earnings per share (in CHF)	10.1	10.9	−0.8
Diluted earnings per share (in CHF)	10.0	10.9	−0.9
Dividend per share (in CHF)	8.00	9.50	−1.5
Payout ratio in %[2]	51.1	51.7	-60 bps
Net cash from operating activities	286.2	288.4	−2.2
Operating cash flow margin in %	10.1	10.1	0 bps
Free cash flow	204.6	176.6	28.0
Total assets	1,965.5	1,946.5	19.0
Total liabilities	1,623.1	1,611.9	11.2
Equity	342.4	334.6	7.8
Net working capital	704.3	694.0	10.3
Net working capital in % of net sales	24.8	24.4	40 bps
Net debt	454.8	596.9	−142.1
Net debt/Adjusted EBITDA	1.1	1.6	
Average CE (Capital employed)	1,184.4	1,222.7	−38.3
ROCE (Return on capital employed)[3]	**29.0**	**25.1**	**390 bps**
Average number of full-time equivalent employees	15,336	15,519	−183

1 Organic growth in % is calculated by adjusting the current year's sales for acquisition impact and comparing it to the previous year's sales adjusted for currency translations and divestment impact. In 2023/24 the currency translation effect on previous year's sales amounts to CHF -139.5 million.
2 In 2023/24: proposal to the Annual General Meeting and subject to the number of shares entitled to dividend as of 14 October 2024.
3 The ROCE calculation is based on EBIT, adjusted for items affecting comparability (IAC). The detailed calculation is disclosed in the note on alternative performance measures (APM) (5.2) of the consolidated financial statements in the Annual Report 2023/24 of dormakaba.

Further information on financial sustainability of the Group is available in the chapter Consolidated Financial Statements. Performance measures that are not defined by the applied accounting standard, Swiss GAAP FER, are detailed in chapter 5.2 Alternative performance measures (APM) of the consolidated financial statements.

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Advanced solutions are our passion

dormakaba is a leading global provider in the access solutions market. The company reimagines access by setting industry standards for smart systems and sustainable solutions across the lifecycle of a building. More than 15,000 employees worldwide provide their expertise together with distribution partners to a growing customer base in more than 130 countries.

dormakaba supports its customers with a broad, innovative portfolio of integrated access products, solutions and services that easily fit into building ecosystems to create safe, secure and sustainable places where people can move around seamlessly.

dormakaba concentrates on global core businesses such as Access Automation Solutions, Access Control Solutions, Access Hardware Solutions and services. The company is also a market leader for Key Systems as well as Movable Walls including acoustic movable partitions and horizontal and vertical partitioning systems.

Key figures

CHF 2.8 billion
turnover in 2023/24

160 years
of experience

>15,000 employees
worldwide

1,800+ patents
driving innovation

Our offering

Access Automation Solutions (AAS)	**Access Control Solutions** (ACS)	**Access Hardware Solutions** (AHS)	**Services**	**Key & Wall Solutions and OEM**
Entrance Automation Entrance Security	Electronic Access & Data Escape and Rescue Lodging Systems Safe Locks	Door Closers Architectural Hardware Mechanical Key Systems	Consulting and Planning Implementation Commissioning Maintenance	Key Systems Movable / Sliding Walls Original Equipment Manufacturing (OEM)

Our focus sectors

- Airports
- Hospitality
- Banks & Finance
- Sports & Culture
- Healthcare
- Education
- Government & Administration
- Transport & Logistics
- Offices
- Retail
- Residential & Multi-family housing
- Industry & Manufacturing

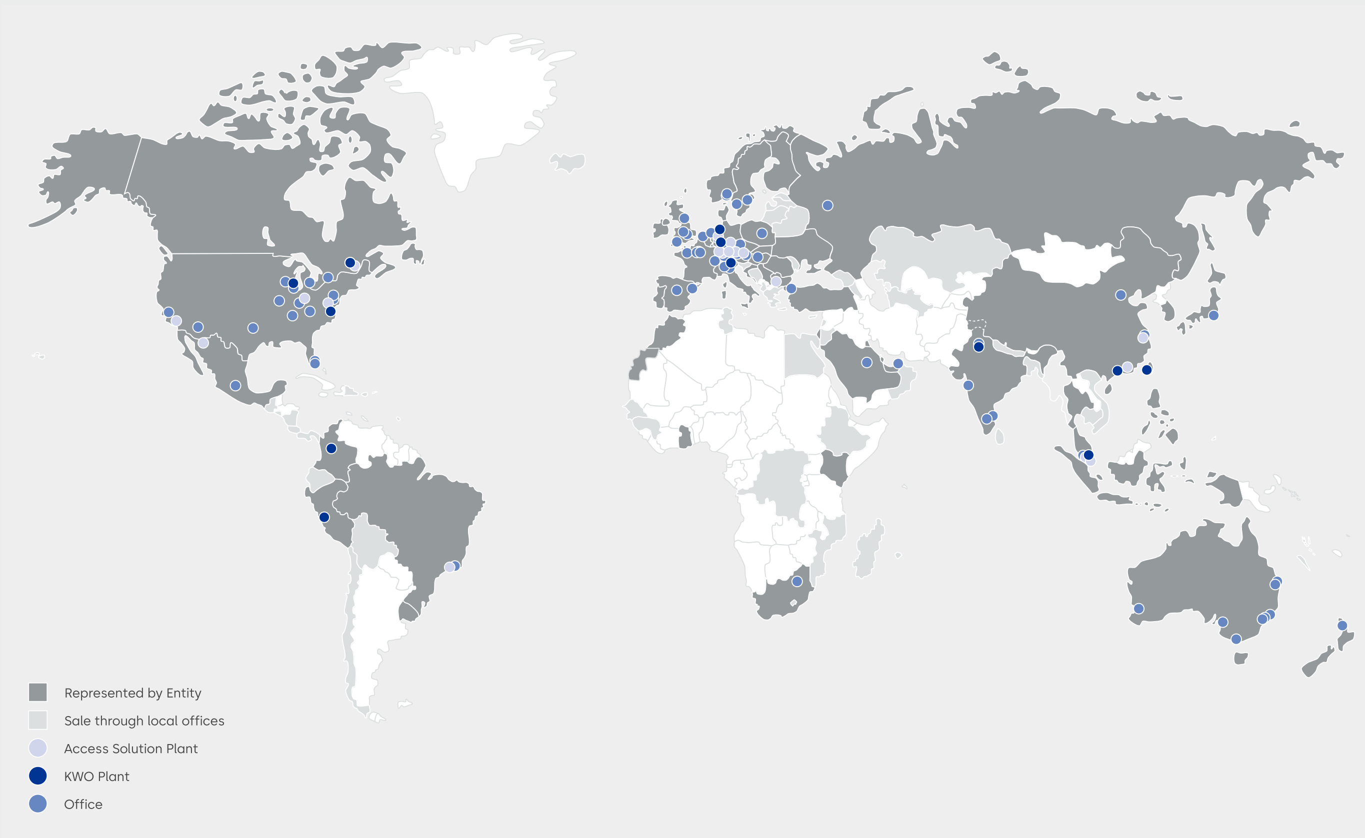
dormakaba around the world

With a global footprint of 111 sites in more than 30 countries, dormakaba is strongly committed to customer centricity: operating close to clients, enabling fast interactions, and accelerating service delivery to meet the expectations of a fast-moving market. The Group's global production network and dedicated R&D centers prioritize production efficiency and short time-to-market.

18 plants
Access Solutions (AS)

12 plants
Key & Wall Solutions and OEM (KWO)

130 countries
served with global partners



Group Management Report

MotionIQ, an intelligent door system, optimizes the control of automatic swing doors determining the movement vector of people and calculates the ideal opening point as well as the individual hold-open time. This significantly reduces the time the door is left open and reduces energy losses.

Chairman Letter

Svein Richard Brandtzæg (Chairman)

Dear Shareholders,

This financial year has seen dormakaba make good progress on the execution of its Shape4Growth strategy and related transformation program, leading to a strong financial performance in line with its mid-term targets. A new organizational setup has been put into place, with global management of our commercial organization and innovation. We have sharpened our focus on core strategic markets and launched key efficiency and cost initiatives in operations, procurement and corporate services.

Strong 2023/24 performance driven by strategy execution

The strategy is delivering as expected: dormakaba has achieved strong organic net sales growth with substantial increases in both the adjusted EBITDA margin and ROCE. As we progress further in our strategy execution, our priorities are also evolving: these will include building on leadership positions to boost sustainable growth in core markets, leveraging key offerings beyond their home markets, reducing portfolio complexity to free up resources for further investment in innovation, establishing continuous improvement programs throughout production and procurement, and fostering a high-performance, customer-centric culture. With this, we will ensure that our strategy continues to deliver sustainable improvements and growth.

Fostering our strong ESG position

As a leading global player in the access and thus construction industry, we take our ESG responsibilities very seriously. That is why we have now further linked sustainability goals with our business goals, integrating ESG targets into our Long-Term Incentive plan for executive compensation.

dormakaba benefits from a strong foundation for its sustainability governance, with clear targets and ambitions. This has allowed us to delegate further oversight responsibility for sustainability measures to the Board of Directors and the Executive Committee. This year we are publishing our first Task Force on Climate-Related Financial Disclosures (TCFD) and extended EU Taxonomy reports. We are also in compliance with the non-financial reporting requirements of the Swiss Code of Obligations, and have completed the double materiality assessment under the EU Corporate Sustainability Reporting Directive. Most importantly, we have now introduced a binding vote on our Sustainability Report at the Annual General Meeting of Shareholders (AGM) on 10 October 2024.

AGM 2024: continued progress in governance

At the upcoming AGM, the Board of Directors will propose a dividend CHF 8.00 which represents a payout ratio of 51.1%. This reflects our strong operational performance and the impact of one-off restructuring expenses for our transformation on this financial year's net profit.

Till Reuter resigned from his seat on the Board of Directors in order to take up his responsibilities as CEO on 1 January 2024. In addition, John Y. Liu will retire from the Board effective 10 October. The Board of Directors proposes Marianne Janik and Ilias Läber for election to the two open seats.

Finally, the Board of Directors is opening the position of Auditor with an ongoing tender, with the resulting candidate to be proposed to the 2025 AGM.

We firmly believe that dormakaba is well positioned for the coming years, and we will continue to work to earn your trust and support every day. On behalf of the Board of Directors, I want to take this opportunity to thank you for your much valued trust during this time of transformation.

Sincerely,

Svein Richard Brandtzæg
Chairman

CEO Message

Till Reuter (CEO)

Dear Shareholders,

In the eight months since becoming CEO, I have had many fruitful conversations with dormakaba employees and customers around the world. I am grateful for their frank input and highly encouraged by their enthusiasm for what we as a company have to offer.

Transformation program delivers tangible improvements
Our strategy execution is progressing well and delivering tangible, sustainable improvements, supported by the transformation program introduced in July 2023. In the past year, we have set up the three planned regional shared service centers, defined the optimization of our operations network for implementation, improved plant productivity, consolidated our supplier base further, and established a global product development roadmap. We reached agreements with our social partners in Germany, Switzerland and Austria which enabled us to enter the execution phase of major transformation initiatives and to realize the corresponding cost savings. With major efficiency initiatives in execution, we are now advancing to establish further growth initiatives. This will include building on leadership positions to boost sustainable growth in core markets, leveraging key offerings beyond their home markets, and further reducing portfolio complexity to free resources for further investment in innovation.

Strong 2023/24 performance both for organic growth and profitability
The 2023/24 results show our progress: We achieved strong organic net sales growth of 4.7% in a demanding economic environment. We significantly expanded our adjusted EBITDA margin by 120bps to 14.7%, showing first payoffs from the transformation program. Both business segments, Access Solutions (AS) and Key & Wall Solutions and OEM (KWO), contributed to this strong performance: our AS core markets recorded positive organic net sales growth and KWO overall marked a record year in both growth and profitability. Return on capital employed (ROCE) increased substantially by 390bps to 29.0%, profiting from improved average net working capital and adjusted EBIT. Finally, we achieved solid free cash flow and strengthened our debt profile.

Setting our team up to win
Our success in key markets and market segments highlights that our strategic initiatives are well aligned with what our customers want. Our new organizational setup, with global management of our commercial activities and innovation, has brought us closer to our customers to serve them more efficiently as one global team. This has led to significant project wins around the world, such as the University of Oslo's ambitious Life Science Building project, where dormakaba was chosen to supply access solutions for what will become Norway's largest research and education facility.

We successfully implemented numerous airport projects around the world, expanding our regional production center in Chennai to meet growing demand. To maintain our innovation leadership in this sector, we are collaborating with leading technology companies like Rohde & Schwarz on new solutions for passenger screenings.

Merging innovation, sustainability and customer efficiency
Our Motion IQ technology and Door Efficiency Calculator (DEC) tool are prime examples for how we are merging innovation, customer efficiency and sustainability by offering our customers solutions that help them meet their own sustainability goals. Starting with Germany and Switzerland in the past year, Motion IQ is now being rolled-out throughout Europe and is continuously integrated into more product ranges such as automatic swing doors. The DEC tool is now introduced in 18 countries.

Recognized progress in our sustainability initiatives
We have hit our ambitious CO_2 emissions targets for the third year in a row, and have again increased our share of self-generated solar energy. Further, we have taken a big leap in our health and safety management, resulting in a substantial reduction of our recordable injury rates. Our overall progress in sustainability has been recognized by the media and the markets. dormakaba was named among TIME magazine's 500 World's Most Sustainable Companies for 2024, and one of Europe's Climate Leaders by the Financial Times. We kept our Prime Status in the ISS-ESG Corporate Rating and our AA rating from MSCI. We also received our third gold medal from EcoVadis, recognizing dormakaba as among the top five percent of over 130,000 organizations assessed for ESG criteria.

Outlook
Looking ahead, we will continue to execute our strategy, supported by a strong orderbook and new, innovative products. We are confident that we will continue to grow organically despite an ongoing, challenging environment. For 2024/25 we expect organic net sales growth in the range of 3–5% and adjusted EBITDA margin of at least 15%.

Throughout this eventful year, I have been most grateful for the positive energy of our employees, whose drive to innovate and provide great service is at the heart of all we do – and for the inspiration of our customers, whose ever-evolving needs give us the chance to show our best. Together, we are on the right path to growth.

Sincerely,

Till Reuter
CEO

Major Highlights of the Year

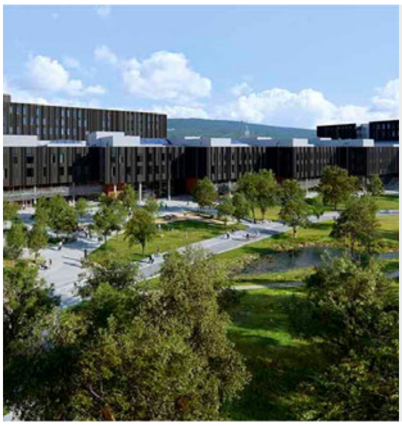
dormakaba achieved significant milestones in the past year, including key customer deals and strategic partnerships, and was recognized for its product innovations and environmental stewardship. We remain committed to innovation and bolstering our corporate social responsibility.

Energy efficiency through smart doors

The Door Efficiency Calculator consulting tool compares different dormakaba automatic doors in terms of their impact on the building's energy consumption, costs and carbon footprint, thus helping customers to find the most energy-efficient solutions that also meet specific building and use requirements. The tool calculates how the various door types impact the air flow and the loss of heating/cooling of the building. The calculation result is summarized in a customer-specific report comparing the ecological and economic aspects of the proposed solutions.

Innovation recognized

dormakaba's transformative technology continues to receive recognition from industry bodies. At the 2023 ICONIC AWARD: Innovative Architecture, both the innovative EntriWorX EcoSystem and the Argus V60 sensor interlock were winners in the Product-Building Technologies category, while the Axessor Apexx IP safe lock was awarded by the Security Industry Association in April 2024. Further product lines received recognition for outstanding product design at the 2024 ICONIC AWARD.



Unlocking breakthroughs

dormakaba is a partner to supply access solutions to the University of Oslo's ambitious Life Science Building project. The facility is set to become Norway's largest research and education building spanning across 97,000m^2. The state-of-the-art facility will serve as a focal point for interdisciplinary research and collaboration, bringing together academia, healthcare institutions, and industry partners. The scope includes door hardware, access control solutions, and project management services.

Integrated modernization for an iconic banking brand

One of the oldest and largest cantonal banks in Switzerland is the Berner Kantonalbank (BEKB | BCBE). Between May 2019 and December 2023, it modernized its 54 branches, creating bright, welcoming, informal yet highly efficient customer spaces. dormakaba was at the heart of this transformation, providing a linked ecosystem of RFID readers, on- and offline key systems, door hardware, and access systems.

The ticket to visitor satisfaction

At sports events, mega-concerts, theme parks, and museums, visitors naturally want to immerse themselves immediately in the experience without the hassle of waiting in line to hand over a ticket. Self-scanning allows smooth access and frees staff to optimize the visitor experience. Vivaticket S.p.A is a global leader in venue ticketing; its US division turned to Alvarado's line of intelligent admission devices to deliver seamless and versatile access control. Alvarado's DirectConnect API provides simple plug-and-play connection between Vivaticket's software and the admissions devices without intervening servers, ensuring data security while supporting wide flexibility in installation design.

Supplying access system for a global engineering group

dormakaba is entering a partnership for supplying access control systems to thyssenkrupp Dynamic Components, the global engineering company, covering 10 locations in seven countries ranging from Brazil to China. dormakaba's Exos access management system will be installed at thyssenkrupp's Ilsenburg headquarters, creating the potential for further hardware and software extensions.

Enabling a seamless campus access

New York University Shanghai is the first Sino-American international university officially approved by the Ministry of Education with an independent legal personality. It has degree-granting authority while also being an integral part of the global education system of New York University. Its new 114,000m^2 campus in Shanghai's Qiantan International Business Zone drew on dormakaba's expertise in Access Automation and Access Hardware solutions to provide seamless, stress-free access for the university's nearly 2,500 students and faculty. The order included 22 access lanes and gates, locks, premium exit devices, and door-closers.

From left: Nancy Lambert, Sabrina Wilson, Tasha Birdwell, ina Rawji

Supporting women to thrive

ISC West is the largest security industry trade show in the USA held annually in Las Vegas. Global professionals gather to explore innovations in access control, video surveillance, and more. At the event, dormakaba stood out by showcasing its latest advancements in security solutions and by providing the trade show's entry solution (V60 Optical Turnstile) used by the 29,000 attendees. Further, dormakaba's Nancy Lambert and Yazmina Rawji were named among the Security Industry Association's Women in Security Forum Power 100 for 2024. This makes a total of nine dormakaba women who have received this award since its inception in 2022: just one of many testimonies to dormakaba's strong commitment to increasing opportunities and advancing leadership for women.

Recognitions in sustainability

dormakaba was named among TIME magazine's 500 World's Most Sustainable Companies for 2024; the ranking covers over 20 sustainability criteria. We received our third gold medal from EcoVadis, recognizing dormakaba as among the top five percent of over 130,000 organizations assessed for ESG criteria. GreenCircle Certified has issued 23 new certificates to dormakaba recognizing the use of recycled materials in all door closers manufactured in Singapore and adding to the 16 existing certificates for US-manufactured door hardware.

© Jonathan Hyams / Save the Children

United against child labor

Cobalt is a critical mineral for the modern economy. Any company sourcing electronic components cannot be sure that the cobalt in these components does not come from the Democratic Republic of Congo (DRC), where 70% of the cobalt mined worldwide originates and which is well-known for a high prevalence of child labor. dormakaba is the first company in Europe to support Save the Children Switzerland in a pioneering project to remediate child labor in the DRC. Over a period of ten years, dormakaba will invest around one million Swiss francs to support the project's objectives.

Self-scan convenience arrives at airports

Together with leading technology companies like Rohde & Schwarz, dormakaba has developed new solutions for passenger screening at airports. This self-screening is a new approach but is based on mature technologies, products, and solutions within the dormakaba portfolio and the portfolios of the other companies. This innovative approach gives passengers more autonomy during the security check. These new solutions will also be able to be used in areas such as critical infrastructure, IP protection, and prisons.

Strategy

dormakaba's corporate strategy Shape4Growth (S4G) is about transforming the company, shaping it to achieve its full potential and accelerating sustainable, profitable growth. It consists of five building blocks: Accelerating Growth; Customer Centricity; Improve Operational Excellence & Gain Scale; Realize Effective Capital Deployement; and Customer-centric & High-performance Culture.

In 2023/24, dormakaba made good progress in executing its strategy, supported by the transformation program launched in July 2023. Spanning over three years, this program focuses on network and production efficiency, procurement improvements, innovation, functional efficiency in HR and Finance, and reduced IT complexity though standardization and harmonization of systems and processes. The initial effects of the program are reflected in the strong 2023/24 performance.

Selected achievements in strategy execution:

Markets & Innovation

- **Transformation to a more streamlined organizational structure completed:** removing the regional layer of management and creating the global positions of Chief Commercial Officer and Chief Innovation Officer, the simplified setup enables dormakaba to sharpen its go-to-market approach and customer-centricity, and to coordinate all its R&D activities for improved time-to-market.
- **Strengthened focus on leadership in core markets:** supporting profitable growth by prioritizing core markets where dormakaba holds strong competitive positions. This also means changing the go-to-market approach in selected countries with smaller scale: for example, divesting the business in Sub-Saharan Africa to an exclusive distribution partner.
- **Increased specification capabilities:** opening a new specialist center for specification writers in Chennai (India) and integrating the EntriWorX P360 web-based project collaboration software with Salesforce CRM and SAP CPQ (Configure, Price, Quote) – both major boosts to specification efficiency and customer experience.
- **First Global Product Roadmap:** allows to harmonizing of innovation capabilities and product development and enables targeted investment in highest market potential.
- **Award-winning innovation:** the innovative EntriWorX EcoSystem and the Argus V60 sensor interlock were winners in the Product-Building Technologies category at the 2023 ICONIC AWARD: Innovative Architecture. The Axessor Apexx IP safe lock received the New Products and Solutions Award from the Security Industry Association in April 2024.

Efficiency

- **Agreement with workers councils:** major agreements with workers councils in key countries were reached, ensuring that the transformation program can be executed as planned.
- **Procurement improvements:** the consolidation of supplier base progressed further to 23% against baseline, and we achieved continued procurement savings.
- **Establishment of shared service centers:** as of 30 June 2024, more than 250 employees are working out of these centers located in Sofia (Bulgaria), Nogales (Mexico) and Chennai (India). The centers provide, simplify, enhance, and harmonize administrative and support services in areas such as Finance, HR, and IT.

Sustainability

- **Carbon targets achieved:** for Scope 1+2 emissions for the third year in a row with savings of 12,500 tCO_2e since the baseline (FY 19/20).
- **Substantial increase in self-generated energy share:** our production sites in Malaysia and China now have 21,000 solar panels in operation, producing over 11,000 MWh of electricity and saving almost 7,000 tons of CO_2 equivalent annually. Overall we increased our on-site solar energy production by more than five times.
- **Leap forward in Health & Safety management:** this has resulted in a 21% decrease in injury rates year on year.

Well positioned to deliver on industry trends

dormakaba remains well positioned to leverage present and upcoming trends in the global building market. In broad terms, increasing urbanization and an ageing population in many countries are reflected in a move towards more flexible working spaces and multi-housing, including repurposing of existing buildings. This creates demand for responsive, versatile digital and cloud-enabled access solutions. Digitalization also plays an important role in the drive for sustainable construction and energy efficiency. The result is increasing emphasis on Building Information Modelling (BIM) and ever-closer integration of building systems, including access solutions, with consequent requirements for robust physical and cyber security. Growing demand for touchless access solutions in the aftermath of Covid-19 puts further emphasis on integrating mobile and biometric authentication into electromechanical systems. Increasingly, this means combining access management with flow management solutions, which also reduces building energy loss. These trends all play to dormakaba's strengths in R&D: electromechanical technologies, sensors, digital software and interfaces, building operations, and the deep understanding of how to enable the seamless flow of people through places that matter.

Group Performance

Strong organic net sales growth and margin expansion

organic net sales growth	adjusted EBITDA Margin	ROCE
+4.7%	**14.7%**	**29.0%**
CHF 2,837.1m	+120bps	+390bps

net profit	free cash flow	net debt
CHF82.2m	**CHF204.6m**	**CHF454.8m**
−7.1%	+15.9%	−23.8%

dormakaba achieved strong organic net sales growth and significantly expanded its adjusted EBITDA margin in the financial year 2023/24. Net profit was influenced by one-off restructuring charges by the Shape4Growth Transformation program.

In the financial year 2023/24, dormakaba's net sales grew organically by 4.7%, driven by higher pricing (+2.8%) and volume (+1.9%); the latter showed even stronger development in the second half of the financial year. This strong organic growth was achieved in a demanding economic environment characterized by ongoing inflation, high interest rates, and geopolitical tension. Both business segments, Access Solutions (AS) and Key & Wall Solutions and OEM (KWO), contributed to organic sales growth and business expansion. The appreciation of the CHF against all major currencies led to a negative currency translation effect of 4.9% resulting in total sales of CHF 2,837.1 million, a decline of 0.4%.

dormakaba expanded its adjusted EBITDA margin significantly during the financial year. The company closed 2023/24 with an adjusted EBITDA of CHF 416.9 million and an adjusted EBITDA margin of 14.7%. Not only does this represent a 120bps margin increase over the previous year, it also marks a continuous margin improvement over the last four semesters.

dormakaba is on track to deliver on its mid-term targets. Execution of the transformation program that was announced on 3 July 2023 significantly contributed to the expansion of adjusted EBITDA margin through operational efficiency and procurement initiatives. Three shared service centers were established: Nogales (Mexico) for North and Latin America, Sofia (Bulgaria) for Europe, and Chennai (India) for Asia Pacific. These centers are fully operational. Several countries have been already successfully transitioned to the shared service centers.

Agreements with employee representatives were reached in Germany, Switzerland, and Austria. This enables dormakaba to enter the execution phase of major transformation initiatives concerning the operations footprint and the transfer of tasks to the shared service centers, and to realize the corresponding cost savings. dormakaba incurred one-off restructuring expenses and overall items affecting comparability (IAC) at EBITDA level of CHF 123.8 million. The impact of goodwill amortization on EBIT amounted to CHF 49.5 million; adjusted EBIT was therefore CHF 344.0 million. Net profit, at CHF 82.2 million, was additionally impacted by a higher tax-rate of 38.7%, driven mainly by tax non-deductible goodwill amortization and restructuring expenses in Germany.

In the financial year 2023/24 dormakaba delivered a solid free cash flow of CHF 204.6 million, an increase of 15.9% over the previous year. Strong operational performance was the major driver of this development, and the sale of investments in associates also contributed positively.

Key balance sheet figures

Net working capital as a percentage of net sales increased slightly from 24.4% to 24.8%. The strong organic net sales growth led to an increase in accounts receivable, partially offset by increased accounts payable. Cash and cash equivalents increased by 23.2% and ended the year at CHF 150.4 million. A solid free cash flow of CHF 204.6 million allowed dormakaba to significantly reduce its current borrowings from CHF 119.1 million to CHF 6.2 million. dormakaba has a strong debt profile with the only remaining maturities being the two bonds due in October 2025 and 2027. As a result, net debt decreased to CHF 454.8 million with a resulting net debt to adjusted EBITDA ratio of 1.1x. Return on capital employed (ROCE) increased substantially by 390bps to 29.0%, profiting from improved average net working capital and increased adjusted EBIT.

Strong organic net sales growth and margin expansion in both business segments

Both business segments, Access Solutions and Key & Wall Solutions and OEM, performed well and were able to support dormakaba's development in line with its mid-term targets.

Access to a sustainable future

Three years after the launch of our sustainability framework with more than 30 ESG targets, we are proud to share what we have achieved and the focus of our future plans.

Selected ESG Achievements:

Energy

+550%

in our on-site generated solar energy

Climate Transition

12,500

tCO_2e saved since our baseline year

Occupational Health & Safety

20.6%

reduction in injury rate since financial year 22/23

Supplier Due Diligence

164

high-risk suppliers were assessed in our Supplier Sustainability Engagement Program

Product Transparency

322

sustainability-related product declarations / certifications are available

Gender Diversity

28%

of candidates for succession of senior management positions are women

More about achievements:

report.dormakaba.com/sustainability/

For every place that matters

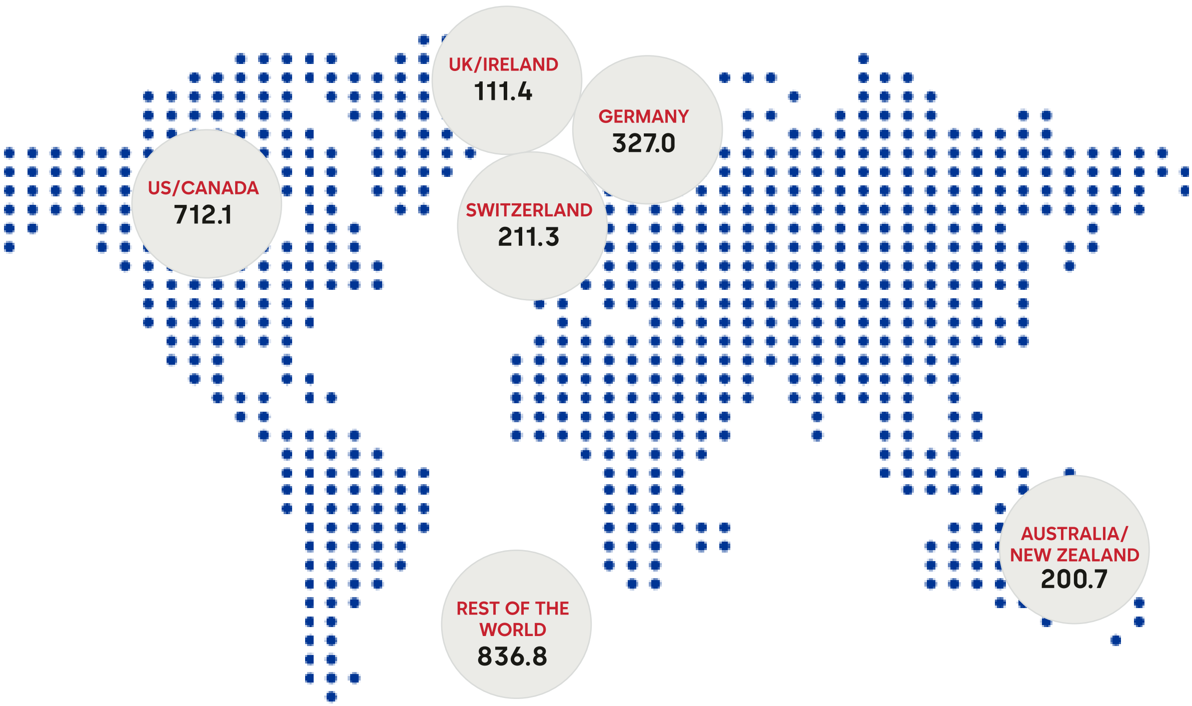
dormakaba serves a diverse range of markets, providing innovative access solutions that ensure security, accessibility, and seamless flow. From airports to healthcare facilities, educational institutions to retail environments, dormakaba delivers tailored solutions that meet the specific needs of each industry.

With a commitment to sustainability and cutting-edge technology, the Group enhances user experience and operational efficiency across various sectors, making it the trusted partner for comprehensive access management solutions worldwide.

Explore our 3D City

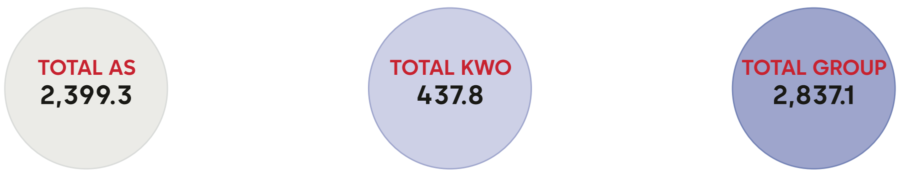
dormakabagroup.com/en/expertise/markets

Business Performance at a Glance



[1]) The graphic above represents third-party net sales figures only for AS key markets.

THIRD-PARTY NET SALES[1] IN mCHF



	Access Solutions	Key & Wall Solutions and OEM	Group
Organic growth	+4.9%	+4.5%	+4.7%
Currency impact	-5.0%	-4.7%	-4.9%
Aquisition effect	0.0	0.0	0.0
Employees	11,713	3,162	15,336

Access Solutions

Organic net sales growth across core countries

organic net sales growth

+4.9%

CHF 2,405.9m

adjusted EBITDA Margin

15.2%

+80bps

While the global economy avoided a broad recession in the financial year 2023/24, it still experienced subdued GDP growth that fell short of pre-pandemic levels. This slowdown was driven by persistent high inflation, elevated interest rates, and ongoing geopolitical tensions. Regionally, economic performance was uneven. The US economy displayed notable resilience, while Europe faced downturns, with Germany experiencing negative growth. China fought with a sluggish housing market.

Elevated interest rates impacted affordability of property, and therefore demand for residential construction. In contrast, the non-residential sector, in which dormakaba is primarily active, displayed more robust growth in 2023/24.

The Access Solutions business segment reported strong organic net sales growth of 4.9% and total sales of CHF 2,405.9 million. Price realizations contributed +3.0%, while volumes grew by 1.9%. All major product clusters as well as After Sales Services contributed to growth.

Core markets recorded positive organic net sales growth. Germany reported growth of 10.0% supported by strong project business. Growth of 2.5% in Australia/New Zealand was driven by automation and hardware solutions. Both these markets also saw gains in market share. North America reported solid sales growth of 5.2%. Switzerland recorded a strong performance in Access Solutions, with the project as well as service business being the primary growth drivers. This strong performance was offset by softer demand for contactless smart cards resulting in organic net sales decline of 0.6%. United Kingdom/ Ireland was able to turn around its growth: after experiencing negative sales growth in the first half of the financial year, the market was able to generate positive growth in the second half, ending the financial year with overall organic net sales growth of 0.6%.

dormakaba's business in India maintained its momentum and recorded double-digit organic growth, while China was able to increase volumes in the second half of the financial year, ending with positive organic net sales growth.

The Rest of the World Access Solutions markets reported favorable organic net sales growth, with strong growth rates in Scandinavia/Baltic, Austria, and France and very strong, primarily volume-driven rates in mid-sized markets such as Italy, Iberia, Singapore, and Eastern Europe. Following the first half of the financial year, Middle East continued to record a decline in net sales due to project delays and a high prior-year baseline.

The financial year 2023/24 marked the first year in the ongoing transformation program announced on 3 July 2023. dormakaba made significant progress on the individual components of the transformation. The company successfully established three shared service centers for HR and Finance in Mexico, Bulgaria, and India. While currently in ramp-up, these have already started taking over activities from operational businesses. Moreover, agreements were reached with employee representatives in Germany, Switzerland, and Austria. This enables dormakaba to take the next step in successfully executing its transformation program.

Activities that focus on further consolidating the company's supplier base, the impact from the transformation program, lower raw material expenses, and price increases as well as increased procurement and operational efficiencies resulted in a tangible, positive contribution to the segment's profitability in the financial year 2023/24. Consequently, adjusted EBITDA for Access Solutions increased to CHF 366.3 million, reaching an adjusted EBITDA margin of 15.2%.

Sensor barriers like Argus V60 (left) are an elegant type of access control solution in supervised areas, allowing access control through an integrated sensor technology. The PIN code keypad 90 12 (right) can increase security for selected rooms. In addition to verification with RFID access media, you can enter a PIN code with the battery-powered keypad.

Key & Wall Solutions and OEM

A record year in profitable growth

organic net sales growth

+4.5%

CHF 484.4m

adjusted EBITDA Margin

19.7%

+270 bps

The financial year 2023/24 marked a record in both growth and profitability for Key & Wall Solutions and OEM (KWO). The second half of the financial year was characterized by a recovery in organic net sales growth compared to the first half of the financial year. In addition, the business segment was able to surpass its record level of profitability from the first half of the financial year. It reported total sales of CHF 484.4 million and strong organic net sales growth of 4.5%, of which 1.4% were attributable to price realizations and 3.1% to volume. The main growth drivers were an exceptional performance of the Movable Walls business unit and increased volumes in OEM. The Key Systems business unit recorded a decline in sales.

Key Systems net sales were negatively impacted by softer demand, primarily in North and Latin American markets, and lower demand for key blanks from the residential business in Europe. Key Systems EMEA and India & South-East Asia reported stable net sales. Overall, the business unit recorded a good order intake in the financial year. Due to the reduction in net sales, adjusted EBITDA declined in 2023/24. However, good management of sales & marketing, general and administrative expenses mostly compensated for the lower demand.

Movable Walls continued the path of the first half of the financial year and reported double-digit organic net sales growth for the full year. This was primarily driven by the business unit's leadership position in the North American market, but all regions contributed to growth while also recording good order intake. Adjusted EBITDA increased in all regions, reaching record levels in America. Extensive operational performance improvements in Europe & Africa also contributed to the positive development.

The OEM business unit, a part of KWO since July 2023, saw low organic net sales growth compared to the previous year. This was in the context of a weaker external market characterized by high inflation, increased pricing pressure, and a challenging economic situation. The business unit was also able to increase its adjusted EBITDA margin.

As a result, Key & Wall Solutions and OEM was able to significantly improve its profitability by 270bps, reporting a record adjusted EBITDA margin of 19.7% (CHF 95.2 million). A strong order book and efficient profitability management will allow the business segment to continue leveraging its market-leading position in Movable Walls and Key Systems.

Variflex movable wall (left) is a sound-insulating partitioning systems that can modify room sizes with ease, flexibility, and speed. The Silca Quattrocode D700 (right) cuts and engraves sheet and dimple keys in a single operation to improve the speed and quality of service for your customers.

Outlook

For the financial year 2024/25, dormakaba will progress further on its trajectory of profitable growth. Supported by a strong order book and new, innovative products, dormakaba is confident that it will continue growing organically despite an ongoing, challenging macroeconomic environment, persistent high inflation, and a lack of visibility. The company will continue the rigorous execution of its Shape4Growth transformation, leveraging shared services, optimizing its footprint, and boosting operational efficiency while introducing additional components to reduce product and process complexity and further accelerate growth.

For 2024/25 dormakaba expects organic net sales growth in the range of 3–5% and an adjusted EBITDA margin of at least 15%.

organic net sales growth

3–5%

adjusted EBITDA margin

at least 15%

Corporate Information

dormakaba Holding AG is the parent company of dormakaba Group, which was formed by the merger on 1 September 2015 of two previously unaffiliated enterprises: the family-owned German company Dorma Holding and the Swiss Kaba Group. Following the merger, dormakaba Holding AG owns 52.5% of dormakaba Holding GmbH + Co. KGaA, an intermediate holding company that comprises all the operating entities of the Group and is fully consolidated in the financial statements prepared by the parent company[1]. Minority interests are shown separately as part of equity capital. dormakaba Holding AG's consolidated financial statements are reported in Swiss francs (CHF) and for the financial year that runs from 1 July 2023 to 30 June 2024. They are prepared in accordance with Swiss GAAP FER, an internationally accepted accounting standard for small and medium-sized organizations and groups of organizations with a presence in Switzerland. dormakaba Holding AG is listed on the SIX Swiss Exchange and is headquartered in Rümlang (Zurich/ Switzerland).

Beyond its obligations under Swiss GAAP FER, dormakaba Holding AG produces a Group Management Report that meets the requirements of the Swiss Code of Obligations (Schweizer Obligationenrecht, OR), particularly Art. 961c; of Section 315 of the German Commercial Code (Deutsches Handelsgesetzbuch, HGB); and of Standard 20 of the German Accounting Standards (Deutscher Rechnungslegungs Standard Nr. 20, DRS20).

[1] Under § 290 of the Deutsches Handelsgesetzbuch (HGB, German Commercial Code), dormakaba Holding GmbH + Co KGaA is obliged to prepare consolidated financial statements, and under § 315 HGB it is obliged to prepare a Group Management Report. However, under § 292 HGB dormakaba Holding GmbH + Co KGaA is exempt from these obligations if consolidated financial statements and a Group Management Report are produced and published at the level of the parent company in Switzerland. dormakaba Holding GmbH + Co KGaA's single-company financial statements were produced in accordance with the relevant provisions of HGB.

Business model

dormakaba Group (dormakaba) is a leading provider in the access solutions market. The company offers customers a broad, innovative portfolio of products, solutions, and services that easily fit into building ecosystems. With a clear portfolio segmentation, dormakaba concentrates its global core businesses 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. The company is 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.

dormakaba has a long tradition of innovation and engineering expertise. It strives to be an innovation leader that anticipates and fulfills customer needs through continuous technological advancement, creating state-of-the-art solutions that add value for customers and end users alike.

dormakaba is active in around 130 countries and is present in all relevant markets through production sites, distribution and service offices, and collaboration with local partners.

Goals and strategies

As a publicly listed company, dormakaba's fundamental goal is to increase its long-term enterprise value across industry cycles and economic fluctuations. It is assisted in this by a strong Pool Shareholder Group that ensures the long-term orientation of its strategy. The company aims to create shareholder value while also furthering the interests of other stakeholders: most importantly its customers, as well as technology and distribution partners, employees, and associates. dormakaba's corporate strategy – Shape4Growth (S4G) – is about transforming the company, shaping it to its full potential, and accelerating profitable growth. It consists of five pillars: Accelerating profitable growth; Focus on customer centricity; Improve operational excellence and gain scale; Realize effective capital deployment; Customer-centric and high-performance culture.

For more about the strategy and strategic example, visit here.

Operating Model

Under the Shape4Growth strategy, dormakaba's operating model builds on globalized management of our Operations and Product Development (Innovation) functions to secure efficiencies of scale and business synergies. This setup extends to globally managed Finance and HR functions.

Since 1 July 2023, the Executive Committee consists of the CEO, CFO, Chief Operations Officer (COO), Chief Commercial Officer (CCO), and Chief Innovation Officer (CIO), along with the President Key & Wall Solutions and OEM.

The CCO leads all Access Solutions market organizations, with those in our "5+2" key markets reporting directly and the others managed through three country clusters for increased efficiency. Customer excellence functions such as Strategic Marketing, Global Accounts & OEM, Services, and the Product Management for Access Hardware Solutions and Access Automation Solutions are also under the CCO's lead.

Product Development, along with the combined Access Control Solutions and EntriWorX product management organization, are the responsibility of the CIO. The distinction reflects the different requirements of mature versus emerging businesses: it allows management of more mature product segments in Access Hardware Solutions and Access Automation Solutions to move closer to the market, enabling faster innovation in newer and more dynamic segments. Product Development encompasses three main competence center areas: Software, Hard/Firmware, and Mechanical Engineering. In addition to these competence centers, the Global Architecture team plays a crucial role in defining the technology standards, ensuring consistency and excellence across all products. Engineering Management oversees the planning and execution control of all development programs, ensuring that strategic objectives are met.

A detailed description of the operating model can be found here.

Management responsibilities

Strategic leadership of dormakaba is exercised by the Board of Directors (BoD) of dormakaba Holding AG. The duties and responsibilities of the BoD are defined by the Swiss Code of Obligations, combined with the company's Articles of Incorporation and Organizational Regulations. The BoD delegates responsibility for day-to-day management of the business to the Chief Executive Officer (CEO), supported by the Executive Committee (EC). The powers and functions of the EC are set out in the Organizational Regulations. Further details of the internal management system are provided in the Corporate Governance Report 2023/24.

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Compensation for the BoD and EC

The principles governing compensation for the BoD and EC are set out in the Articles of Incorporation. These include: the basic principles of compensation for the BoD (Article 23); the basic principles of compensation for the EC (Article 24); a binding vote on compensation at the General Meeting of Shareholders (Article 22); the maximum additional amount of compensation for new EC members (Article 25); agreements with members of the Board of Directors and the Executive Committee, and notice periods for the members of the Executive Committee (Article 26); and their credits and loans (Article 28).

The Compensation Report, which provides further details on the compensation system and on compensation paid out in the financial year 2023/24, is available here.

Sustainability reporting

Responding to the needs and expectations of society, customers, and employees, dormakaba has made a long-term commitment to fostering sustainable development along its entire value chain, recognizing its economic, environmental, and social responsibilities to current and future generations.

The company's sustainability framework is based on a rigorous materiality assessment: monitoring global trends and engaging with key stakeholders, dormakaba has identified ten material topics that are most relevant for stakeholders and where the company has the highest potential impact. The framework outlines sustainability standards and measures for the period from 2021 to 2027, grouping topics according to three broad categories: People, Planet, and Partnerships.

The dormakaba Sustainability Report 2023/2024, prepared in accordance with the Global Reporting Initiative (GRI) standards, contains detailed information on the company's sustainability framework, measures, and progress. The information published on dormakaba's sustainable economic activities is in line with the EU Taxonomy Regulation. Disclosures on non-financial matters are made in accordance with Art. 964b of the Swiss Code of Obligations. The Sustainability Report also includes a detailed climate risk and opportunities analysis and management report aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). dormakaba is taking active steps to comply with forthcoming regulations on non-financial reporting, including the EU Corporate Sustainability Reporting Directive (CSRD) that will apply to dormakaba entities as of the next financial year. The Sustainability Report is supplemented by annually issued reports on related matters, such as the Modern Slavery and Child Labor Statement, the Communication on Progress to the UN Global Compact, and the submission to the Carbon Disclosure Project.

Course of business and position at the end of the financial year

Detailed information on the business performance and the average number of full-time equivalent employees in the financial year 2023/24 can be found in the Group Performance section of this Group Management Report and in the Consolidated Financial Statements for the financial year 2023/24.

Non-financial performance indicators

dormakaba has defined a set of strategic non-financial performance indicators for each strategy cycle. These are continuously tracked, although not used for operational control. The main non-financial performance indicators are the following:

Customers and products

Customer satisfaction and product quality are crucial for dormakaba as its brands stand for the high-quality of its products and services provided. Customer satisfaction is assessed through regular dialog, as well as through market research.

Customer Experience Tracking

As part of Customer Experience Management, dormakaba runs an annual survey in its core and some additional markets to evaluate its Net Promoter Score (NPS) and customer satisfaction. The NPS indicates touchpoints along the customer journey where we need to take action to improve our customers' experience, and provides insights on how to do business easily through all processes and product clusters. We initiate the necessary changes on a local and global level to further enhance customer experience.

Innovation Power

This metric captures how successful innovations are in relevant markets, and therefore how R&D efforts contribute to the overall success of the Group. As a KPI, it has become part of the Group incentive program, helping to ensure that innovation processes are well aligned to customer needs.

Human resources

Two indicators, Employee Engagement and Diversity & Inclusion, help to track dormakaba's success in its transformation towards a customer-centric and performance-oriented work culture that fosters accountability and ownership and enables professional growth.

dormakaba measures its Employee Engagement Index through periodic global surveys, the most recent of which was conducted as a Pulse Check in November 2023. The survey aimed to listen to the voices of our employees during the S4G transformation to understand where the organization can be supported with corresponding follow-up actions. This survey was open to dormakaba employees with a company email address. Over 6,600 employees participated, responding to 22 questions on Our dormakaba Behaviors, Me & My Work Environment, My Manager, and Engagement. The results showed an Employee Engagement Index of 61%. Specific actions are planned to ensure that the engagement level is increased to the target of 73%, which is the external global benchmark.

dormakaba is committed to diversity in employment and has established concrete targets to improve the gender balance of management teams, along with a roadmap to achieving those targets. Initiatives include training on unconscious bias, among other relevant topics, as well as the establishment of Women's Networks across dormakaba. Further information on these targets and initiatives can be found in the Sustainability Report.

Compliance and human rights

As a matter of course, dormakaba complies with all applicable laws and regulations at local, national, and international levels. Its internal company directives, based on a binding Group-wide Code of Conduct, apply globally and cover internal processes as well as relations with external partners, including customers, authorities, and suppliers. dormakaba has developed a range of measures and processes to prevent abuses and ensure that responsibilities are met; these measures and processes are continuously reviewed and refined. The Code of Conduct is available, in several languages, to all employees on the Group Intranet and to external stakeholders on the dormakaba website. Mandatory Code of Conduct training sessions are offered to all dormakaba new joiners.

The Code of Conduct and the Supplier Code of Conduct confirm dormakaba's commitment to respecting human rights. The Group's Human Rights Due Diligence (HRDD) framework and material topics are further described in its Statement of Commitment on Human Rights, which aligns with international standards, including the UN Guiding Principles on Business and Human Rights, and which has been revised to reflect requirements under the German Supply Chain Due Diligence Act.

Based on the human rights-related risks and impacts identified, dormakaba will continue to develop prevention and mitigation measures integrated into company operations, training programs, policies, and management systems. Human rights-related risks identification and mitigation are also a central part of supplier due diligence. In the financial year 2023/24, a key focus has been to further assess the risks present in our high-risk suppliers by means of on-site audits. There is further information on human rights in the Sustainability Report 2023/24.

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Environment

As a manufacturer, dormakaba inevitably consumes resources and generates waste and emissions; environmental issues are therefore highly relevant along the Group's entire value chain. In September 2021, dormakaba adopted its global Environment Directive, which defines its fundamental requirements and regulations for environmental performance. The directive has since been updated with new product development standards to reflect dormakaba's commitment to a circular economy. A detailed overview of the company's sustainability work and key benchmarks, including greenhouse gas emissions, energy consumption, water consumption, and waste management, is available in the Sustainability Report 2023/24. A detailed climate risk and opportunities analysis and management report, aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), also forms part of the Sustainability Report.

Supply chain

dormakaba maintains a comprehensive, globally consistent procurement policy, based on detailed analysis of its own needs and rigorous assessment of current and potential suppliers, supported where necessary by on-site quality audits.

The dormakaba Supplier Code of Conduct outlines minimum requirements relating to human rights, fair working conditions, environmental responsibility, and business ethics, among other criteria. Supply chain risk assessment is based on seven families of indicators: energy and emissions; effluents and waste; occupational health and safety; materials; training and education; freedom of association; and human rights. dormakaba assesses suppliers' sustainability performance in collaboration with EcoVadis, the world's most trusted business sustainability ratings provider, and requires improvement plans where assessment results are unsatisfactory.

Further information is available in the Supplier Sustainable Development chapter of the Sustainability Report 2023/24.

Capital structure

Detailed information on dormakaba Holding AG's capital structure can be found in the Corporate Governance Report 2023/24.

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Opportunity & Risk Report

Opportunities

Opportunities from market trends

The market for security and access solutions is in transformation. Megatrends such as the need for safety & security, urbanization, and sustainability , as well as new technological opportunities connected to the progressing digitalization, are driving demand but also require new solutions. Increasing digitalization of services, often cloud-based, is transforming our relationship with our physical surroundings. Patterns of work and travel have adapted to new, post-pandemic norms, and the need to reduce carbon emissions is becoming a global imperative. dormakaba continues to invest significantly in innovation, product development, and sustainability in order to exploit the growth opportunities brought by these megatrends, and to defend its innovation leadership. Read more on innovation in the chapter here.

Opportunities from industry consolidation

Opportunities also arise from the ongoing and anticipated consolidation of the industry in which dormakaba operates. Despite the consolidation that has already occurred, the market for security and access solutions remains highly fragmented: The three biggest companies in the industry together account for only about one third of market share. dormakaba plans to further strengthen its market position and will therefore continue to play an active role in industry consolidation.

Opportunities from market position

dormakaba is already a global leader in security and access solutions. Its commitment to innovation and sustainability will help it maintain and improve that position as the industry consolidates. Its business is characterized by high resilience and barriers to entry as well as strong profit pools. Digitalization, country-specific regulation, complex system integration, and continuing after-sales service all contribute to customers' need for a close and continuing partnership with their chosen supplier. As a trusted innovator, with a comprehensive solutions portfolio, broad and deep global market presence, and strong pricing power, dormakaba is well-positioned to anticipate, influence, and participate in all significant developments in the building industry.

Opportunities from the "dormakaba" brand

The company's brands are key assets in its business development as they play a significant role in creating customer loyalty and differentiation. The company's main brand "dormakaba" is well-known and appreciated in the market for seamless flow and integrated access. It emerged from the combination of the renowned brands Dorma and Kaba following the merger in 2015. In addition, segmentation through a limited number of strong regional, local, and independent brands help the company to improve channel penetration and market reach. This is why the company's brand portfolio, beside the main brand dormakaba, includes constituent brands such as Best, Alvarado, Kilargo, and Groom that are well-established in the market and inspire long-term customer loyalty. The Key Systems and Movable Walls businesses are managed under separate brands Dorma Hüppe, Modernfold, Skyfold, Silca, and Ilco.

Risks

Risk policy, risk management, and risks at dormakaba

Risk policy

dormakaba operates in an international business environment that is exposed to a variety of risks. dormakaba's risk policy provides a comprehensive framework to identifying, assessing, and mitigating risks effectively, ensuring the resilience and success of our operations and objectives. The overriding goal of the risk policy of dormakaba is to secure the future development of the Group, to achieve sustainable profitable growth, and thus to increase enterprise value. In the course of its business activities, dormakaba is exposed to the general risks inherent in any entrepreneurial operation, and these may impede or prevent the achievement of its goals. In this context, opportunities to be utilized to meet or exceed planned targets are analyzed to identify and assess the risks they bring about. In the course of business, these risks are monitored and managed carefully, and their mitigation plans are continuously adapted to changes.

dormakaba always takes strategic and operational decisions on the basis of a systematic analysis and evaluation of the opportunities and risks relating to its assets, financial position, and earnings. It avoids risks that are assessed to be incalculable, unreasonably high, or existential.

Opportunities, as understood in the Group's opportunity and risk policy, are chances to use events, developments, or active operations to achieve or exceed planned quantitative and qualitative objectives. Risks, as understood in the risk policy of dormakaba, are all those internal and external events and developments that could have a negative effect on the Group's planned economic success. In addition to direct, quantitatively measurable risks, qualitative risks, such as reputational risks, are also taken into account.

Risk management

The overriding aim of dormakaba is to sustainably increase its enterprise value (see also section Goals and Strategies). Active risk management supports the company's management in achieving this goal.

Opportunities and risks should be identified at an early stage and actively controlled. To do this, dormakaba has implemented a comprehensive risk management system.

a) Internal Control System based on Group accounting

In line with the Swiss Code of Obligations, dormakaba has implemented an Internal Control System (ICS) based on the consolidated (Group) accounting (see bullet points below). The ICS ensures that business activities are correctly recorded, analyzed, evaluated, and transmitted to the external accounts.

The essential characteristics of the ICS with respect to accounting are:

- A clear organizational, business, controlling, and monitoring structure;
- Computer systems used for accounting are protected against unauthorized access;
- Internal regulations about the specific requirements are developed, implemented, and communicated;
- The departments and persons involved in accounting meet the requirements in terms of quantity and expertise;
- The ICS, as it relates to accounting, and the internal reporting systems ensure and continuously check the correctness and completeness of data in the accounting system; the Internal Audit department regularly conducts spot checks of the implemented processes and controls;
- The four-eyes principle has to be applied to all processes relevant to accounting, and the separation of functions has to be respected, both of these to the extent organizationally possible, which is subject to special audits;
- The BoD regularly deals with the main topics relevant to accounting, risk management, Internal Audit, the external audit mandate, and external audit priorities.

In addition, statutory and specific internal corporate guidelines and directives are used to ensure that accounting is consistent and proper. The application of clear and consistent accounting rules and a uniform consolidation software tool ensure consistent accounting throughout the Group in line with legal and statutory requirements as well as the chosen accounting framework, Swiss GAAP FER.

Further information can be found in the Corporate Governance Report 2023/24.

b) Risk management system

Risk management is integrated into the regular business and decision-making processes, codified in internal rules and regulations, and made binding to all Group companies. It includes an impact-focused assessment of risks, implementation of appropriate risk mitigation measures, regular review of identified risks and measures, and transparent reporting of the risk situation. Responsibility for the definition and monitoring of risk management ("risk governance") lies with the Board of Directors (BoD), while the Audit Committee monitors implementation. Responsibility for implementing and applying the risk management system rests with the Executive Committee (EC) and with line managers throughout the internal hierarchy.

The company's risk management system distinguishes between operational and strategic risks:

- Operational risks are future events that could hurt the efficiency or effectiveness of business processes, or that could compromise compliance with regulations or reporting requirements in day-to-day business. Responsibility for identifying and controlling these risks lies with the countries and Global Functions.
- Strategic risks are future events that may compromise the long-term development of dormakaba and prevent it from achieving its strategic objectives. Reports about strategic risks from the Regions and Global Functions are consolidated at Group level into risk maps that show likelihood of occurrence and potential amount of damage, with both dimensions divided into four evaluation categories. Strategic risks are discussed within the medium-term planning process and consolidated by the EC into a "Group Risk Assessment" that is presented for approval to the BoD through its Audit Committee. The EC reviews the risk situation every half year. Additionally, the risk situation is scheduled for discussion and review during Monthly Performance Review meetings every quarter.

The Group Internal Audit function is responsible for internal audits at dormakaba. Internal Audit reports directly to the Audit Committee, although in functional terms it reports to the CFO. All audits performed in the financial year 2023/24 were in line with the (yearly) audit plan and approved by the Audit Committee.

Risks faced by dormakaba

a) Risks arising from business transactions

Our strategy includes active portfolio management, acquisition, and divestments. This creates risks in the evaluation, transaction, and integration of the corresponding entities and assets. To minimize these risks, dormakaba manages the acquisition projects rigorously through standardized due diligence and Post-Merger Integration processes, using well-trained specialist employees and professional support from outside the Group.

b) Opportunities and risks arising from the business model

In recent years, dormakaba has continued to extend its product portfolio on electronic and cloud-based solutions. Its products are very frequently used in security-relevant applications such as access control systems which are increasingly often connected. dormakaba is therefore more exposed to cybersecurity risks, e.g., hackers gaining unauthorized access to sites and premises protected by dormakaba products, causing damage to the Group's reputation and possibly exposing dormakaba to liability claims. dormakaba counters the increasing significance of such cybersecurity threats during the product development process by using the latest methods to identify points that could be attacked, and then closing these known vulnerabilities in the hardware and software with upgrades before new products are launched on the market. Equally important, existing products (mechanical, electronic, and cloud-based) are subject to continuous testing to keep them robust against new threats. dormakaba has taken out product liability insurance to be protected against these cyber threats to an extent that is economically reasonable.

Digital transformation is progressing rapidly, and it is essential to the success of dormakaba that it keeps pace with this development. This applies to the Group's products and their connectivity as well as services, but also to operational processes. Sudden, disruptive developments are not rare these days, and there is a risk that existing competitors or new entrants to the markets of dormakaba could use such disruptive leaps to create significant advantages for themselves. The company's innovation management team systematically monitors and analyzes the relevant technologies. As part of mid-term planning, targeted analysis of information relating to the state of the market and the competition is conducted to ensure that local peculiarities are also taken into consideration. For dormakaba, as a manufacturer and supplier of high-quality access products and solutions in the premium market segment, the growing pressure on prices in relevant markets and specific product areas also represents a risk. It counters this risk through the targeted development of new products that offer customers a broader range of solutions, services, business models, and continuous improvement in operational excellence (efficiency), thus helping to secure the Group's market position. This strategy is complemented by elaborate strategic pricing efforts.

A significant risk in product manufacturing is the possibility of a lengthy interruption to operations at one or several of the Group's worldwide production sites, for example because of fire or cyberattacks. Supplier failure and poor-quality raw materials and components also constitute a risk. Alongside the essential insurance protection, a central goal of the loss prevention programs in place at all manufacturing sites is to minimize these risks. Through these programs, the measures in place to prevent fire are regularly updated, formulated, and implemented. This is a recurring process that includes regular site visits and systematic risk grading analyses, conducted by the company's global insurance provider who also organizes feedback loops and support in improvement projects. To counter the increasing risk of cyberattacks aimed at information technology as well as operational technology, dormakaba established an information security organization that assesses cyber threats and orchestrates adequate mitigation projects to protect vital assets.

Manufacturing processes create the risk of air and water pollution. To minimize this risk, dormakaba invests continuously in environmental protection measures. Please see the Sustainability Report for specific information about measures and relevant certifications.

As a globally active company, dormakaba is exposed to risks created by the political situation in individual countries and regions, and also to risks resulting from pandemics as well as war and trade conflicts between countries or country groups. Such risk drivers can rarely be influenced. dormakaba carefully monitors such situations and tries to implement prompt and appropriate risk control measures. Its top priority is always to protect its own employees.

Although inflation rates and energy prices have recently declined and supply chain pressures eased, transnational activities may again be negatively impacted by shortages of certain commodities and components and rising input prices, due to potential political uncertainty stemming from, for example the war in Ukraine, tensions related to the Taiwan situation, and the Israel-Hamas war. Inflation has been falling towards central-bank targets, but some pressures persist and, for the time being, the banks' monetary policies remain on the tighter side.

To adequately react to changes that might occur from a macroeconomic downturn, dormakaba implements state-of-the-art contingency planning to minimize the impact on business operations and supply chains, and thus on customers and employees, while at the same time placing a strong focus on its financial stability. Additionally, scenario planning methods are used to identify organizational and geographic units that provide opportunities for cost reduction measures. The scenarios are also used to find opportunities to introduce new products or fine-tune the business approach to specific markets. Monitoring and re-evaluation of the current situation is institutionalized and repeated at a quick pace to keep up with geopolitical and economic developments. The target is to be and remain capable of reacting quickly and adequately to changes that might occur.

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c) Personnel risks

dormakaba's success depends on skilled and committed employees. The most significant personnel risks therefore involve skills shortage, where vacant positions cannot be filled properly, or competent employees leave the company. These risks are addressed through extensive employer branding initiatives, expanded talent acquisition practices, improved benefits and succession management, and through individual, targeted employee development programs.

With the implementation of the S4G strategy, specific attention is given to ensure social responsibility, particularly during the reduction of employee positions. Effective and fair change management is a high priority, focusing on employee wellbeing during the change process and thereafter. dormakaba also focuses on driving employer branding and ensuring employee engagement in the new locations where employees are being hired. This also includes career path models for certain functions such as product development and IT, as well as remote working models. At dormakaba the attrition rate is closely monitored, and since the beginning of the fiscal year there is a general positive trend towards lower attrition.

d) IT risks

The main business processes and customer solutions of dormakaba are supported by IT systems. The failure of these systems and the permanent loss of data through operating or program error, or as a result of increasingly prevalent external influences (e.g., cybercrime), represent a risk. To limit the risk of failure of critical systems and infrastructure, including operational technology (OT) in manufacturing, the company's IT strategy is to use state-of-the-art protection standards. These are, for example email address validation, client security protection and monitoring, identity and access control management, network security management, network and infrastructure management (including 24x7 monitoring, high-level firewall protection tools, and redundant network connections), special OT cybersecurity measures, and IT continuity operating plans for provision of redundant data and systems. dormakaba uses advanced threat protection solutions and operates a security operations center to further mitigate cybersecurity risks. A global information security management system (ISMS) in accordance with ISO 27001 is in place. Cybersecurity risk awareness training (e-learnings and behavior training on phishing malware) is globally mandatory for all employees with access to corporate IT systems. Additionally, dormakaba has taken out insurance protecting against cyber threats to the extent that this is economically reasonable.

Successful and timely execution of the global IT strategy (standardization of applications and infrastructure) is vital for the company's future success. Failure could result in the delay of integration projects and underperformance of important business or Group-wide processes, including financial damage.

Mitigation of current risks derived from outdated or out-of-maintenance legacy systems will be driven by a new Group-wide program as part of the ongoing Shape4Growth transformation.

e) Legal and tax risks

As a globally active group of companies, dormakaba is exposed to the risk of legal disputes involving such matters as product liability, competition and antitrust law, or intellectual property rights. Group-wide standards, training, and controls are in place to mitigate this risk.

International business activities can cause tax-related risks. To identify and manage such tax risks, dormakaba sets directives and manuals based on a defined tax policy approved by the Board of Directors. Intra-Group transactions can raise issues about the correct profit allocation between the involved countries. dormakaba applies the Arm's Length Principle of the OECD (Organization for Economic Cooperation and Development). The profits are taxed, where the economic value is created. dormakaba files the amount of taxes paid in a yearly CbCR (Country-by-Country Report). All transactions may be subject to export control regulations. Compliance is managed through Group-wide standards, including directives and employee training. The internal Tax department works closely together with the local internal finance and legal organization and consults external advisors in case of need.

f) Compliance risks

All business activities have their compliance risks, especially when the business model involves worldwide production and sales, growth into new markets, and international procurement. Significant compliance risks include bribery and corruption, infringements of antitrust and competition law, fraud, preferential treatment of business partners out of personal motives, and violation of intellectual property protection rights.

The mission of Group Compliance is to support dormakaba management and employees in taking appropriate decisions, consistent with applicable laws and corporate regulations, and in acting with integrity. Its Compliance Management System meets the most stringent certification demands according to best practice standards. Group Directives, Directives, and local guidelines covering the company's main activities provide a full set of relevant internal rules and regulations and are regularly updated. In addition to mandatory training on the Code of Conduct for all dormakaba employees, those whose roles expose them to specific compliance risks receive further training, e.g. in antitrust and anticorruption measures.

g) Financial risks

dormakaba is exposed to the various financial risks that are part of doing business internationally, including default on trade receivables, liquidity and credit risks, and pricing risks from interest-rate and currency fluctuations.

The "European Market Infrastructure Regulation" (EMIR), the EU initiative to regulate OTC trade in derivatives, imposes an audit duty. During the annual audit under § 20 para. 1 of the German Securities Trading Act for the audit period from 1 July 2021 to 30 June 2022, it was confirmed that dormakaba has an overall, and in all respects appropriate and effective system for ensuring compliance with the statutory requirements.

Switzerland regulates the OTC trade in derivatives with the Finanzmarktinfrastrukturgesetz (FinfraG). All Swiss-based Group companies classify as "NFC"(small non-financial counterparties) and have signed agreements with their banks regarding the delegation of reporting duties.

The funding for dormakaba Group companies is managed centrally. A five-year syndicated sustainability-linked credit facility, agreed for dormakaba during financial year 2020/21 with a consortium of banks, amounts to CHF 525 million with options to extend by another two years and to increase the facility by CHF 200 million. There are also agreements in place with various regional banks for bilateral credit facilities. dormakaba thus has sufficient liquidity reserves to ensure that even unexpected events do not have a significant effect on its liquidity position. The two CHF bonds – CHF 320 million for 2017–2025 and CHF 275 million for 2022–2027 – ensure a solid and well-balanced mid-term maturity structure for dormakaba's debt portfolio.

h) Other risks

The company's business model could also give rise to other risks not mentioned so far, e.g. sustainability compliance risks (including compliance with materials restrictions laws or human rights due diligence laws), climate change risks, and liability risks resulting from local laws that are not known at Group level. dormakaba counters these risks by diverse measures, including its sustainability framework and organization, the consistently high quality of its products and services, the engagement of legal experts when the risk of a legal dispute is identified, or by taking out appropriate insurance cover. A full disclosure of climate change-related risks is made available in dormakaba's annual submission to the Carbon Disclosure Project (CDP) and in the climate risk analysis in the Sustainability Report FY 2023/24 aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Assessment of overall risk and opportunity situation

In conclusion, the company's opportunity and risk situation can be rated as moderate.

Existing risks are identified and continuously monitored through the risk management system. When necessary, they are hedged using appropriate countermeasures.

With strong brands, the broad existing portfolio, the wide market presence, and with the existing innovation structure and approach, the prospects of further profitable growth for dormakaba remain promising. The Shape4Growth strategy places its focus on customer centricity and accelerating profitable growth, giving dormakaba even more leverage to make use of these strengths.

There is no sign of any risks that would endanger the continued existence of dormakaba. Currently no specific risk has been identified that could significantly affect the assets, financial position or earnings of dormakaba, neither is there evidence of any material liquidity risk. A material deterioration in the future assets, financial position, and earnings is not expected given the current risk situation. This assessment is based on the assumption that no global economic recession hits the markets in the near future.

Research & Development

The key to dormakaba's sustainable profitable growth – and a core part of its strategy – is its strength in innovation. The Chief Innovation Officer leads global engineering capabilities and is responsible for dormakaba's innovation strategy, including the platform and connectivity initiatives through the EntriWorX ecosystem. The company continuously develops new products, solutions, and services, supported by a substantial annual investment in R&D.

As of financial year 2023/24, dormakaba holds more than 1,800 active patents and patent applications. Employees around the world contribute to the Group's innovation and product development, increasingly using data-driven ecosystems to create solutions that will satisfy future needs of customers and markets. The company has also set up a range of technology partnerships to realize the potential of its offerings in vertical markets such as airports, healthcare, lodging, and multi-housing.

All Access Solution product development efforts are organized as one global function, leading to a range of initiatives to rationalize dormakaba's product offerings onto common hardware and software platforms, reducing time-to-market while increasing efficiency in product development. The company continues to enhance the value of digital transformation through service offerings, including a comprehensive support package covering the full life cycle of its products: not just planning and installation, but continuous, digitally provided day-to-day services.

Continued investment in digitalization and related product innovation has positioned the company well to provide its customers with effective solutions to their fast-evolving needs for safe, secure, and sustainable buildings. The adoption of seamless, touchless access and mobile solutions, has accelerated further, opening opportunities for dormakaba in attractive vertical markets such as healthcare and multi-housing.

dormakaba continues to embed sustainability in the core of its product development. Several sustainability innovations have been brought to the market, including an energy efficiency calculator and a novel sensor system to dynamically adjust the opening and closing of automatic doors and so contribute to optimize building's energy consumption. Since 2023, all new product developments and optimizations are covered by our circularity approach.

Latest Innovations:

The **EntriWorX ecosystem** offers further solutions for planning and supporting architects, specifiers, and engineers, including the new BIM-based EntriWorX Planning 360 specification tool, which integrates into the tool chain of EntriWorX Planner and into both Salesforce and SAP Configurator. Other EntriWorX products provide improved visualization of door placement and maintenance interval specification, among other features.

Access Automation Solutions offers a range of products empowered by **ConnectorOne**, which allows customers to connect our products to third-party building management systems with plug-and-play ease. Successfully deployed in corporate headquarters, banking, and logistics locations, **RC TOUCH** continues to enhance our security gates offering, providing touch panel monitoring and control over up to ten gates per panel and multiple panels in a network. Our **UltraQ ACT** provides sporting venues with a compact, guest-operated, battery powered admission control solution, featuring automatic tailgating detection. The gate perfectly complements our UltraQ ticket validation device, which is the preferred solution for major global sporting events.

The **ES 250 PRO EASY** sliding door operator, launched globally in April 2024, is a worthy successor to the ES 200 EASY. Based on our ES PROLINE platform, ES 250 PRO EASY now includes the SMART Drive Unit. Fully conforming with EN 16005, the line is intended to replace other ES 200 variants in future.

Access Control Solutions has launched MATRIX as a Service (**MATRIXaaS**), providing a simple, flexible cloud-based solution for advanced access control. Available globally, MATRIXaaS is aimed at small to medium business customers and offers an always up-to-date solution without on-site installation or software updates. The MATRIX IoT Connector provides secure communication between the cloud application and components.

Seamlessly integrating with global ERP systems, **B-COMM HCM** consolidates time and labor data to track, manage, and clarify employee attendance, shopfloor activity, and building access for medium to large businesses. Further security is provided by the **9012 Keypad** unit which connects to c-lever PRO, c-lever compact and digital cylinder systems, and allows PIN-code verification for digital door locks without wiring.

The **EHD9000 BEST** Heavy Duty Door Closer is joined by the TS Match OEM door closer, which provides customers with further performance/price balance options.

Safe Locks' **APEXX Axessor IP**, which launched in March 2024, won the 2024 ISC West New Product + Solutions award in the Lock and Key category. A multi-year harmonization, the one-of-a-kind APEXX consolidates the key features from four high-security platforms into an industry-leading IoT device.

Key Systems pre-launched the **Quattrocode D key** machines in May 2024, providing highly automated duplication and engraving of dimple and laser keys at 20% faster cycle timing with extremely tight tolerances. In addition, the Profile Reader, launched in December 2023, is the first locksmithing device using AI and advanced algorithms to identify key profiles and support key duplication. **The OBD Snoop ID88,** launched in November 2023, is a world-first cloning tool for Volkswagen Group models, and complements the ID49 launched in May 2023 which provides cloning for Renault, Dacia, Kia, and Hyundai models.

Visual inspection of a circuit board assembly on the SMD (surface mount device) system

Corporate Governance Report

dormakaba's streamlined compact reader blends harmoniously into any building and authorizes entries by recognizing RFID card, key fob or key up by holding it to the reader.

General framework

This report on corporate governance sets out the principles of management and control at the top level of the dormakaba Group (dormakaba) in accordance with the Directive on Information relating to Corporate Governance (Directive Corporate Governance, DCG) of SIX Exchange Regulation AG. Unless otherwise stated, the information in this report for the financial year 2023/24 is as of 30 June 2024. dormakaba's corporate governance largely follows the guidelines and recommendations set out in the Swiss Code of Best Practice for Corporate Governance edition 2023. dormakaba has made some adjustments and simplifications to suit its management and shareholder structure as well as its medium size.

dormakaba's principles and rules regarding corporate governance are set out in its Articles of Incorporation, its Organizational Regulations, and in the regulations of its Board committees. The ultimate parent company of dormakaba, dormakaba Holding AG, is listed on SIX Swiss Exchange and is headquartered in Rümlang (Zurich/Switzerland).

Group structure and shareholders

Group structure

In line with the Shape4Growth strategy to boost profitable volume growth, dormakaba has further optimized its organizational structure.

As of 1 July 2023, the organizational structure consists of dormakaba's core global commercial business Access Solutions and Key and Wall Solutions and Original Equipment Manufacturer (KWO).

The companies that lie within the Group's scope of consolidation are listed in the Financial Statements.

Shareholders

	As at 30.06.2024 or last reported No. of shares at CHF 0.10 par value	%	As at 30.06.2023 No. of shares at CHF 0.10 par value	%
Pool Shareholders[1]	**1,170,605**	**27.9**	**1,170,496**	**27.9**
Group's treasury shares	**9,027**	**0.2**	**13,577**	**0.3**
Public shareholders				
SEO Management AG	339,109	8.1	126,059	3.0
UBS Fund Management (Switzerland) AG	171,679	4.1	-	-
Other public shareholders	2,496,743	59.5	2,870,417	68.3
Total public shareholders	**3,007,531**	**71.7**	**2,996,476**	**71.3**
BoD and EC members[2]				
BoD members	228,773	5.5	228,434	5.4
EC members	5,094	0.1	11,938	0.3
Total BoD and EC members	**233,867**	**5.6**	**240,372**	**5.7**
Less double-counting in respect of Pool Shareholders[3]	–221,004	–5.4	–220,895	–5.2
Total shares	**4,200,026**	**100.0**	**4,200,026**	**100.0**

1 The following persons are party to the pool agreement dated 29 April 2015, updated 7 December 2021: Familie Mankel Industriebeteiligungs GmbH + Co. KGaA / Ennepetal, Mankel Family Office GmbH / Ennepetal, KRM Beteiligungs GmbH / Ennepetal, Christine Mankel / Ennepetal, CM Beteiligungs-GmbH / Ennepetal, CM-Familienstiftung / Düsseldorf, Laetitia Brecht-Bergen / Düsseldorf, Leander Brecht-Bergen / Düsseldorf, Stephanie Brecht-Bergen / Düsseldorf, SBB Beteiligungs-GmbH / Ennepetal, as well as Martina Bössow / Meilen, Balz Dubs / Zurich, Karina Dubs / Zurich, Kevin Dubs / Zurich, Kim Dubs / Zurich, Linus Dubs / Zurich, Amy Flückiger / Herrliberg, Anja Flückiger / Herrliberg, heirs of Beat Flückiger / Herrliberg, Flo Flückiger / Herrliberg, heirs of Karin Forrer / Bern , Clive Kuenzle / Zurich, Michael Kuenzle / Meilen, Alexandra Sallai / Worb, Christoph Sallai / Bern, Andrea Ullmann / Zollikon, Basil Ullmann / Zollikon, Lynn Ullmann / Zollikon, Sascha Ullmann / Zollikon, Adrian Weibel / Meilen and Tonia Weibel / Meilen.

2 Including related parties.

3 Shareholdings of Pool Shareholders who are also BoD members are included under Pool Shareholders and BoD members.

Major shareholders

The above table sets out the shareholder structure of dormakaba Holding AG on the balance sheet date of 30 June 2024 and lists the names of shareholders who have reported holding a stake of 3% or more of the shares in dormakaba Holding AG. The announcements related to the disclosure notifications made by shareholders based on stock exchange reporting obligations can be found via the search function on SIX Exchange Regulation's website here.

The Mankel/Brecht-Bergen Family and the Kaba Family Shareholders (collectively referred to as the Pool Shareholder Group) have concluded a pool agreement that governs the mutual rights and obligations of both parties. The pool agreement states that the Pool Shareholder Group can propose to the Nomination and Compensation Committee of the Board of Directors (BoD) a maximum of five representatives for election to the BoD by the general meeting of shareholders (General Meeting). This proposal right for up to five Board members reflects the majority participation of the Pool Shareholder Group in the operational business of dormakaba. Members of the Pool Shareholder Group hold:

- 27.9% of the 52.5% in dormakaba Holding GmbH + Co. KGaA, which is directly held by the ultimate parent company dormakaba Holding AG; and
- 47.5% in dormakaba Holding GmbH + Co. KGaA (held by the Mankel/Brecht-Bergen Family).

These shareholdings represent an economic interest of 62.1% in dormakaba.

This Pool Shareholder Group undertakes to exercise its voting rights in concert when voting on General Meeting resolutions. The members of the Pool Shareholder Group also grant each other the right of first refusal if they intend to sell shares in dormakaba Holding AG. Finally, if they sell 27% or more of dormakaba Holding AG voting rights, members of the Pool Shareholder Group undertake to commit the buyer to make a public takeover offer to all dormakaba Holding AG shareholders at the same price as that at which the members of the Pool Shareholder Group are selling. This is designed to prevent any price discrimination against minority shareholders. The pool agreement lasts until 29 April 2030. As far as dormakaba Holding AG is aware, there are no further shareholder agreements or other agreements between the major shareholders mentioned that involve the dormakaba Holding AG shares they own or that involve the exercise of the shareholder rights these shares confer.

Cross-shareholdings

dormakaba has not entered into any capital or voting cross-shareholdings with other companies.

Capital structure

Capital

dormakaba Holding AG's share capital as of 30 June 2024 is CHF 420,002.60, divided into 4,200,026 fully paid-up registered shares with a nominal value of CHF 0.10 each. As at 30 June 2024, dormakaba Holding AG has a capital range reaching from CHF 378,002.60 (lower limit) to CHF 462,002.60 (upper limit) and conditional capital of a maximum CHF 42,438.40 (corresponding to 10.10% of the share capital) for issuing bonds or similar instruments (up to a maximum of CHF 36,000, divided into 360,000 registered shares with a nominal value of CHF 0.10 each) and for employee participation programs (maximum CHF 6,438.40, divided into 64,384 registered shares with a nominal value of CHF 0.10 each).

The total of new registered shares to be issued from the capital range and conditional share capital, where the subscription or advance subscription rights were restricted or excluded (see below), is limited until 5 October 2028 or until an earlier expiry of the capital range, to 420,000 new registered shares (i.e. to less than 10% of the currently issued share capital).

Conditional capital

The share capital of dormakaba Holding AG may be increased by an amount not exceeding CHF 36,000 by issuing up to 360,000 registered shares, to be fully paid up, with a nominal value of CHF 0.10 each, through the exercise of conversion and/or option rights that have been granted in connection with the issue of bonds or similar instruments by dormakaba Holding AG or a Group company, and/or through the exercise of option rights that have been conferred on shareholders. If bonds or similar instruments are issued in connection with conversion and/or option rights, the subscription rights of existing shareholders are excluded. The right to subscribe to the new registered shares falls to the respective holders of conversion and/or option rights. The purchase of registered shares by exercise of conversion and/or option rights, as well as every subsequent transfer of registered shares, is subject to the restrictions set out in the Articles of Incorporation. The BoD is entitled to limit or abolish the pre-emptive subscription right of shareholders in connection with the issue of bonds or similar instruments with conversion and/or option rights if such instruments are issued for the purpose of financing the acquisition of companies, parts of companies, or equity interests.

In addition, the share capital of dormakaba Holding AG may be increased by no more than CHF 6,438.40 by issuing to employees and BoD members of dormakaba Holding AG and of Group companies no more than 64,384 registered shares with a nominal value of CHF 0.10 each, which must be fully paid up. The subscription rights of existing shareholders to such new shares are excluded. Registered shares or option rights in this respect will be issued to employees or BoD members subject to one or more sets of regulations to be defined by the BoD and taking into account individual performance, function, and level of responsibility. The group of beneficiaries and the principles of allocation are disclosed in the Compensation Report. Said registered shares or option rights may be issued to employees or BoD members at a price below the market price. In connection with the issue of option rights to employees and BoD members, the pre-emptive subscription rights of existing shareholders are excluded. The purchase of shares within the context of employee share ownership schemes and any subsequent transfers of such shares are subject to the restrictions set out in the Articles of Incorporation.

Capital range

The annual general meeting of shareholders (Annual General Meeting/AGM) of 5 October 2023 created a capital range pursuant to article 653s of the Swiss Code of Obligations and authorized the BoD of dormakaba Holding AG to increase or reduce the share capital of the company once or several times within the capital range between CHF 378,002.60 (lower limit) and CHF 462,002.60 (upper limit) until no later than 5 October 2028 or until the earlier expiry of the capital range. The capital increase or reduction may be effected by issuing up to 420,000 fully paid registered shares with a nominal value of CHF 0.10 each or by cancelling up to 420,000 registered shares with a nominal value of CHF 0.10 each, as applicable, or by increasing or reducing the nominal value of the existing registered shares within the limits of the capital range or by simultaneous reduction and re-increase of the share capital. In the event of an issue of registered shares, the subscription to and acquisition of new registered shares and each subsequent transfer of registered shares shall be subject to the restrictions set out in the Articles of Incorporation. In the event of a capital increase within the capital range, the BoD determines, to the extent necessary, the number of new shares, the date of issue, the issue price, the type of contribution, the conditions of exercising subscription rights, and the start date for dividend entitlement. The BoD may issue new shares by having a bank, another financial institution or third party underwrite them all and then making an offer to existing shareholders or third parties (if the subscription rights of the existing shareholders have been withdrawn or have not been duly exercised). The BoD is entitled to permit, restrict or exclude trading with subscription rights. The BoD can let unexercised subscription rights lapse or can take these rights, or the shares for which these rights are granted but not exercised, and place them at market conditions or use them otherwise in the interests of dormakaba Holding AG. In the event of a share issue, the BoD is authorized to cancel or restrict and allocate shareholders' subscription rights to third parties, to dormakaba Holding AG or a Group company under the conditions or for the reasons or purposes set forth in the Articles of Incorporation (see § 3c – Capital Range).

Changes in capital in the last three financial years

The share capital of dormakaba Holding AG did not change in the last three financial years.

Changes of equity of dormakaba Holding AG within the last three financial years

CHF million	30.06.2024	30.06.2023	30.06.2022
Equity			
Share capital	0.4	0.4	0.4
Reserves from capital contributions	1.5	21.4	45.5
Legal reserves	261.0	261.0	261.0
Reserves for treasury shares	5.7	9.1	16.0
Unappropriated retained earnings	594.0	571.8	539.6
Total equity	**862.6**	**863.7**	**862.5**

Shares and non-voting shares (Partizipationsscheine)

Each share entitles the holder to one vote at the General Meeting of dormakaba Holding AG. Voting rights can only be exercised if the shareholder is registered with voting rights in the share register of dormakaba Holding AG. The shares of dormakaba Holding AG are not physical but are issued purely as security rights. They are registered as book-entry securities.

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Shares carry full dividend rights. There are no outstanding shares with privileged dividend rights or other preferential rights. dormakaba Holding AG has not issued any non-voting shares (Partizipationsscheine).

Profit-sharing certificates (Genussscheine)

dormakaba Holding AG has not issued any profit-sharing certificates (Genussscheine).

Limitations on transferability and nominee registrations

Transfers of shares of dormakaba Holding AG require the approval of the BoD of the company. The Articles of Incorporation do not provide a percentage limit on the number of shares beyond which an acquirer may not be recorded as a shareholder in the share register. Acquirers of shares shall be recorded in the share register as shareholders with voting rights upon request, if such acquirers expressly declare that they have acquired these registered shares in their own name and for their own account, that there is no agreement on the redemption or the return of corresponding shares, and that they bear the economic risk associated with the shares. Art. 685d para. 3 of the Swiss Code of Obligations remains reserved. The BoD will register individual persons who do not expressly declare that they hold the shares for their own account ("nominees") in the share register with the right to vote provided the nominee has entered into an agreement with the BoD with respect to its position and if the nominee is subject to recognized banking or financial market supervision. Otherwise, such shares held by nominees can be registered in the share register without voting rights.

In the financial year under review, the BoD granted no exemptions from the transfer restrictions.

Cancelling or changing the limitations on the transferability of shares requires a resolution by the General Meeting supported by at least two-thirds of the votes represented. Book-entry securities based on dormakaba Holding AG shares cannot be transferred by assignment, neither can collateral be placed by assignment on these book-entry securities. The transfer of such book-entry securities follows the stipulations of the Federal Intermediated Securities Act.

Convertible bonds and options

Neither dormakaba Holding AG nor any of its Group companies have issued any convertible bonds or warrants that are still outstanding, or any options. This does not include the allocation of shares to employees under the stock award plans, details of which are given in the Compensation Report.

Board of Directors (BoD)

The duties and responsibilities of the BoD of dormakaba Holding AG are defined by the Swiss Code of Obligations, the Articles of Incorporation, and the company's Organizational Regulations.

BoD members

The BoD of dormakaba Holding AG currently has nine members as Till Reuter was appointed as CEO and stepped down as a BoD member, effective per 1 January 2024. All members are non-executive. None of the BoD members have sat on the Executive Committee (EC) of dormakaba Holding AG at any time in the last five financial years.

No BoD members have significant business relations with dormakaba Holding AG. The maximum number of mandates that BoD members are allowed to take on the governing bodies of legal entities outside dormakaba is regulated in § 27 of the Articles of Incorporation.

Based on the principles of the Swiss Code of Best Practice for Corporate Governance established by economiesuisse, all BoD members are independent.

The following table lists the name, year of birth, date of joining the BoD, gender, and nationality of the individual BoD members.

BoD members as of 30 June 2024

Name/Position	Year of birth	Entry	Gender[1]	Nationality
Svein Richard Brandtzaeg (Chair)	1957	2022	m	NO
Thomas Aebischer (Vice-Chair)	1961	2021	m	CH
Jens Birgersson	1967	2018	m	SE
Stephanie Brecht-Bergen	1985	2015	f	DE
Hans Gummert	1961	2015	m	DE
John Y. Liu	1963	2020	m	SG
Kenneth Lochiatto	1963	2022	m	US
Ines Poeschel	1968	2023	f	CH
Michael Regelski	1965	2022	m	US

1) The BoD proposes to the AGM 2024 to add a further female member to the BoD, see below.

Elections and terms of office

The BoD of dormakaba Holding AG is elected by the AGM, with each member standing for election individually. The Articles of Incorporation state that the BoD shall have between five and ten members. Prospective members shall be elected for a one-year term of office up to the conclusion of the next AGM. BoD members can be re-elected. The Organizational Regulations provide that when they reach 70 years of age, BoD members shall resign at the next AGM.

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Internal organization

According to the Swiss Code of Obligations and dormakaba Holding AG's Articles of Incorporation and Organizational Regulations, the main responsibilities of the BoD are:

- The strategic direction and management of dormakaba Group;
- Structuring the accounting system, the financial controls, and the financial planning;
- Appointing and dismissing members of the EC;
- Overall supervision of business activities;
- Approving the Group-wide codes of conduct or ethics (incl. supplier codes), the sustainability framework (ESG), and the Group-wide strategic risk management framework;
- Preparation of the Annual and Sustainability Report, preparation of the General Meeting, and implementation of its resolutions;
- Approving the signing authority of dormakaba Holding AG representatives;
- Approving the purchase and sale of companies, business areas, or other assets worth more than CHF 10 million;
- Approving investments, purchases, and disposals of real estate worth more than CHF 10 million;
- Approving contracts with a value greater than CHF 10 million.

The relevant decisions are taken by the whole BoD. The CEO and CFO regularly participate in meetings of the BoD in an advisory capacity. Other EC members are brought in to advise on individual items of the agenda. The agendas for Board meetings are defined by the Chair based on an annual standard agenda defined by the BoD. Main topics of each ordinary BoD meeting are:

- Report by the CEO;
- State of the business, including performance and forecast;
- Projects update;
- Reports by the Chairs of the committees.

Further standard agenda topics are:

- **February meeting:** Report on the EC strategy/medium-term plan workshop; succession planning at BoD and EC level and management development; Financial statements and Interim Report of last half-year;
- **June meeting:** Strategy update; annual budget and medium-term plan; skills/expertise assessment of BoD members;
- **August meeting:** Financial statements and Annual Report of last financial year; AGM agenda and motions;
- **October meeting:** Constitution of the BoD and its committees; Sustainability Report of last financial year;
- **December meeting:** Annual BoD schedule;
- Regular updates by Global Functions such as HR, Information Security (cyber), IT, Innovation and Product Development.

During the year under review, key BoD topics beyond the standard items were the review of the implementation of the strategy and operating model Shape4Growth as well as personnel matters at BoD and EC level.

The BoD held thirteen meetings in total during the financial year 2023/24, six ordinary and seven extraordinary (eo) ones: three lasted more than six hours, three lasted more than four hours, three lasted more than one hour, and four lasted one hour or less (extraordinary meetings to consult or decide on a specific topic). All BoD members attended all ordinary meetings held during their current term of office; some missed one (or more) extraordinary meeting(s). The following table shows the attendance of the individual BoD members at the BoD meetings and of the individual committee members at the committee meetings during the financial year 2023/24:

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Attendance at BoD and committee meetings during the financial year 2023/24

	BoD		AC		NCC	
Total number of meetings held	**13**		**4**		**13**	
	Ordinary	Extraordinary	Ordinary	Extraordinary[2]	Ordinary	Extraordinary
Svein Richard Brandtzaeg (Chair)	6	7	4		4	9
Thomas Aebischer (Vice-Chair)	6	7	3			
Jens Birgersson	6	3	4			
Stephanie Brecht-Bergen	6	5			4	8
Hans Gummert	6	7	4			
John Y. Liu	6	6				
Kenneth Lochiatto	6	5			4	9
Ines Poeschel[1]	6	5			3	8
Michael Regelski	6	5				

1 Ines Poeschel was elected as member of the BoD and the NCC as from the AGM 2023: She attended one BoD meeting as guest ahead of her election, as well as eleven BoD meetings and eleven NCC meetings held after her election.
2 There were no extraordinary meetings held

Committees

The BoD has formed an Audit Committee (AC) and a Nomination and Compensation Committee (NCC). Members of the NCC are elected at each AGM. Each committee has written terms of reference that define its tasks and responsibilities. The chairs of these committees are elected by the BoD. The committees meet regularly and are obliged to produce minutes as well as recommendations to the regular BoD meetings. Committee meeting agendas are defined by the committee chair. Members of the committees receive documentation prior to the meetings so they can prepare for discussion of agenda items.

Composition of Committees of the Board of Directors

Name (Nationality)	Audit Committee (AC)	Nomination and Compensation Committee (NCC)
Svein Richard Brandtzaeg (NO)		C
Thomas Aebischer (CH)	C	
Jens Birgersson (SE)	M	
Stephanie Brecht-Bergen (DE)		M
Hans Gummert (DE)	M	
John Y. Liu (SG)		
Kenneth Lochiatto (US)		M
Ines Poeschel (CH)		M
Michael Regelski (US)		

C(hairperson), M(ember)

Audit Committee (AC)

The AC is composed of four non-executive BoD members, who have professional or other experience of finance and accounting:

- **Thomas Aebischer** (Chair)
- Jens Birgersson
- Hans Gummert

The BoD has specified that members of the AC must meet certain requirements with regard to independence and skills and that they must not be EC members. The term of office is until the conclusion of the next AGM; members may be re-elected.

The AC meets at least twice a year but will be convened by the Chair as often as business requires. During the financial year 2023/24, the AC held four meetings, each lasting at least two hours. The CFO takes part in the meetings in an advisory capacity, as do, where necessary, the CEO, representatives of the audit firm, representatives of Global Internal Audit and of the Global Accounting department, and the Chief Legal Officer. In the financial year 2023/4, representatives of Global Internal Audit, the Chief Legal Officer, and representatives of the Global Accounting department participated in all four meetings; representatives of the audit firm in three meetings. The AC minutes the deliberations and decisions taken during meetings. The principal responsibilities of the AC are to evaluate risk management and accounting processes, monitor financial reporting and internal auditing, and assess external audits. With regard to external audits, the AC has the following responsibilities:

- Approval of the audit priorities;
- Acceptance of the audit report and of any recommendations made by the auditors prior to the submission of the annual accounts (statutory and consolidated financial statements, Group Management Report, Corporate Governance Report) to the whole BoD for approval;
- Proposing to the whole BoD which external auditor should be recommended to the AGM for election;
- Assessing the external auditor's performance, pay, and independence, and checking that audit activities do not conflict with any consultancy mandates of the auditor.

The AC's tasks relating to internal audits include:

- Approving the rules on the internal audit's organization and responsibilities;
- Approving audit plans;
- Checking the results of the audits and implementing the recommendations of the internal or external auditor;
- Transferring (if necessary) internal auditing activities to third parties or to the external auditor in an expansion of its audit activities;
- Monitoring the existing Internal Control System (ICS). Compliance with Management Information System guidelines, compliance with guidelines on limiting legal risk, and optimizing the risk profile through insurance. In individual cases, external specialist auditors may be brought in to help;
- Auditing the compliance report;
- Monitoring outstanding legal proceedings;
- Monitoring cyber and information security risks;
- Evaluating and monitoring business and financial risks.

The Risk Management System periodically records legal, operational, financial, and business risks. Legal risks include current or potential legal disputes; operational risks include scenarios such as operational failures, supply chain issues, and natural disasters; whereas business risks include, for instance, payment defaults or general negative market developments. Risks are quantified and weighted with regard to their likelihood and their possible financial and/or business impact. Preventative measures that have been planned or already implemented are also subject to review. Risks are recorded if they have a potential financial impact of CHF 2.5 million or more. The AC regularly reports to the BoD as a whole about its activities, and it notifies the BoD immediately about important matters.

The agendas for the AC meetings are defined by its Chair based on an annual standard agenda. Main topics of the meetings are:

- Legal report on major litigations and key legal risks;
- External and internal audit plans;
- Internal audit reviews and status of implementation of audit action items;
- Risk management reports;
- Financial statements, audit and ICS reports, Group Management, Corporate Governance and Sustainability Report (full financial year) as well as Interim Report (half-year);
- Compliance Report;
- Performance review of external auditor;
- Tax updates, including tax policies and tax exposure.

During the year under review, key AC topics beyond the standard items were the implementation of the Shape4Growth transformation program.

Nomination and Compensation Committee (NCC)

The NCC consists of four non-executive BoD members:

- **Svein Richard Brandtzaeg** (Chair)
- Stephanie Brecht-Bergen
- Kenneth Lochiatto
- Ines Poeschel

The term of office for each member is until the conclusion of the next AGM; members may be re-elected.

The NCC meets at least three times a year. During the financial year 2023/24, the NCC held thirteen meetings, four ordinary and nine extraordinary ones: one meeting lasting around four hours, ten meetings lasting one to two hour, and two meetings lasting less than one hour. The CEO, and the Chief Human Resources Officer usually take part in the meetings in an advisory capacity. The Vice President Global HR Total Rewards and member(s) of the external executive compensation consultancy attend the compensation topics of the meetings, excluding parts where their own compensation and/or performance are being discussed.

The NCC's main compensation tasks are:

- Propose and periodically review the compensation policy and regulations for the attention of the BoD (the details of the compensation policy of dormakaba are set out in the Compensation Report);
- Propose to the BoD the specific design of the fundamental compensation elements and the determination of the compensation-related performance objectives (including the ESG-related targets in the management incentive plans);
- Propose to the BoD the maximum aggregate compensation amount of the BoD and of the EC to be submitted to the shareholders' vote at the AGM;
- Propose to the BoD the compensation to be paid to its members within the limits approved by the AGM;
- Decide on the terms of appointment, significant changes in existing employment contracts, and compensation for the EC members within the limits approved by the AGM;
- Decide on the share-based compensation to be awarded to the members of the EC and the Senior Management;
- Propose the Compensation Report to the BoD for approval.

The NCC's main nomination tasks are:

- Set out the principles for appointing and re-electing BoD members;
- Conduct and regularly review succession planning for the BoD and the EC;
- Submit proposals to the BoD about its composition and the composition of its committees;
- Review management development at EC level;
- Recommend the appointment and de-selection of EC members (the final decisions on appointments and de-selections are taken by the BoD as a whole);
- Approve mandates of BoD members outside dormakaba, including political mandates;
- Review of the Group-wide employee engagement program.

The NCC minutes its deliberations and decisions and regularly reports to the whole BoD.

The agendas for the NCC meetings are defined by its Chair based on an annual standard agenda. Main topics of the meetings are:

Compensation matters:

- BoD and EC compensation: philosophy, system, and directives; benchmarks and proposal on total amounts for AGM approval and individual amounts for BoD approval;
- Variable EC and Senior Management compensation: target amounts, objectives, and KPIs;
- Compensation Report.

Nomination matters:

- BoD and EC succession, including skills/expertise assessment;
- HR roadmap;
- Employee engagement: surveys and action items.

During the year under review, key NCC topics beyond the standard items were the BoD and Top Management succession planning and personnel matters at BoD and EC level.

Powers and responsibilities

Management organization

The BoD has the highest responsibility for business strategy and supervises the management of dormakaba. It has the highest decision-making authority and sets the strategic, organizational, financial planning, and accounting rules that dormakaba must follow. The BoD has delegated the management of ongoing business to the CEO, supported by the EC. Therefore, the CEO is responsible for the overall management of dormakaba. The powers and functions of the EC are set out in the Organizational Regulations of dormakaba Holding AG. The following roles have a seat on the EC and report to the CEO: The CFO, the Chief Commercial Officer (CCO), the Chief Operations Officer (COO), the Chief Innovation Officer (CIO) and the President KWO. The CEO is responsible for alignment between functions and business.

Environmental, Social, and Governance (ESG)

The BoD guides the Group's sustainability strategy and is responsible for its overall governance by reviewing and approving it. It is also responsible for reviewing and approving the double materiality assessment and the annual Sustainability Report. The AC is responsible for contributing to the integrity of the Sustainability Report and monitoring the assurance of the Sustainability Report. The NCC is responsible for approving ESG-related targets in management incentive plans. The BoD Chair is responsible for monitoring sustainability implementation progress against targets and for evaluating and monitoring sustainability risks and opportunities. The BoD receives a status update on sustainability performance at least once a year from the Group Sustainability Council, and the BoD Chair receives an update on a quarterly basis in addition to monthly reports on initiatives' status.

Chief Executive Officer (CEO)

The CEO manages dormakaba. He is responsible for all matters that are not allocated to other company bodies by law, by the Articles of Incorporation, or by the Organizational Regulations. After consulting with the EC, the CEO submits the strategy, the long- and medium-term objectives, and the management guidelines for dormakaba to the BoD for approval. In response to a proposal by the CEO, the BoD decides on the annual budget and the medium-term plan, which covers a three-year period, individual projects, and the statutory and consolidated financial statements of dormakaba. The CEO submits recommendations to the NCC about personnel issues at the EC level. The CEO also makes proposals to the NCC regarding the remuneration of EC members (including allocation of shares from the share allocation plans). The CEO regularly reports to the BoD about business performance, anticipated important business issues and risks, and about key changes at senior management level. BoD members may request and examine further information. The CEO must inform the BoD Chair immediately about any extraordinary developments.

Information from and control over the EC

The Management Information System of dormakaba works as follows: monthly, quarterly, semi-annual, and annual financial statements (balance sheet, income statement, and cash flow statement) are prepared based on the Group's individual reporting units. These figures are consolidated for each market, function and business unit and for the Group as a whole. The financial figures are compared with the previous year and the budget. The achievability of the budget, which shows the first year of the medium-term plan for each reporting unit, is assessed against the monthly financial statements and in the form of monthly rolling forecasts. The CEO and CFO submit monthly written financial reports to the BoD about progress against the budget and comparisons with the previous year. At monthly meetings (monthly performance reviews), the CCO, COO, CIO and President KWO inform the CEO and the CFO about business performance and notable events based on written reports about e.g. achievement of budget targets. At BoD meetings, a summary of these reports is discussed and assessed with the CEO and the CFO.

The financial part of the Management Information System is supplemented by semi-annual risk reports as well as annual compliance and sustainability reports and cyber security updates.

Skills and expertise of the BoD

In line with the guideline of the Swiss Code of Best Practice for Corporate Governance for well-balanced representation, the BoD members have a broad spectrum of educational backgrounds, professional skills, and expertise, and personal qualities from a range of industries. In addition to age, gender, geographic, and tenure diversity, the BoD assesses its level of diversity based on a skills matrix established by its NCC and self-evaluates its own work and the work of its committees on a regular basis. The outcome of the skills assessment and the self-evaluation are discussed within the BoD to define measures to improve quality of work within the BoD and its committees. During the year under review, the BoD held a six-hour workshop, supported by an external facilitator to assess and improve the BoD interactions and performance.

The skills matrix includes the following professional skills/expertise:

- Executive leadership experience,
- Corporate governance/compliance skills,
- Strategic industry and technology skills,
- Financial skills,
- Digital business model experience.

The assessment is carried out based on the two top skills of each BoD member as well as several personal attributes.

All required competencies are represented in the BoD, with emphasis on executive leadership experience and strategic industry and technology skills (50% occurrence), followed by corporate governance/compliance and financial skills (30%), and digital business model experience (20%).

Details on age, gender, geographic, and tenure diversity can be found in the table “BoD members as of 30 June 2023". Details on the range of business sectors represented by the Board members can be found in their biographies.

The NCC annually reviews the composition of the BoD and its committees based on the abovementioned characteristics of its members as well as on dormakaba’s strategy, business profile, risks, and opportunities to determine the need to propose changes to the AGM.

BoD members as of 30 June 2024

Svein Richard Brandtzaeg

BoD Chair & Chair Nomination and Compensation Committee
Norwegian citizen

Education
Master of Science, Norwegian University of Science and Technology/NTNU, Materials and Chemical Engineering, Trondheim (NO); Foundation Program in Business Administration (Bedriftsøkonom), Norwegian School of Management/Bedriftsøkonomisk Institutt, Trondheim (NO); PhD, Norwegian University of Science and Technology/NTNU, Institute of Inorganic Chemistry, Trondheim (NO); Postdoc., University of Auckland, Institute of Chemical and Materials Engineering, Auckland (NZ); etc.

Career
2019–2022 Chair of the Board of Directors of Veidekke ASA[1] (NO); 2020–2023 Vice-Chair of the Board of Directors of Den norske Bank (DNB) ASA[1] (NO); 2019 –2021 Head of Norwegian Government Committee on Business and Industry Development in Norway (Distriktsnæringsutvalget); 2019 –2020 Member of the Board of Directors of SCR Sibelco[1] (BE); 2019–2020 Member of the Norwegian Government Committee on New Ethical Guidelines for the Norges Bank Investment Management (Norwegian Wealth Fund) (NO); 2014–2020 Chairman of the Board of Directors of the Norwegian University of Science and Technology (elected by the Norwegian Government) (NO); 2013–2016 Chairman of the Board of Directors of Sapa AS (NO); 2012–2019 Norwegian representative in the Bilderberg Meetings Steering Committee (NO).

External activities and interests
Since 2021 Member of the Board of Directors of Mondi Plc[1] (UK); since 2023 Chair of the Council on Ethics of The Norges Bank Investment Management (NO); since 2024 Member of the Board of Directors of Eramet Norway AS

Complete profile is available on the dormakaba Group website.

Thomas Aebischer

Vice-Chair
Chair Audit Committee
Swiss citizen

Education
Advanced Management Program, Harvard Business School, (USA); Trustee Exams and School for Swiss Certified Accountants, Zurich (CH)

Career
June–December 2023, interim Chief Financial Officer at Master Builders Solutions; 2021–2022 Chief Financial Officer of RWDC Industries Limited (SG/ USA); 2016–2019 Executive Vice President and Chief Financial Officer of LyondellBasell Industries[1] (NL/USA); 2011–2015 Group Chief Financial Officer, member of the Executive Committee of Holcim/ LafargeHolcim[1] (CH); 2003–2010 Chief Financial Officer of Holcim Inc. (USA); 2002–2003 Chief Financial Officer of Apasco S.A. de C.V.[1]) (MX); 1996–2002 Head Corporate Controlling of Holcim Group Support Ltd. (CH); 1988–1996 Senior Manager of Price Waterhouse (CH/HK); 1983–1987 Cantonal Tax Authorities, Thun (CH)

External activities and interests
Since 2024 Member of the Board of Directors and Chair of the Audit Committee of Sika AG[1], Switzerland; since 2023 Member of the Board of Directors and Chair of the Audit Committee of Solvay SA[1], Belgium; 2022–2023 Board and Audit Committee Member of Quotient Limited[1], Jersey, Channel Islands; 2013–2015 Board and Audit Committee Member of Huaxin Cement Co., Ltd[1] (CN); 2008–2010 Founding Member of the Swiss American Chamber of Commerce, Boston Chapter (USA).

Jens Birgersson

Member Audit Committee
Swedish citizen

Education
Advanced Management Program, Harvard Business School, Boston (USA); M.Sc. Engineering Physics, Royal Institute of Technology, Stockholm (SE); B. Sc. Economics, University of Stockholm (SE)

Career
2015–2024 President and CEO of ROCKWOOL Group[1] (DK); 2008–2015 with ABB[1] as Group Senior Vice President and Head of Business Unit Network Management (CH); 2005–2008 with Imerys[1] as Executive Vice President and Head of Business Group Performance Minerals & Pigments (BE); 1992–2005 with ABB1 in different positions (CH, SE, ZA)

External activities and interests
Since 2018 member of the Advisory Board of NREP (DK); since 2017 Chairman of the BoD of Randers Reb (DK); since 2016 member of the Confederation of Danish Industry Council (DK); since 2015 member of the BoD of Flumroc (CH), an affiliate of ROCKWOOL Group[1]

Stephanie Brecht-Bergen

Member Nomination and Compensation Committee
German citizen

Education
Dr. rer. pol., EBS University (DE); Master of Science in General Management, EBS University (DE); MBA, Pepperdine University (CA/USA)

Career
Since 2017 Managing Director KARL München GmbH & Co. KG (DE); since 2014 Executive Board member Mankel Family Office GmbH (DE); 2010–2013 research assistant, EBS University (DE); since 2009 shareholder dormakaba Holding GmbH + Co. KGaA (DE)

External activities and interests
Since 2008 Management Board member of the foundation "Rudolf Mankel Stiftung" (DE)

Hans Gummert

Member Audit Committee
German citizen

Education
Universities of Tübingen and Bonn (DE); attorney-at-law, admitted to the bar in 1990

Career
Partner since 1991, Managing Partner from 2008 until 2021 of the law and tax consultancy firm Heuking Kühn Lüer Wojtek (DE/ CH)

External activities and interests
Chairman of the Supervisory Board of dormakaba Holding GmbH + Co. KGaA (DE); Chairman of the Supervisory Board of Familie Mankel Industriebeteiligungs GmbH + Co. KGaA (DE); Chairman of the Advisory Board Coroplast Fritz Müller GmbH & Co. KG (DE); Member of the Supervisory Board of ara AG (DE); Vice Chairman of the Advisory Board of Hoberg & Driesch Röhrenhandel GmbH & Co. KG (DE); Vice Chairman of the BoD Chiron-Werke SE (DE); Member of the Supervisory Board of WIBU Wirtschaftsbund Sozialer Einrichtungen eG (DE), Chairman of the Supervisory Board of Autohaus Adelbert Moll GmbH & Co KG (DE)

John Y. Liu

Singaporean citizen

Education
Doctor of Philosophy in Traffic Engineering & Network Management, Technical University of Denmark (DK); Master of Science in Operation Research, Technical University of Denmark (DK); Bachelor of Science in Mathematics, Beijing Normal University (CN)

Career
From October 2020 until April 2022 CEO China of Afiniti; January–June 2020 Interim CEO of Voss (USA); 2016–2018 Group Vice President, COO of Wanda Internet Technology Group (CN); 2014–2015 Chief Business Officer of Qihoo 360[1] (CN); 2008–2013 Corporate Vice President and President Greater China of Google[1] (USA); 2002–2007 CEO China of SK Telecom[1] (KR); 2000–2001 General Manager Greater China of FreeMarkets (USA); 1999–2000 General Manager China Operations of SITA Communications (CH); 1997–1999 General Manager Telecom Division of Lion Group (MY); 1994–1997 Country Director Greater China of Singapore Telecommunications[1] (SG)

External activities and interests
Since 2014 independent non-executive Director, Chairman of the Remuneration Committee of the Board of Digital China Holdings[1] (HK); 2013–2020 Member of the Board of Trustees of Beijing Normal University Education Fund (CN); 2014–2018 independent non-executive Director of China Eastern Airlines[1] (CN); 2014–2016 independent non-executive Director of ARM Holdings (UK); 2005–2007 independent non-executive Director of TTP Communications (UK)

Kenneth Lochiatto

Member Nomination and Compensation Committee
US citizen

Education
Carnegie Mellon University, M.S., Industrial Administration, 1992; Rensselaer Polytechnic Institute, B.S., Mechanical Engineering, 1985

Career
Since 2015–Board Member, between 2015–2024 President & CEO and between 2014–2015 President & COO at Convergint; General Electric Company[1]: 2003–2006 Business Unit Leader, Advanced Communication Systems GE Rail; 2001–2003 Commercial Leader, Americas, GE Silicones; 1997–2001 Northeast Regional Manager, GE Silicones; 1992–1997 Corporate Auditor; 1987–1992 Account Manager, GE Plastics; 1986–1987 Sales Development Specialist, GE Plastics; 1985–1986 Sales Engineer, GE Power Systems.

External activities and interests
Convergint: Since 2014 Member of the Board of Directors

Ines Poeschel

Member Nomination and Compensation Committee
Swiss citizen

Education
lic. iur. University of Zurich (CH), attorney-at-law, admitted to the bar in 1996; SEP Stanford Executive Program, Stanford University (USA); Corporate Directorship Certificate, Harvard Business School (USA)

Career
Since 2007 Partner at Kellerhals Carrard (CH); 2002–2007 Senior Associate Bär&Karrer AG (CH); 1999–2002 Senior Manager Andersen Legal LLC (CH)

External activities and interests
Since 2023 Member of the Board at Belimo Holding Inc.[1] (CH); since 2019 Member of the Board at Alcon Inc.[1] (CH); since 2018 Member of the Board at Reichle Holding Inc. (CH); since 2018 Member of the Board at Graubündner Kantonalbank[1] (CH).

Michael Regelski

US citizen

Education
Rochester Institute of Technology, M.S., Software Development & Management, 1993; B.S., Computer Engineering, 1989

Career
Eaton Corporation PLC[1]: Since 2015 SVP & Chief Technology Officer and since 2020 SVP, Software R&D and Chief Technology Officer, Electrical Sector; United Technologies Corporation[1]: 2013–2015 VP, System & Controls Engineering, UTC Building & Industrial Systems Division;
2011–2013 VP, Product Development, Automation Control Solutions, UTC Climate, Controls & Security Systems Division; 2007–2011 Chief Technology Officer, Global Security Products, UTC Fire & Security Corporation; 2005–2007 Chief Technology Officer, Lenel Systems International, Inc.; Lenel Systems International, Inc.(Acquired by United Technologies in 2005):1991–2005 Chief Technology Officer ; VP, Engineering; Eastman Kodak[1]: 1989–1991 Senior Software Architect, Edicon Systems Division; 1988–1989 Software Application Engineer, Edicon Systems Division

External activities and interests
None.

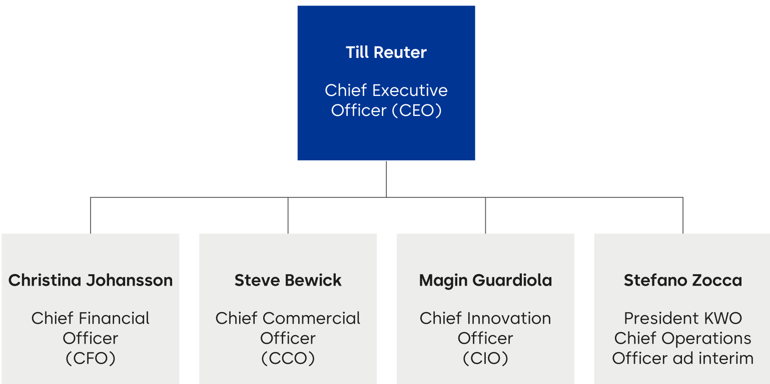
[1] listed company

Executive Committee (EC)

Management approach

Effective 1 July 2023, dormakaba introduced a streamlined Executive Committee setup to amplify the strategic focus on core and customer-centricity. All AS business is combined into one global unit led by the newly introduced role of Chief Commercial Officer (CCO). The new unit includes all AS activities related to sales, services and marketing as well as the product management for Access Hardware Solutions and Access Automation Solutions. The company’s seven key markets markets (North America, Germany, Switzerland, Australia & New Zealand, UK & Ireland, China and India) report directly to the CCO. The new Chief Innovation Officer (CIO) role, also effective as of the start of FY 2023/24, leads all global engineering capabilities and is responsible for dormakaba’s innovation strategy. The Chief Operations Officer (COO) function continues to ensure plant productivity and factory network optimization with lean manufacturing and optimized direct and indirect spend. The President KWO continues to have the entrepreneurial responsibility for the KWS segment, including product development, production, sales, and services. Further, he is responsible for the OEM business of the former Region Asia Pacific. The CFO is responsible for the Group’s financial affairs as well as other Group functions such as Investor Relations. Further global corporate functions such as Strategy, Human Resources, IT, and Legal define and monitor Group-wide standards.

EC dormakaba Group as of 30 June 2024[1]



Name/Position	Year of birth	Entry	Gender	Nationality
Till Reuter CEO	1968	2024	m	DE
Christina Johansson CFO	1966	2022	f	CH/SE/NO
Steve Bewick Chief Commercial Officer	1966	2020	m	GB
Magin Guardiola Chief Innovation Officer	1965	2023	m	CH/ES
Stefano Zocca President Key & Wall Solutions and OEM; Chief Operations Officer ad interim	1963	2011	m	IT

[1] Details on Jim-Heng Lee, CEO and EC members until 31 December 2023, and on Alex Housten, COO and EC member until 31 March 2024, can be found in the Corporate Governance Report FY 2022/23, EC members (https://report.dormakaba.com/2022_23/en/members-of-the-executive-committee/).

EC members

The table above gives the name, position, year of birth, date of joining the EC, gender, and nationality of each EC member.

During the financial year 2023/24, the following changes within the EC were made:

- Till Reuter stepped down as BoD member and was appointed as CEO, effective 1 January 2024 , succeeding Jim-Heng Lee.
- Alex Housten, COO and EC member, left dormakaba on 31 March 2024.

As of 1 July 2024, René Peter was appointed as CFO ad interim while Christina Johansson is on sick leave. As of 1 August 2024, Carsten Franke joined dormakaba as COO and member of the EC.

External mandates

The maximum number of mandates that members of the EC are allowed to take on the governing bodies of legal entities outside dormakaba is regulated in §27 of the Articles of Incorporation.

Management contracts

Neither dormakaba Holding AG nor its Group companies have entered into any management contracts with third parties.

Compensation

The compensation policy and all the information relating to the compensation paid to the company's management bodies are shown in the Compensation Report §§22–25 and §28 of the Articles of Incorporation contain rules relating to compensation principles, loans to governing bodies, and AGM votes on compensation.

EC members

as of 30 June 2024

Till Reuter

CEO
German citizen

Education
Business Administration, (Econ.), University of St. Gallen, Switzerland; Attorney, Law, University of Konstanz, Germany; Master of Science (M.Sc.)

Career
dormakaba Group[1] (CH): Since 2024 CEO; 2009–2018 CEO, KUKA Inc.[1] (DE); 1999–2008 various positions at Morgan Stanley, Deutsche Bank and Lehman Brothers

External activities and interests
Since 2022 Member of the Board of Directors of Fox Robotics Inc. (USA); since 2008 Founder and Chairman of the Board of Directors of Rinvest Ltd. and Rinvest Digital Ltd. (CH); 2019–2022 Chairman of the Board of Directors of Unternehmensgruppe Theo Müller S.e.c.s. (DE)

Christina Johansson

CFO
Swiss, Swedish & Norwegian citizen

Education
Master of Science (M.Sc.) in Business Administration (International Finance & Accounting), University Växjö (SE);

Career
Since 2022 CFO of dormakaba Group[1] (CH); 2018–2022 Chief Financial Officer and Member of the Executive Board and January 2021-March 2022 Chief Executive Officer ad interim of Bilfinger SE[1] (DE); 2016–2018 Group Chief Financial Officer of Bucher Industries Group[1] (CH); 2014–2016 Group Chief Financial Officer and Deputy Chief Executive Officer of SR Technics Group (CH); 2007–2014 CFO, Vice President Finance of Pöyry Energy Business Group and Pöyry Management Consulting Business Group (CH); 2005–2007 Group CFO and Deputy CEO of Zeag Group (Spreitenbach, Switzerland); 1996–2005 CFO/Finance Director of Amcor Rentsch & Closures[1] (CH/GE/CA)

External activities and interests
Since 2021 Member of the Board of Directors and Chair of the Audit Committee, About You Group[1] (DE); since 2018 Member of the Board of Directors and member of the Audit Committee and since 2021 Chair of the Audit Committee of Emmi Group[1] (CH)

Steve Bewick

President Region Europe & Africa (Chief Commercial Officer as of 1 July 2023)
British citizen

Education
B.Sc. (Hons) in Combined Sciences, University of Glamorgan (UK)

Career
dormakaba Group[1] (CH): since 2022 President Europe & Africa (2020–2021 COO Access Solutions EMEA and member of the EC) (CH); 2016–2019 Senior Vice President UK, Ireland and Benelux dormakaba; 2014–2015 Senior Vice President Market North Nordics Kaba and 2010–2019 Managing Director Kaba UK; 2008–2009 Contracting Business Director Kaba UK; 2007–2008 Sales and Marketing Director Surelock McGill (UK); 2005–2006 Sales & Marketing Director EDM Group (UK)

External activities and interests
Guild of Architectural Ironmongers (UK): Director since 2021.

Magín Guardiola

Chief Marketing & Products Officer (Chief Innovation Officer as of 1 July 2023)
Swiss and Spanish citizen

Education
Master's in Business Engineering, University of St. Gallen (CH); Haas Business School, Berkeley (USA); Master's in Economics, University of Basel (CH); MSc (Diplom-Ingenieur FH), University of Applied Science in Augsburg (DE); MBA, Rotterdam School of Management Erasmus University (NL)

Career
dormakaba Group[1] (CH): since April 2022 Chief Marketing & Products Officer (2022–2023 Global Head Automation, Product and Solutions, 2015–2021 Global Business Owner Entrance Systems, AS DACH; 2012–2015 International Business Development and Region Manager CEERT/MEA Kaba Management and Consulting AG (CH); 2009–2011 Region Manager South and 2000–2009 Consejero Delegado / General Manager of Iberkaba, S.A. / Kaba Italia S.a.r.l. (SP and IT); 1992–2000 various roles in management positions in LECTA Group (SP)

External activities and interests
None.

[1] listed company

Stefano Zocca

President Key & Wall Solutions (President Key & Wall Solutions and OEM as of 1 July 2023)
Italian citizen

Education
Economics Degree, Bocconi University (IT)

Career
dormakaba Group[1] (CH): since 2022 President Key & Wall Solutions (2017–2021 COO Key & Wall Solutions and member of the EC); 2015–2017 COO Key Systems and member of the EC; 2011–2015 member of the EC of Kaba Group[1] (CH); since 2013 Head of Division Key Systems and 2011–2013 Head of Division Key Systems EMEA/AP/SAM; Whirlpool EMEA (IT): 2004–2011 General Manager Middle East, Africa + Turkey, since 2010 also of Central Europe; 2000–2004 Customer Service Regional Director, South, Central + East Europe, Middle East + Africa; 1994–2000 European Procurement Manager; 1988–1994 various positions in industrial and logistics operations; 1986–1988 Procurement and Planning Assistant Imbal (IT)

External activities and interests
None

Shareholders' participation rights

Voting rights and proxy voting

At dormakaba Holding AG's General Meetings, each registered share entitles the owner to one vote. A shareholder may be represented at General Meetings by the independent voting representative, her or his legal representative or, by means of a written power of attorney, by another voting representative who need not be a shareholder.

Majorities required by the Articles of Incorporation

For resolutions covering the following, a majority of at least two-thirds of the votes represented and a majority of the nominal value of shares represented are required:

- The amendment of the company's purpose;
- The consolidation of shares;
- The increase of share capital through the conversion of equity surplus, against contributions in kind or by way of set-off against a claim and the granting of special benefits;
- The restriction or cancellation of subscription rights;
- The introduction of conditional share capital or the introduction of a capital range;
- The restriction of the transferability of registered shares and the cancellation of such a restriction;
- The introduction of shares with privileged voting rights;
- The change of currency of the share capital;
- A provision in the Articles of Incorporation on holding the General Meeting of Shareholders abroad;
- The delisting of the company's equity securities;
- The transfer of the registered office of the company;
- The dissolution of the company (including as a result of a merger); and
- Changes to the Articles of Incorporation provisions on opting out, decision-making by the General Meeting and applicable quorum, the number and terms of office of BoD members, and the process of BoD decision-making.

Otherwise, the General Meeting of dormakaba Holding AG passes its resolutions and decides its elections by a majority of votes cast, irrespective of the number of shareholders present or shares represented. These rules are subject to overriding statutory provisions and § 35 paragraph 4 of the Articles of Incorporation.

Convocation of the General Meeting of Shareholders and agenda

General Meetings are convened as stipulated by law. The BoD of dormakaba Holding AG is obliged to include items on the agenda of the General Meeting if these items are requested by shareholders who together represent at least 0.5% of the share capital, and if the request is made in writing at least fourty-five days before the General Meeting, stating the agenda items and the motions.

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Entries in the share register/invitation to the Annual General Meeting of 10 October 2024

Only shareholders entered in the share register with voting rights by 2 October 2024 will be entitled to vote at the AGM of 10 October 2024. They will receive the invitation to the AGM together with the motions of the BoD. Once they have sent back the response form, they will receive their entry ticket and voting material. Shareholders who sell their shares before the AGM are no longer entitled to vote. If they sell some of their shares, or buy more, they should swap their entry ticket at the information desk on the day of the AGM. No entries will be made in the share register from 3 October to 10 October 2024. All information about the AGM 2024 can be found online.

Changes of control and defense measures

Compulsory offer

§ 5a of the Articles of Incorporation of dormakaba Holding AG includes a formal selective opting-out according to article 125 paragraph 4 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015. The text of the formal selective opting-out is as follows (translation of the German version):

In the following cases, Familie Mankel Industriebeteiligungs GmbH + Co. KGaA and Mankel Family Office GmbH as well as their respective direct or indirect quotaholders – individually or together with shareholders of the Company with whom they entered into a pool agreement ("Shareholder Pool") in connection with the business combination of KABA Group with DORMA Group – are exempted from the obligation to make an offer pursuant to Article 135 para. 1 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015:

- a Combination of KABA Group with DORMA Group pursuant to the transaction agreement dated April 29, 2015 between Familie Mankel Industriebeteiligungs GmbH + Co. KGaA and Mankel Family Office GmbH on the one hand and the Company on the other hand;
- b Transactions in shares of the Company between parties of the Shareholder Pool and/or with third parties that result in changes of the majorities within the Shareholder Pool, changes in the composition of the Shareholder Pool or changes in the direct overall participation of the parties to the Shareholder Pool in the Company, as long as this direct overall participation does not exceed 33⅓% of the voting rights in the Company;
- c Dissolution of the Shareholder Pool;
- d Consummation of the transfer agreement described in § 35 of the Articles of Incorporation.

Clauses on changes of control

The rules of the applicable long-term incentive plans state that if there is a change in the control of dormakaba Holding AG (as defined in the regulations) the share blocking period (see Compensation Report 3.2 Long-term incentive) will be lifted if this is permitted by law and the performance share units are subject to an accelerated full vesting at target performance (detailed in the regulations), provided the plan participants concerned still have an employment contract (that is not under notice) with dormakaba when the change of control occurs.

§ 35 of the Articles of Incorporation of dormakaba Holding AG states that according to the transfer agreement (called transfer agreement), which was concluded on 29 April 2015 related to the combination of Kaba Group and Dorma Group, if there is a change of control of dormakaba Holding AG, the Mankel/Brecht-Bergen Family has the right to buy back a 2.6% stake in dormakaba Holding GmbH + Co. KGaA and dormakaba Beteiligungs-GmbH in order to regain control (50.1%) of these companies. A change of control of dormakaba Holding AG happens if a third party (i) holds 33⅓% or more of the voting rights in dormakaba Holding AG in shares, (ii) holds 33⅓% or more of the voting rights in dormakaba Holding AG in purchase positions and the responsible Swiss authority has decided with legal effect that a mandatory offer has been triggered, or (iii) publishes the end result of a voluntary offer which, when completed, will give it at least 33⅓% of the voting rights of dormakaba Holding AG. The Mankel/Brecht-Bergen Family can only exercise the rights pursuant to the transfer agreement if dormakaba Holding AG receives a written statement of assurance that (i) nobody associated with the Mankel/Brecht-Bergen Family supports the change of control or has ever been involved in it, and (ii) the Mankel/Brecht-Bergen Family holds a stake of at least 47.5%

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of dormakaba Holding GmbH + Co. KGaA and dormakaba Beteiligungs-GmbH. The price according to the transfer agreement is based on the market price or nominal value of the shares and in the former case is calculated using a fixed formula agreed by the parties in the transfer agreement. Under certain conditions and for a specific period of time, dormakaba Holding AG has the right to buy back the said 2.6% stakes. The transfer agreement is annulled if the Mankel/Brecht-Bergen Family's stake in dormakaba falls below 25%. Approval of the transfer agreement can be cancelled by resolution of the General Meeting. Such a decision to cancel must be taken (i) following the publication of a public takeover offer to acquire all of the outstanding shares of dormakaba Holding AG and before the end of the offer period and (ii) with a majority of at least 50% of the votes represented. The transfer agreement and its performance were declared valid under takeover law by the Swiss Takeover Board on 22 April 2015.

The transfer agreement is available for shareholders to inspect at the dormakaba Holding AG's head office.

Auditors

Duration of mandate and term of office of Head Auditor

PricewaterhouseCoopers AG, Zurich, has been the auditor for dormakaba Holding AG and its legal predecessors since 1907, and Group auditor of the dormakaba Group since 1982. The responsible lead auditor took on this function during financial year 2023/24.

dormakaba initiated a call for tender with the intention to propose a new audit firm to the AGM in 2025.

Auditing fees and additional fees

The fees paid to the audit firm PricewaterhouseCoopers for services relating to the audit of the annual financial statements of dormakaba Holding AG and Group companies and the consolidated financial statements of dormakaba Group were CHF 3.4 million in the financial year 2023/24. In the financial year 2023/24, dormakaba Group procured further consultancy services from PricewaterhouseCoopers in the amount of CHF 0.5 million, of which approximately CHF 0.25 million for general advisory services, CHF 0.15 million for taxation services and CHF 0.1 million on support for subsidiaries in the implementation of new accounting practice rules or finance projects.

Information pertaining to external auditors

Each year, the AC of the BoD assesses the performance, fees, and independence of the auditor and suggests to the BoD which external auditor should be proposed to the AGM for election. Each year, the AC also assesses the scope of external auditing, the audit plans, and the relevant processes and discusses the results of the audit with the external auditors. Please find more information about the AC here.

Information policy

This reporting on the financial year 2023/24 and the financial statements as at 30 June 2024 include the Group Management Report with the consolidated financial statements, the financial statements of dormakaba Holding AG, the Corporate Governance Report, the Compensation Report, and the Sustainability Report. All reporting is available only digitally at www.dk.world/AR2023_24. The HTML format can be printed in PDF format or ordered as a printed copy if required. The share price development, business publications, media releases, and presentations may also be downloaded from www.dormakabagroup.com. Media and analyst conferences or calls take place at least once a year, but usually twice a year. dormakaba typically holds a Capital Market Day at least every second year at which financial analysts and investors can gain a deeper insight into the Group by meeting EC members and management as well as participating in presentations of dormakaba's offering. In addition, the CEO, the CFO, and the VP of Global Investor Relations regularly take part in various external investor meetings. dormakaba Holding AG publishes price-sensitive information in accordance with its disclosure obligations under the rules of the SIX Exchange Regulation AG (Listing Rules, article 53, and rules on ad hoc publicity). dormakaba Holding AG informs its shareholders in writing about the course of its business at least every half year. The information on how the business is performing is available at www.dk.world/news and www.report.dormakaba.com. The notifications, reports, and presentations of dormakaba are not continually updated by the company; the statements and data contained therein are therefore valid as of the relevant date of publication. For those wishing to obtain current information, dormakaba Holding AG recommends that they do not refer solely to past publications. A list of the most important dates in the financial year can be found at www.dk.world/events.

General trading blackout periods

According to dormakaba's Insider Trading Directive, members of the BoD and the EC and other employees who have access to material non-public information are designated as Insiders and are banned from trading in dormakaba Holding AG securities and any related financial instruments during general blackout periods. There were no exceptions to this rule in the financial year 2023/24.

dormakaba's general blackout periods last from June 15 until (and including) two SIX Swiss Exchange trading days after the publication of dormakaba's annual financial statements as well as from December 15 until (and including) two SIX Swiss Exchange trading days after the publication of dormakaba's semi-annual financial statements.

Compensation Report

Fully automatic key production in dormakaba's Wetzikon, Switzerland site, enables an efficient and innovative production flow to meet customer demand.

General introduction

The Compensation Report describes the principles underlying the compensation policy and provides information about the compensation steering process and the compensation awarded to the Board of Directors (BoD) and Executive Committee (EC) of dormakaba Holding AG. This Compensation Report has been prepared in full compliance with Swiss Company Law, the SIX Swiss Exchange's Directive on Information relating to Corporate Governance, and following the recommendations of economiesuisse's Swiss Code of Best Practice for Corporate Governance.

Introductory notes from the Committee

dormakaba made good progress on the execution of its Shape4Growth strategy and related transformation program while delivering a strong financial performance for 2023/24. Organic net sales growth was at 4.7%, driven both by pricing and volume. There was a significant profitability improvement, with the adjusted EBITDA margin expanding by 120bps to 14.7%. Return on capital employed (ROCE) increased substantially by 390bps to 29.0% profiting from improved average net working capital and increased adjusted EBIT. The strong results were completed by a solid free cash flow and an improved net debt profile. dormakaba's strong performance in financial year 2023/24 is reflected in the STI payout ratio.

Nomination and Compensation Committee (NCC) Activities

The NCC meets at least three times per reporting period or more frequently if required per reporting period. Actual meetings held and attendance for the financial year 2023/24 are disclosed in the governance report. Regular activities include proposing compensation for the members of the BoD and EC, as well as preparing the Compensation Report and the binding say-on-pay votes at the Annual General Meeting (AGM).

Following the Board of Directors' approval, the NCC implemented the following changes to the variable compensation structure of the EC with effect of the reporting period:

– The Short-Term Incentive (STI) performance indicator framework has been simplified to include the same three group financial objectives for all EC members, including the CEO. This change rewards collaborative over individual or unit performance and aligns with the Shape4Growth strategy. Furthermore, the booster introduced for the 2022/23 performance period has been discontinued as planned effective as of the FY 2023/24.

– The Long-Term Incentive (LTI) compensation includes Environmental, Social and Governance (ESG) targets, and the Performance Share Unit (PSU) grant size is no longer linked to the individual performance of the prior year.

The STI and LTI programs are described in detail in the section "Compensation Architecture for the EC" of this Compensation Report.

For the financial year 2024/25, the BoD decided to apply the same performance indicator framework to measure EC performance under the STI as well as for the 2024 LTI grant, and no major adjustments are planned.

Shareholder’s feedback

At the AGM 2023, binding votes were conducted on the aggregate maximum compensation amounts for the BoD and for the EC, as well as a consultative vote on the Compensation Report. The shareholders approved the maximum compensation amounts for the BoD with 98% (prior year: 91%) and the EC with 98% (prior year: 97%). The consultative vote on the Compensation Report received an approval rate of 85% (prior year: 94%). The NCC reviewed the compensation programs for EC members to ensure that they best align with the strategic direction of the company and considered shareholders' feedback based on a targeted engagement outreach in 2023. Furthermore, the level of transparency on the disclosure of STI and LTI objectives and the respective performance outcomes was enhanced.

The table below summarizes the main concerns raised by shareholders and the actions dormakaba has taken to address them.

Concern raised	Our response
Insufficient ex-post disclosure of STI targets and achievement levels.	Disclosure was enhanced by defining each KPI and its weighting. The applicable payout curve and performance achievement against targets are described in sections "Overview of short-term incentive performance objectives and respective weightings for FY 2023/24".
Discretionary adjustments made by the BoD to the group EBITDA margin and ROCE metrics under the STI without providing a detailed explanation	Alternative performance measures (APM) may be used to measure financial performance. These include adjustments for items affecting comparability (IAC). APM and IAC are defined in the consolidated financial statements and clear reference to these is included in the STI section of this report.
Initial LTI grants appear to involve an element of discretion	The consideration of the previous year individual performance for determining the EC members’ LTI grant has been removed. As from the grant cycle 2023, the LTI grant size is solely calculated based on the target amount attributed to each role.

At the upcoming AGM, all shareholders will be asked to prospectively approve the aggregate maximum amounts of compensation of the BoD for the period until the following AGM and of the EC for the financial year 2025/26. The shareholders will have the opportunity to express their opinion about the compensation system and the compensation awarded to the BoD and to the EC by way of a consultative vote on the Compensation Report 2023/24 at the AGM 2024.

Compensation at a glance

BoD members only receive fixed compensation paid in cash and shares restricted for three years. The amount of compensation depends on the function within the BoD.

Summary of current compensation system of the BoD

Basic Compensation p.a. (in CHF)	BoD Chair	BoD Member
in cash	335,000	100,000
in restricted shares	300,000	90,000
Total	**635,000**	**190,000**

+

Additional Compensation p.a. (in CHF)	Committee Chair	Committee Member
Audit Committee	60,000	20,000
Nomination and Compensation Committee	60,000	20,000

No additional committee fees are due to the BoD Chair.

Shareholding ownership guideline

The BoD members are required to own at least 500 dormakaba shares within three years of tenure.

Compensation of the BoD in financial year 2023/24

The compensation awarded to the BoD in financial year 2023/24 is within the limits approved by the shareholders at the AGM:

Compensation period	Approved amount (CHF)	Effective amount (CHF)
AGM 2022 – AGM 2023	3,200,000	2,480,000
AGM 2023 – AGM 2024	3,200,000	To be determined [1]

[1] The compensation period is not yet completed; a definitive assessment will be provided in the 2024/25 Compensation Report.

Summary of current variable compensation system of the EC

The variable compensation system applicable to the EC is designed to engage executives to implement the company's strategy, to achieve the company's short- and long-term business objectives, and to create sustainable shareholder value. It consists of the following elements:

Short-term incentive mechanism

Variable annual cash payment based on the achievement of Group financial performance indicators.

Individual STI target amounts are determined based on role, market requirements and under strict consideration of our benchmark and pay mix policy as described in the section Total Target Compensation Approach.

Long-term incentive mechanism

Annual grant of Performance Share Units (PSU) based on a monetary amount, subject to a three-year vesting period.

Individual LTI target amounts are determined based on role, market requirements and under strict consideration of our benchmark and pay mix policy as described in the section Total Target Compensation Approach.

Shareholding ownership guideline

The members of the EC are required to own a minimum multiple of their annual base salary in dormakaba shares within five years of tenure:

CEO	300% of annual base salary
EC member	200% of annual base salary

Compensation of the EC in financial year 2023/24

The compensation awarded to the EC in financial year 2023/24 is within the limits approved by the shareholders at the 2022 AGM:

Compensation period	Approved amount (CHF)	Effective amount (CHF)
Financial year 2023/24	19,300,000	14,175,589

Compensation governance

- The NCC supports the BoD with matters related to the compensation of the BoD and of the EC.
- Shareholders approve the maximum compensation amounts of the BoD and of the EC. Further, they also express their opinion on the compensation system through a consultative vote on the Compensation Report.

Basic principles of compensation

The compensation system of dormakaba reflects the commitment to attract, engage, and retain the best talent within the industry. It is designed to engage executives and employees to implement the company's strategy, to achieve the company's short-term and long-term business objectives, and to create sustainable shareholder value.

The compensation for the BoD members consists exclusively of a fixed payment in cash and restricted shares. This ensures that the BoD remains independent in exercising its supervisory duties towards the EC.

The compensation for the EC members consists of fixed and variable payments in cash, shares and benefits. The EC compensation system principles are illustrated below.

The compensation system for the EC members and its four principles

Fairness and transparency

Compensation decisions are transparent and fair. The target level of total compensation is determined based on the function. The global grading system based on Korn Ferry Hay Group methodology ensures that functions are evaluated in a consistent manner across the organization.

Reward for short- and long-term performance

An important part of compensation is paid as variable incentives linked mainly to the overall performance of dormakaba. Those incentives are well-balanced between rewarding for short-term results (short-term incentive) and also the sustainable success of the company (long-term incentive).

Alignment to shareholders' interest

The share-based compensation delivered under the long-term incentive plan encourages the sustainable commitment of executives and management members, and aligns their interests to those of the shareholders.

Competitiveness

The structure and levels of compensation take into account the market practice (benchmark based on Korn Ferry (EC) and Willis Towers Watson (rest of organization)).

Managing compensation

Nomination and Compensation Committee

In accordance with the Articles of Incorporation and the Organizational Regulations of dormakaba Holding AG, the BoD is responsible for the principles underlying the compensation policy and for the compensation steering process; it is supported in this work by the NCC.

The NCC consists of at least three non-Executive BoD members, who are elected annually and individually by the AGM for a period of one year. At the AGM 2023, the shareholders elected Svein Richard Brandtzaeg (Chair), Stephanie Brecht-Bergen, Kenneth Lochiatto, and Ines Pöschel as members of the NCC.

The NCC's main compensation tasks are:

- Propose and periodically review the compensation policy and regulations for the attention of the BoD;
- Propose to the BoD the specific design of the fundamental compensation elements and the determination of the compensation-related performance objectives;
- Propose to the BoD the maximum aggregate compensation amount of the BoD and of the EC to be submitted to the shareholders' vote at the AGM;
- Propose to the BoD the compensation to be paid to its members within the limits approved by the AGM;
- Decide on the terms of appointment, significant changes in existing employment contracts, and compensation for the EC members within the limits approved by the AGM;
- Decide on the share-based compensation to be awarded to the members of the EC and the Senior Management;
- Propose the Compensation Report to the BoD.

The compensation for the EC and for the Senior Management is set as part of an annual process.

Annual process and responsibilities in the compensation matters of the BoD and EC

	Aug	Oct	Dec	Feb	June
Compensation policy review and compensation principles for next financial year				NCC BoD	
Compensation planning and share award plan design				NCC BoD	NCC BoD
Compensation Report	NCC BoD	AGM			NCC
Maximum aggregate compensation amounts of the BoD and EC for next compensation period	NCC BoD	AGM			
Compensation structure and level of BoD for next compensation period	NCC BoD				NCC BoD
Individual target compensation of EC members for next financial year[1)]					CEO NCC
Individual short-term incentive payments of EC members for previous financial year[1)]	CEO NCC				
Individual share awards of EC members and Senior Management[1)]	CEO NCC				CEO NCC
Review of external stakeholder feedback on compensation disclosure and (discussion of) changes for next disclosure		NCC	NCC	NCC	
NCC meeting schedule and agenda for next period of office			NCC		

red: recommending body
blue: reviewing body
gray: approving body
1) Proposals related to the CEO compensation are prepared by the NCC Chair and approved by the NCC.

The NCC meets as often as business requires but at least three times a year. The number of meetings held and attendance details, including participation of members of executive management and external advisors, are provided in the Corporate Governance Report.

The NCC Chair reports to the BoD after each meeting on the activities of the committee. The minutes of the committee's meetings are available to the BoD members.

The NCC may decide to consult external advisors on specific compensation matters. PricewaterhouseCoopers (PwC) was reappointed to provide advice on specific compensation and governance matters. PricewaterhouseCoopers is the current auditing firm of dormakaba, and there are clear rules in place to comply with the independence requirements of auditing firms.

Shareholders' involvement

The BoD values the dialogue with shareholders and wants to know and understand their views on executive compensation. In this context, the BoD has held an annual consultative vote on the Compensation Report since the financial year 2012/13. This vote allows shareholders to express their opinion on the compensation policy and systems applicable to the BoD and the EC. Since the AGM 2015, the BoD also seeks an annual prospective binding approval from shareholders of the maximum aggregate amount of compensation of the BoD and the maximum aggregate amounts of fixed and variable compensation of the EC.

The Articles of Incorporation include the principles of compensation applicable to the BoD and to the EC. Those provisions can be found online and include:

- Principles of compensation of the Board of Directors (Article 23);
- Principles of compensation of the Executive Committee (Article 24);
- Binding vote at the AGM (Article 22);
- Additional amount for new members of the Executive Committee (Article 25);
- Agreements with members of the Board of Directors and the Executive Committee, notice periods for the members of the Executive Committee (Article 26);
- Credits and loans to members of the Board of Directors and Executive Committee (Article 28).

Compensation architecture for the BoD

BoD members only receive fixed compensation based on the responsibilities and time requirement of their function, without any entitlement to performance-related compensation. This ensures that the BoD remains independent while exercising its supervisory duties towards the EC. The amount of compensation for each function of the BoD is determined annually considering the market compensation trends and comparisons with other listed Swiss industrial companies which operate internationally.

The NCC regularly reviews the compensation of the BoD as well as the peer group used for compensation benchmarking studies. The most recent peer group revision was conducted in June 2022 based on the following criteria: median market capitalization, annual sales, business model, industry, and compensation practices. The peer group consists of the following eleven companies: Bucher Industries, Clariant, Forbo, Georg Fischer, Landis+Gyr, OC Oerlikon, SFS Group, SIG Combibloc, Stadler Rail, Sulzer, and Tecan.

In consideration of the outcome of the benchmark analysis, the compensation of the BoD Chair was reduced to CHF 635,000 effective from the term of office starting with the AGM 2022. This adjustment brought the BoD Chair compensation within the benchmark range. Compensation for other BoD members remained unchanged since 2020, and no further changes are proposed for the term of office starting with the AGM 2024.

Composition of compensation

The basic compensation paid to the members of the BoD comprises a cash payment and a grant of restricted shares of dormakaba Holding AG. The BoD Chair receives basic compensation of CHF 635,000, consisting of CHF 335,000 paid in cash and CHF 300,000 in restricted shares. The other members of the BoD receive basic compensation of CHF 190,000, consisting of CHF 100,000 in cash and CHF 90,000 in restricted shares. Additional fees are paid in cash for specific functions such as committee chair and/or committee member of the BoD or for performing special additional tasks assigned by the BoD. No additional committee fees are due to the BoD Chair. In line with Swiss legal requirements, selected BoD members may have to be insured in the company's pension fund. In such case, both the employee and employer portions of the annual contributions are borne by the respective BoD member, therefore no pension cost is paid by the company.

The compensation system and levels are documented in the BoD compensation directive and are summarized in the table below.

Basic Compensation p.a. (in CHF)	BoD Chair	BoD Member
in cash	335,000	100,000
in restricted shares	300,000	90,000
Total	**635,000**	**190,000**

+

Additional Compensation p.a. (in CHF)	Committee Chair	Committee Member
Audit Committee	60,000	20,000
Nomination and Compensation Committee	60,000	20,000

No additional committee fees are due to the BoD Chair.

The members of the BoD may decide to receive a certain part of the cash payment in the form of restricted shares of the company. The number of shares awarded is calculated using the average closing share price for the last five trading days of the last month of the relevant compensation period. The awarded shares are restricted for a period of three years; this blocking period remains in place if a member leaves the BoD. In addition, a shareholding ownership guideline is in place, requiring Board members to hold a minimum of 500 shares of dormakaba within three years after their first election to the BoD. As per 30 June, all members of the BoD comply with the requirements of the guideline.

Compensation is paid on a pro rata basis to Board members twice a year. For the term of office from the AGM 2023 until the AGM 2024, the first compensation period ended on 30 April 2023, the second will end on 31 October 2024. Actual expenses incurred are reimbursed.

Compensation architecture for the EC

dormakaba's compensation system balances market competitiveness with internal equity, while rewarding for performance and long-term value creation. The total target compensation (annual base salary, short-term incentive target and long-term incentive award) for each EC member is set according to the relevant market benchmark for their role and comprises a competitive fixed salary and a variable, performance-related component that is driven by the success of the company. This allows EC members to be rewarded for their contributions to the company's success and long-term value creation. The overall compensation consists of the following elements:

- Annual base salary;
- Benefits (such as retirement benefits);
- Short-term incentive;
- Long-term incentive (share-based compensation).

	Fixed Compensation and Benefits		**Variable Compensation (target of at least 50% of total compensation)**	
	Annual Base Salary	**Benefits**	**Short-term incentive (STI)**	**Long-term incentive (LTI)**
Purpose	Reflects the function (scope, responsibilities and skills of the individual)	Establish a level of risk protection for the participants and their dependents	Rewards company short-term performance	Rewards company long-term performance, aligns with shareholders' interests

To ensure consistency across the organization, roles within the organization have been evaluated using the job evaluation methodology of Korn Ferry Hay Group. The job evaluation system is the basis for compensation activities such as benchmarking and determination of compensation structure and levels. For comparative purposes, dormakaba refers to external compensation studies that are conducted regularly by Korn Ferry Hay Group in most countries. Overall, these studies include the compensation data of 2,500 technology and industrial companies, including listed and privately held competitors in the security sector that are comparable with dormakaba in terms of annual revenues, number of employees, and complexity in the relevant national or regional markets. Consequently, there is no predefined peer group of companies that is used globally. Rather, the benchmark companies vary from country to country based on the database of Korn Ferry Hay Group. For the CEO role, the last benchmark analysis was performed in June 2022 based on the same peer group as for the BoD consisting of the following eleven Swiss listed companies: Bucher Industries, Clariant, Forbo, Georg Fischer, Landis+Gyr, OC Oerlikon, SFS Group, SIG Combibloc, Stadler Rail, Sulzer, and Tecan. The composition of the peer group is based the following criteria: market capitalization, annual sales, business model, industry, and compensation practices.

Total Target Compensation approach

As a principle, the total target compensation (annual base salary, short-term incentive target and long-term incentive awarded) paid to the EC members is based on the market median in the relevant national or regional market and must be within a range of −20% to +35% of this figure. The variable component of compensation (= short- and long-term

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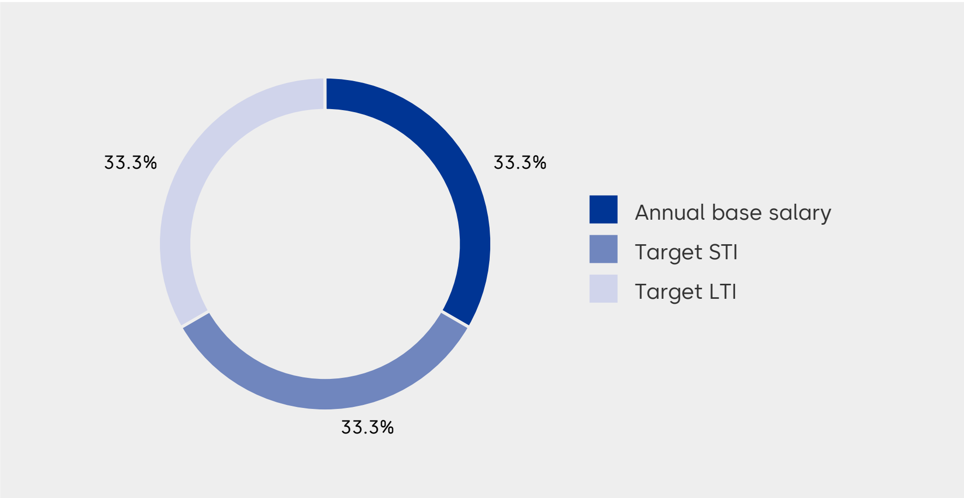
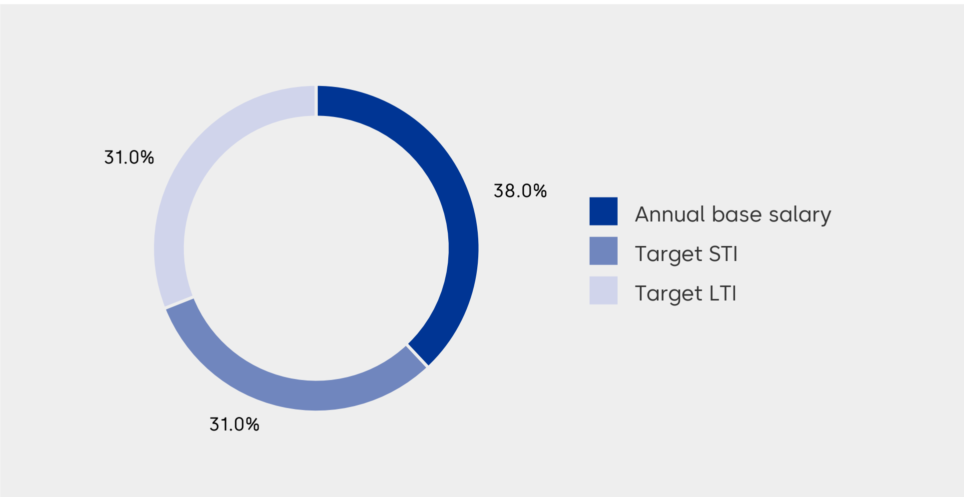
incentives) is targeted to make for at least 50% of the total direct compensation. Thereof, the equity-based compensation opportunity (value of long-term variable compensation) is at least 30% of the total direct compensation.

Illustration of total target compensation mix for CEO and EC members:

As per January 1, 2024, Till Reuter was appointed CEO as successor to Jim Heng Lee. Due to his extensive experience as CEO and in leading large transformation, the total compensation was adjusted. The CEO's annual total target direct compensation as of January 1, 2024, is composed as follows:



Following the organizational simplification implemented in the fiscal year 2022/23 three EC members changed their role per July 2023. The total target compensation of these EC members was reviewed to reflect their new roles and scope of responsibilities in comparison to peers and to their market. After these revisions, the average total target direct compensation of active EC members, excluding the CEO is composed as follows:



1. Annual base salary

EC members receive an annual base salary for fulfilling their role. It is based on the following factors:

- Content, responsibilities, and complexity of the function;
- External market value of the respective role: amount paid for comparable positions in the industrial sector in the country where the member works;
- Individual profile in terms of skill set, experience, and seniority.

2. Benefits

As the EC is international in its nature, the members participate in the benefits plans available in their country of employment. Benefits mainly consist of retirement, insurance, and healthcare plans that are designed to provide a reasonable level of protection for the participants and their dependents in respect to the events of retirement, disability, death, and illness/accident. The EC members with a Swiss employment contract participate in the occupational pension plans offered to all employees in Switzerland, which consist of a basic pension fund and a supplementary plan for management positions. The benefits offered by the pension fund of dormakaba in Switzerland are in line with benefits provided by other Swiss multinational industrial companies.

EC members under foreign employment contracts are insured commensurately with market conditions and with their position. Each plan varies in line with the local competitive and legal environment and is, as a minimum, in accordance with the legal requirements of the respective country.

Further, EC members are also provided with certain executive perquisites, such as a company car or car allowance, representation allowance, and other benefits in kind according to competitive market practice in their country of employment.

3. Variable compensation

The variable compensation consists of a short-term incentive (STI) and a long-term incentive (LTI).

3.1 Short-term incentive

The short-term incentive is a target-based variable incentive delivered in cash. It is designed to reward the overall collective performance of the company to the dormakaba success over a one-year period, in line with the pay-for-performance compensation principle.

Each EC member including the CEO is allocated a target STI amount based on the benchmark and pay mix policy corresponding to the incentive amount to be paid if all performance objectives are met (100% target achievement). The target STI amount is reviewed annually and expressed as an absolute amount. It is determined considering the organization level and external benchmark for a similar function in the relevant market, the positioning of the individual's total target compensation compared to that benchmark and the target pay mix for the position.

The table below sets out the STI payout amount opportunity expressed as a percentage of the annual base salary.

STI Payout range opportunity in % of annual base salary

	Minimum threshold	100% Target achievement	Maximum threshold
CEO	0%	100%	200%
Other active EC Members	0%	71%–91%	142%–182%

For the financial year 2023/24, the performance scorecard combining global, and unit specific targets was simplified with the aim of rewarding collective performance at Company level. The STI plan 2023/24 is determined solely by the achievement of financial goals at global level including Organic Sales, adjusted EBITDA Margin and adjusted ROCE for all EC members including the CEO. Each of the three goals is equally weighted.

Overview of short-term incentive performance objectives and respective weightings for FY 2023/24

At the beginning of the performance period, the NCC approves the minimum, target, and maximum achievement for the respective performance objectives. For performance below or at the minimum, 0% is paid out, whereby on-target performance (budget) is rewarded with a 100% payout. In case of overperformance, up to 200% can be achieved. Linear interpolation applies between the minimum threshold and the maximum threshold (cap) as in the prior performance period, for all three performance objectives.

For all performance objectives, the required achievement level is derived from the company's strategic business plan and aligned with an ambitious budget for the respective financial year.

Performance indicators	Organic net sales growth	EBITDA Margin	ROCE
Performance period		Financial year 2023/24	
Weighting	1/3	1/3	1/3
Purpose	Measure growth achieved by internal initiatives	Measure Group operational profitability	Measure efficiency of capital employed
Measurement	Organic net sales compared to target	Earnings before interest, taxes, depreciation and amortization ("EBITDA") adjusted for Items Affecting Comparability (IAC)[1] as a percentage of net sales.	EBIT adjusted for Items Affecting Comparability (IAC)[1] divided by capital employed (CE)[2] results in ROCE. For the calculation, the average of the last three published balance sheet information is considered (Actual, half, and prior year).

1 Content of Items Affecting Comparability is described in the note 5.2 Alternative performance measures (APM).
2 CE equals the sum of net working capital, property, plant, and equipment and intangible assets, excluding goodwill. Net working capital is defined as trade receivables plus inventories, minus the sum of trade payables, advances from customers, and deferred income.

As internal financial targets and related corridors for payout represent commercially sensitive information, no further details on the required achievement levels are disclosed at the beginning of the performance period. However, relevant performance achievements and the resulting STI payout factor for the financial year 2023/24 are reported in sections "Compensation awarded to the EC in financial years 2023/24 and 2022/23" and "Performance in FY 2023/24". The calculation of the short-term incentive is determined based on key performance indicators as reported in the financial statement.

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The STI is paid in cash in the following financial year. In the case of termination of employment during the performance period, the payout of the STI may be reduced or forfeited depending on the conditions of such termination and subject to the applicable law.

3.2 Long-term incentive

The purpose of dormakaba's long-term incentive plan is to provide the EC with an ownership interest in the company and a participation in its long-term performance and thus to align their interests to those of dormakaba shareholders.

The LTI plan is a performance share unit (PSU) plan vesting over three years. At the beginning of the vesting period, a number of PSUs is granted to each EC member.

As of the LTI grant made in the reporting period, the grant size is set as a monetary amount strictly considering the organization level and external benchmark for a similar function in the relevant market, the positioning of the individual's total target compensation compared to that benchmark and the target pay mix for the position. Other criteria such as individual performance, strategic importance of projects and need for retention considered until the 2022 grant are no longer relevant.

The number of PSU granted is calculated by dividing the grant size (monetary amount) by the reference share price (volume weighted average share price over three months preceding the grant date).

The PSU vest after a period of three years, subject to the achievement of performance conditions. The LTI performance indicators include relative Total Shareholder Return (TSR), Earnings per Share (EPS), and Sustainability (ESG) related targets. ESG targets have been introduced as from the grant 2023 to reflect the increasing importance of sustainability and cover both social and environmental topics that are addressed by our sustainability strategy.

The tables below illustrate the payout range opportunity and the details on the LTI performance metrics in terms of definition and weighting for the CEO and the other EC members:

LTI at target payout range opportunity in % of annual base salary

The table below sets out the LTI payout amount opportunity expressed as a percentage of the annual base salary.

	Minimum threshold	100% Target achievement	Maximum
CEO	0%	100%	200%
Other active EC Members	0%	70%–91%	140%–182%

The vesting level may range from 0% to a maximum of 200% of the original number of units granted (maximum two shares for each performance share unit originally granted); there is no vesting below the threshold levels of performance. The vesting rules are detailed below.

Overview of long-term incentive performance objectives and respective weightings for FY 2023/24

Performance indicators	TSR[1]	EPS[1)3)]	ESG (as of grant 2023)		
Performance period	Financial year 2023/24 to financial year 2025/26 (three years)				
Weighting	40% of the PSU grant	40% of the PSU grant	10% of the PSU grant	5% of the PSU grant	5% of the PSU grant
Purpose	Align with dormakaba' shareholders' return	Gain market shares in dormakaba's relevant markets	Contribute to climate change mitigation	Foster a proactive safety culture	Address customer needs in achieving green building standards and codes
Measurement	Share price increase + dividends over average of three percentile ranks compared to the SPI Industrial index[2)]	Average EPS growth during the 3-year performance period compared to the 3-year average EPS growth immediately preceding the performance period. The EPS growth must outperform the GDP growth in the relevant markets by 200bps.	Carbon Emission Savings (Scope 1+2 market-based) measured against baseline FY 2019/20 at the close of the three-year performance period. Based on the Science Based Targets initiative (SBTI) approved targets, dormakaba committed to save 42% versus baseline FY 2019/20 until end of FY 2029/30.	Safety Improvement: Reduction of recordable work-related injury rate with aim for −5.5% per annum (−27.5% at the close of the three-year performance period vs. baseline FY 20/21. This is measured by dividing the total number of recordable work-related injuries by the total working hours multiplied by the factor 200,000.	Increased sustainability products declarations & certifications measured by a count of the total number of sustainability product declarations and certifications published on dormakaba Group website at the end of the three-year performance period.
Target level 100% vesting	Median of the peer group	200bps point above GDP growth	55,927 Scope 1+2 tCO_2 emissions (25% reduction vs. baseline FY 2019/20)	1.02 injury rate (27.5% improvement vs. baseline FY 2020/21)	312 sustainability product declarations or certifications
Minimum Threshold 25% vesting	25th percentile	70% of target achievement	58,282 Scope 1+2 tCO_2 emissions (22% reduction vs. baseline)	1.07 injury rate (23.5% improvement vs. baseline)	291 sustainability product declarations or certifications
Maximum payout level 200% vesting	83.33th percentile	140% of target achievement	52,786 Scope 1+2 tCO_2 emissions (29% reduction vs. baseline)	0.94 injury rate (33% improvement vs. baseline)	340 sustainability product declarations or certifications

1 2022: 50%
2 The SPI Industrials index was selected as the performance benchmark because of the insufficient number of direct competitors of dormakaba that are publicly listed, which does not allow for a suitable customized peer group. Therefore, the SPI Industrials as an index of companies of comparable size listed on the SIX Swiss Exchange, was the most appropriate alternative.
3 In accordance with the LTI plan rules, the EPS calculation may be adjusted for extraordinary items in accordance with Alternative Performance Measures (APM) adjusted for Items Affecting Comparability (IAC) and must be approved by the Board.

The vesting formula has been designed in line with market practice for Swiss publicly traded companies to combine pay-for-performance compensation principles and reach alignment with the long-term shareholder interest. It has both challenging targets and no excessive leverage. To reach the target, the company needs to outperform half of the peers in respect of relative TSR and needs to outperform GDP growth by 2 percentage points on the EPS condition. ESG performance targets included in the LTI align with the sustainability framework as approved by the BoD in 2021 . While there is no payout below the threshold levels of performance, a partial payout is still possible for a performance between the threshold and the target. On the other side, an extraordinary performance is required to reach the cap of 200%.

Performance share units are usually awarded annually in September. In the case of voluntary termination by the participant or if a participant is terminated for cause, performance share units are forfeited without any compensation. In the case of termination without cause or retirement, performance share units are subject to a pro rata vesting at the regular vesting date. In case of disability, death, or change of control, performance share units are subject to an accelerated pro rata vesting based on a performance assessment by the BoD (see also Corporate Governance Report). The conditions for the award of performance share units are governed by the stock award plans of dormakaba.

Shares awarded in reporting periods 2023/24 and 2022/23 have come from dormakaba treasury shares.

The long-term incentive awards have been subject to claw-back and malus provisions since 2019. In certain circumstances, such as in the case of financial restatement due to material non-compliance with financial reporting requirements, fraudulent behavior or substantial willful misconduct, the BoD may decide to suspend the vesting or forfeit any granted long-term incentive award (malus provision) or to require the reimbursement of vested shares delivered under the long-term incentive (claw-back provision).

4. Employment contracts

The EC members are employed under employment contracts of unlimited duration that are subject to a notice period of up to twelve months. EC members are not contractually entitled to sign-on awards, termination payments, or any change of control provisions other than the accelerated vesting and/or unblocking of share awards mentioned above. The employment contracts of the EC members may include post-employment non-competition clauses for a duration of up to a maximum of two years. In cases where the company decides to activate the post-employment non-competition provisions, the compensation paid in connection with such non-competition provisions may not exceed the monthly base salary, or half of the total compensation, for a period of twelve months.

5. Shareholding ownership guideline

The EC members are required to own a minimum multiple of their annual base salary in dormakaba shares within five years of hire or promotion to the EC, as set out in the following table:

CEO	300% of annual base salary
EC member	200% of annual base salary

To calculate whether the minimum holding requirement is met, all vested shares are considered, regardless of whether they are restricted or not. However, unvested performance share units are excluded from the calculation. The NCC reviews compliance with the share ownership guideline on an annual basis. In the event of a substantial rise or drop in the share price, the BoD may, at its discretion, review the minimum ownership requirement. As of 30 June 2024, all EC members comply with the share ownership guideline.

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Compensation BoD and EC

The actual compensation paid to the BoD for the financial year 2023/24 decreased by 5% compared to the previous year. This is mainly due to one BoD member who stepped down from his duties effective 31 December 2023 and who was not replaced for the remainder of the period until the AGM 2024.

Compensation awarded to the BoD in financial years 2023/24 and 2022/23 (audited)

	BoD compensation FY 23/24					BoD compensation FY 22/23				
	Compensation[1,3]					Compensation[1,4]				
	Basic compensation	Additional compensation (committees, special tasks)	Social benefits[2]	Total (CHF)	of which in shares (CHF)[3]	Basic compensation	Additional compensation (committees, special tasks)	Social benefits[2]	Total (CHF)	of which in shares (CHF)[3]
BoD										
Svein Richard Brandtzaeg (BoD Member since AGM 2022)	635,000.00	0.00	106,650.18	741,650.18	299,847.20	200,833.33	55,000.00	45,432.22	301,265.55	94,813.40
Chair Board (since May 2023)										
Vice-Chair Board (since AGM 2022)										
Lead Independent Director (from AGM 2022 until April 2023)										
Chair Nomination and Compensation Committee (since AGM 2022)										
Thomas Aebischer	190,000.00	80,000.00	18,108.28	288,108.28	107,636.47	190,000.00	50,000.00	16,331.73	256,331.73	105,691.80
Vice-Chair of the Board (since May 2023)										
Member Pension Fund Committee (since May 2023)										
Member Audit Committee (until AGM 2022)										
Chair Audit Committee (since AGM 2022)										
Jens Birgersson	190,000.00	20,000.00	0.00	210,000.00	137,632.07	190,000.00	20,000.00	0.00	210,000.00	121,834.20
Member Audit Comittee										
Stephanie Brecht-Bergen	190,000.00	20,000.00	0.00	210,000.00	89,735.87	190,000.00	20,000.00	0.00	210,000.00	121,834.20
Member Nomination and Compensation Committee										

Hans Gummert	190,000.00	77,572.94	0.00	267,572.94	89,735.87	190,000.00	78,921.57	0.00	268,921.57	89,761.80
Member Audit Committee										
John Y. Liu	190,000.00	0.00	12,976.91	202,976.91	89,735.87	190,000.00	0.00	13,082.18	203,082.18	89,761.80
Kenneth Lochiatto (BoD Member since AGM 2022)	190,000.00	20,000.00	0.00	210,000.00	119,731.47	126,666.67	13,333.33	0.00	140,000.00	59,813.40
Member Nomination and Compensation Committee (since AGM 2022)										
Ines Pöschel (BoD Member since AGM 2023)	126,666.67	13,333.33	9,004.84	149,004.84	107,889.60	0.00	0.00	0.00	0.00	0.00
Member Nomination and Compensation Committee (since AGM 2023)										
Michael Regelski (BoD Member since AGM 2022)	190,000.00	0.00	0.00	190,000.00	89,735.87	126,666.67	0.00	0.00	126,666.67	59,813.40
Riet Cadonau (BoD Member until April 2023)	0.00	0.00	0.00	0.00	0.00	544,166.67	16,666.67	35,376.90	596,210.23	256,395.90
Chair Board (until April 2023)										
Member Pension Fund Committee (until April 2023)										
Daniel Daeniker (BoD Member until AGM 2023)	63,333.33	6,666.67	4,812.93	74,812.93	29,742.47	190,000.00	33,333.33	16,497.29	239,830.63	105,691.80
Chair Audit Committee (until AGM 2022)										
Member Audit Committee (since AGM 2022)										
John Heppner (BoD Member until AGM 2022)	0.00	0.00	0.00	0.00	0.00	63,333.33	6,666.67	0.00	70,000.00	29,948.40
Member Nomination and Compensation Commitee										
Hans Hess (BoD Member until AGM 2022)	0.00	0.00	0.00	0.00	0.00	63,333.33	30,000.00	6,684.03	100,017.36	29,948.40
Vice-Chair of the Board (until AGM 2022)										
Lead Independent Director (until AGM 2022)										
Chair Nomination and Compensation Committee (until AGM 2022)										
Christine Mankel (BoD Member until AGM 2022)	0.00	0.00	0.00	0.00	0.00	63,333.33	0.00	0.00	63,333.33	56,710.80
Till Reuter (BoD member from AGM 2023 until December 2023)	47,500.00	55,000.00	6,745.55	109,245.55	22,254.80	0.00	0.00	0.00	0.00	0.00
Member Audit Committee (from AGM 2023 until December 2023)										
Total BoD	**2,202,500.00**	**292,572.94**	**158,298.70**	**2,653,371.64**	**1,183,677.53**	**2,328,333.33**	**323,921.57**	**133,404.35**	**2,785,659.25**	**1,222,019.30**

[1] Compensation for the employer representative on the Swiss pension fund (Riet Cadonau until April 2023 and Thomas Aebischer since May 2023) of CHF 20,000 p.a. (each) and compensation for the membership of the Supervisory Board of dormakaba Holding GmbH + Co. KGaA (Hans Gummert) of CHF 58,922 (AGM 2022/23) and CHF 57,573 (AGM 2023/24) are included in the compensation (additional compensation). Business expenses are not included. For Hans Gummert the additional compensation is paid in EUR and remains stable vis-à-vis the previous year, however, fluctuates in CHF due to currency exchange.

[2] In line with the Swiss legal requirements under the respective law (BVG), two Board members (Thomas Aebischer, Riet Cadonau) are/were insured in the company pension fund.The BoD members are financing both the employee and employer contributions to the pension fund so that the insurance in the pension fund is cost-neutral to the company.

[3] The compensation for the reporting period is paid out in three installments (November 2023, May 2024, and November 2024). Shares are awarded based on a fixed monetary amount of CHF 300,000 for the Board Chair and CHF 90,000 for the Board members. The average of the closing share prices of the last five trading days in the month prior to the payment is used to determine the number of shares allocated (CHF 409.30 for the shares transferred in November 2023 and CHF 483.80 for the shares transferred in May 2024).

[4] The compensation for the reporting period is paid out in three installments (November 2022, May 2023, and November 2023). Shares are awarded based on a fixed monetary amount of CHF 300,000 for the Board Chair CHF 90,000 for the Board members. The average of the closing share prices of the last five trading days in the month prior to the payment is used to determine the number of shares allocated (CHF 318.60 for the shares transferred in November 2022 and CHF 393.10 for the shares transferred in May 2023).

At the AGM 2023, the shareholders approved a maximum aggregate amount of CHF 3,200,000 for the BoD compensation period from the AGM 2023 until the AGM 2024. The compensation effectively paid for the portion of this term of office included in this Compensation Report (October 2023–30 June 2024) is within the limit approved by the shareholders. A conclusive assessment for the entire period will be included in the Compensation Report 2024/25.

At the AGM 2022, the shareholders approved a maximum aggregate amount of CHF 3,200,000 for the BoD for the compensation period from the AGM 2022 until the AGM 2023. The compensation effectively paid was CHF 2,480,000 and is within the limit approved by the shareholders.

As of 30 June 2024 and in compliance with the Articles of Incorporation, no loans or credits were granted to current or former BoD members, or parties closely related to them.

Compensation awarded to the EC in financial years 2023/24 and 2022/23 (audited)

In comparison to the previous year, total direct compensation (TDC) of the EC has increased by 29%. There are several factors that impacted the level of actual compensation paid to the EC in the 2023/24 financial year, which are summarized in the explanatory comments to the compensation table below.

	EC compensation FY 23/24					EC compensation FY 22/23			
	EC Members				Total CHF	EC Members			Total CHF
	Till Reuter, CEO[1]	Jim Heng Lee[2]	Other EC[3]	Former EC[4]		Jim Heng Lee	Other EC	Former EC[5]	
Fixed compensation									
Fixed basic payment	500,004.00	856,711.36	1,980,848.80	874,084.23	4,211,648.39	850,008.00	3,572,216.00	262,437.75	4,684,662.00
Benefits and social / pension contributions[6]	61,327.55	228,331.46	539,492.96	304,262.98	1,133,414.95	342,806.00	911,427.00	89,760.00	1,343,993.00
Total aggregate amount	**561,331.55**	**1,085,042.82**	**2,520,341.76**	**1,178,347.21**	**5,345,063.33**	**1,192,814.00**	**4,483,643.00**	**352,198.00**	**6,028,655.00**
Variable compensation									
STI[7]	635,112.12	1,053,692.89	2,000,969.39	786,013.78	4,475,788.18	410,826.00	1,610,513.00	125,684.00	2,147,023.00
LTI[8]	490,673.10	859,108.34	1,741,459.09	0.00	3,091,240.53	491,407.00	1,499,814.00	0.00	1,991,221.00
Social / pension contributions	111,063.55	225,378.49	724,655.69	202,399.43	1,263,497.16	183,864.00	602,133.00	42,987.00	828,984.00
Total aggregate amount	**1,236,848.78**	**2,138,179.72**	**4,467,084.17**	**988,413.21**	**8,830,525.87**	**1,086,097.00**	**3,712,459.00**	**168,671.00**	**4,967,227.00**
Total	**1,798,180.32**	**3,223,222.54**	**6,987,425.93**	**2,166,760.42**	**14,175,589.21**	**2,278,911.00**	**8,196,102.00**	**520,869.00**	**10,995,882.00**

1 Till Reuter was appointed CEO as of 1 January 2024. His compensation is disclosed for the period 1 January until 30 June 2024. His contractual annual base salary is 1 mCHF. The STI payment is paid out on a p. r. t. basis. In addition, a pro-rata LTI grant was made at the time of his onboarding to account for his eligibility to an LTI grant for the period between onboarding and the end of the current reporting period.

2 Jim Heng Lee was the CEO from 1 July until 31 December 2023 and stepped down as CEO per January 2024. The compensation reflects the compensation paid for the full reporting period as the contractual employement period ends per December 2024. As of November 2023, a portion of his base compensation was paid in China and the base salary in CHF reduced to the same extent. Both the payment in China and Switzerland remained stable in local currency. The amount reported for the portion paid in CNY in China fluctuated due to currency exchange resulting in an increase in reported base compensation of CHF 6'711 compared to the basic payment made for the period 1 July until 31 December 2023. The long-term incentive compensation was granted in September 2023 when he was still the CEO. The number of PSU vesting will be pro-rated based on time served, however, with no accellerated vesting.

3 Fixed basic payment includes a temporary monthly allowance for an EC member assuming additional ad interim responsiblites of the vacant COO position. The amount was determined considering the difference between the incumbent's compensation for the current role and the benchmark for the COO role in the respective market.

4 Includes the compensation of former EC members until the end of the contractual employment period and reflects the contractual obligations.Includes final settlement payment following employment termination, for one EC member. STI payments were made in line with applicable STI policy and applicable legislations and paid p. r. t. until the end of the respective contracts.

5 Includes post-employment non-compete payments, for one EC member.

6 Includes contributions to social security and occupational pension plans as well as fringe benefits. Contributions to social security and occupational pension plans are the contributions effectively paid in the reporting year and relate to the fixed and variable compensation effectively paid out in the reporting year. Fringe benefits include elements such as private use of company car, company car allowance, housing contributions, long-service payments, annual leave payments and one-time relocation allowances. For reporting period 2022/23 includes the fees for the interim CFO until December 2022, who did not receive any variable compensation.

7 The short-term incentive reported is paid after the end of the respective reporting year.

8 The LTI grant consists of PSUs only. The value of the PSUs is based on their fair value on the grant date which includes adjustments for lost dividends during the vesting period and the TSR performance conditions.

Explanatory comments to the compensation table

Changes in EC composition: Till Reuter succeeded Jim-Heng Lee as CEO with effect from 1 January 2024. Jim Heng Lee stepped down from the EC per end of December 2023. His employment ends per December 2024. Steve Bewick was promoted CCO effective 1 of July

2023; Alexander Housten, took over the role of COO effective 1 July 2023, and has left dormakaba per mid-February 2024; Stefano Zocca, assumed an interim responsibility as COO from January 2024 in addition to his role as President KWO until a permanent successor was instated in August 2024.

Considering all changes, a total of ten EC members received compensation in the reporting year (2022/23: 12 EC members in total). Of the total number of EC members in the reporting period, 5 were active at the end of the reporting period.

Compensation changes: These were mainly driven by promotions or enlarged scope. For three EC members, the total target direct compensation was increased by 22% overall to bring compensation in line with the substantially larger or new scope in responsibilities and considering respective market levels. No other changes to EC compensation were made in the reporting period. The compensation increase of total target direct compensation of all EC members was 7% overall.

STI payout: The STI payout formula is based on the achievement of pre-determined performance objectives (as described under section 3.1). The STI payout of the CEO and EC members reflects the development of the Group's organic net sales, adjusted EBITDA margin and adjusted ROCE, which are the main drivers of the STI payout.

The payout amount increased by 108% compared to the amount reported for the previous reporting period for the following reasons: the STI payout of EC members is 123% of the STI target on average (previous year: 70%). The STI plan for 2023/24 is based on the achievement of three financial goals at global level. Two of these goals were achieved clearly above target, particularly regarding the adjusted ROCE, and thus the payout reflects the increased company performance. Further, one EC member did not receive a payout in the prior reporting period due to his leaving the company.

The achievement per KPI is outlined in the STI performance section below.

LTI grant in September 2023: The grant size (nominal value) for each participant including the CEO was set as a monetary amount strictly considering the organization level and external benchmark for a similar function in the relevant market, the positioning of the individual's total direct compensation compared to that benchmark and the target pay mix for the position (as described under section 3.2).

The total grant amount reported is 55% higher compared to the amount reported for the previous reporting period for the following reasons: Jim Heng Lee received a full LTI grant as CEO in September 2023. The grant he received in the previous reporting period was pro-rated for the period of 1 January to 30 June 2022. Furthermore, a pro-rata grant was awarded to Till Reuter as CEO to account for his eligibility to an LTI grant for the period 1 January to 30 June 2024. Three EC members received higher grants in September 2023 due to them assuming significantly expanded scope of responsibilities or new roles. For two EC members who left in the reporting year, the full grant is disclosed although the forfeiture rules set out in section 3.2 will apply.

Performance in FY 2023/24 (not audited)

STI Performance

The STI performance achievement and payout range for the performance objectives (as described under section 3.1) is illustrated in the table below. As this represents commercially sensitive information, no further details on the required achievement levels are disclosed.

The calculation of the short-term incentive is determined based on key performance indicators as reported in the financial statements.

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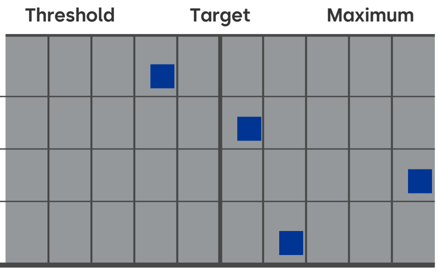
Performance Indicators	Achievement %	Payout Factor %
Organic net sales growth (1/3)	2.949 MCHF[1]	67.9%
EBITDA Margin (1/3)	14.7%	119.4%
ROCE (1/3)	29.0%	195.8%
Total weighted achievement		**127.7%**

Payout %



1) At constant currency exchange rate.

dormakaba's strong performance in financial year 2023/24 is reflected in the STI overall performance factor of 127.7% for the Group.

- The company achieved strong organic net sales growth of 4.7% in a challenging market environment. The payout ratio for this indicator is below the ambitious internal target as we did not achieve the desired volume growth throughout all product clusters.
- The adjusted EBITDA margin increased from 13.5% to 14.7%. This significant margin expansion is mainly due to the execution of the strategy-related transformation program launched in early July 2023, showing the results of effective and sustainable cost management.
- Return on Capital Employed (ROCE) substantially increased from 25.1% to 29.0%, profiting from improved average net working capital due to improved cash management and increased adjusted EBIT.

LTI Performance

The performance share units granted under the long-term incentive in September 2020 vested in September 2023 based on the EPS growth (50% weight) and the TSR ranking (50% weight) over the three-year vesting period at a total vesting level of 27.13%. Further information can be found in the compensation report FY 2020/21.

In accordance with the LTI plan rules, the EPS calculation may be adjusted for extraordinary items in accordance with Alternative Performance Measures (APM) adjusted for Items Affecting Comparability (IAC) and must be approved by the Board.

The performance per KPI and the payout level at vesting is illustrated below. Details regarding the targets for grants of September 2019 and 2018 can be found in the compensation reports of the respective grant years.

Grant	Vesting	rTSR		EPS		Total Performance	Share price at grant	Share price at vesting
		Ranking	Payout Factor	Performance	Payout Factor	Vesting Factor		
Sep 20	Sep 23	24.07%	0.00%	81.7%[1]	54.25%	27.13%	584.00	463.50

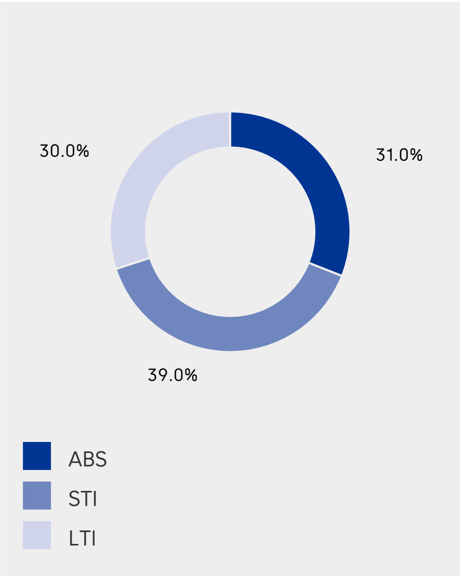
1) Average weighted GDP growth was 2.3%.

Compensation Mix Awarded in Reporting Period

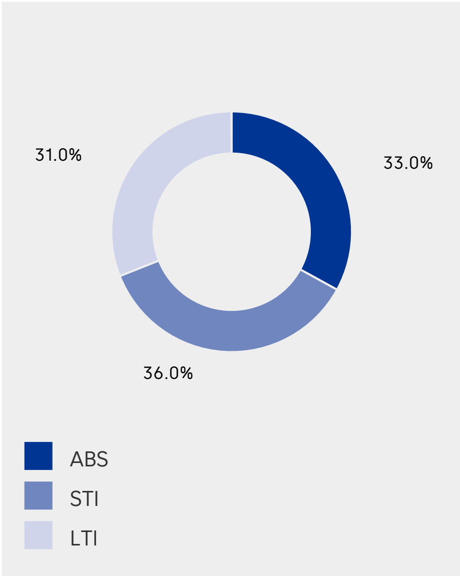
Variable compensation forms a major part of total direct compensation (TDC). The percentage of overall compensation paid to the EC (all members including leavers) as variable compensation in the reporting year was 64% (excluding benefits and social security contributions) and represents an increase compared to prior year's at 47%. Variable equity-based compensation (excluding EC members who joined dormakaba after the grant or who were no longer eligible for a grant) accounted for 31% of the TDC (previous year: 27%). This is in line with the compensation strategy and the pay-for-performance principles.

The table below represents the pay mix of the CEO and EC actual annual base pay and STI and LTI (excluding benefits and social security).

CEO[1]



EC[1)2)]



[1)] Annual Base Salary

[2)] excl. CEO and EC members not eligible for a grant in September 2023

Compensation paid compared to budget approved by shareholders

At the AGM 2022, the shareholders approved a maximum aggregate amount of CHF 19,300,000 for the EC for the financial year 2023/24. The compensation effectively awarded of CHF 14,175,589 is within the limit approved by the shareholders.

Loans and credits

As of 30 June 2024, in compliance with the Articles of Incorporation, no loans or credits were granted by dormakaba to current or former EC members, or parties closely related to them.

Shares held by BoD and EC (audited)

As at the respective call date, the individual BoD and EC members (including related parties) held the following number of shares in dormakaba Holding AG.

As of 30 June 2024, all BoD and EC members comply with the respective share ownership guidelines.

Number of shares	Financial year ended 30.06.2024	Financial year ended 30.06.2023
BoD		
Brandtzaeg Svein Richard	844	168
Aebischer Thomas	669	430
Birgersson Jens	2,792	2,491
Brecht-Bergen Stephanie	221,097	220,895
Daeniker Daniel[1]	-	2,379
Gummert Hans	1,552	1,350
Liu John Y.	695	493
Lochiatto Kenneth	606	114
Poeschel Ines[2]	202	-
Regelski Michael	316	114
Total BoD	**228,773**	**228,434**
EC		
Bewick Stephen	501	449
Guardiola Magín	1,282	1,258
Häberli Andreas[3]	-	2,696
Housten Alex[4]	-	922
Johansson Christina	470	-
Lee Jim-Heng[5]	-	3,896
Reuter Till[6]	46	-
Zocca Stefano	2,795	2,717
Total EC	**5,094**	**11,938**

1 BoD Member until 5 October 2023
2 BoD Member as of 5 October 2023
3 EC Member until 30 June 2023
4 EC Member until 16 February 2024
5 CEO until 31 December 2023
6 Board Member from 5 October until 31 December 2023, CEO as of 1 January 2024

Functions held by members of the BoD and members of the EC in other companies

In accordance with Art. 734e of the revised Swiss Company Law, the table below lists functions exercised by members of the BoD and of the EC at other for-profit companies, to the extent these functions are comparable to the function they hold with dormakaba.

BoD members as of 30 June 2024

	External Interests & Mandates	
Name	**Company**	**Mandate**
Svein Richard Brandtzaeg	The Norges Bank Investment Management (NO)	Chair of the Council on Ethics
	Mondi Plc (UK)	Member of the BoD
	Eramet Norway AS	Member of the BoD
Thomas Aebischer	Sika AG (CH)[1]	Member of the BoD and Chair of the Audit Committee
	Solvay SA[1], (BE)	Member of the BoD and Chair of the Audit Committee
Jens Birgersson	ROCKWOOL Group (DK);	President and CEO
	NREP (DK);	Member of the Advisory Board
	Randers Reb (DK);	Chairman of the BoD
	Danish Industry Council (DK);	Member of the Confederation
	Flumroc (CH), an affiliate of ROCKWOOL Group[1]	Member of the BoD
Stephanie Brecht-Bergen	the foundation “Rudolf Mankel Stiftung” (DE)	Management Board Member
Hans Gummert	Familie Mankel Industriebeteiligungs GmbH + Co. KGaA (DE)	Chairman of the Supervisory Board
	Coroplast Fritz Müller GmbH & Co. KG (DE)	Chairman of the Advisory Board
	ara AG (DE)	Member of the Supervisory Board
	Hoberg & Driesch Röhrenhandel GmbH & Co. KG (DE);	Vice Chairman of the Advisory Board
	Chiron-Werke SE (DE);	Vice Chairman
	WIBU Wirtschaftsbund Sozialer Einrichtungen eG (DE)	Member of the Supervisory Board
	Autohaus Adelbert Moll GmbH & Co KG (DE)	Chairman of the supervisory board
John Y. Liu	Digital China Holdings[1](HK);	Independent non-executive Director, Chairman of the Remuneration Committee of the Board
	Pixelworks Inc.[1](USA);	independent non-executive Director
Kenneth Lochiatto	Convergint (US)	Member of the BoD
Ines Poeschel	Belimo Holding Inc.[1](CH)	Member of the BoD
	Alcon Inc.[1](CH)	Member of the BoD
	Reichle Holding Inc. (CH);	Member of the BoD
	Graubündner Kantonalbank[1](CH)	Member of the BoD
Michael Regelski	Eaton Corporation	SVP & Chief Technology Officer / SVP, Software R&D and Chief Technology Officer, Electrical Sector

[1] listed company

EC members as of 30 June 2024

	External Interests & Mandates	
Name	Company	Mandate
Till Reuter	Fox Robotics Inc. (USA)[1]	Member of the Board of Directors
	Rinvest Ltd. and Rinvest Digital Ltd.	Founder and Chairman of the Board of Directors
Christina Johansson	About You Group (DE)[1]	Member of the Board of Directors and Chair of the Audit Committee
	Emmi Group (CH)[1]	Member of the Board of Directors and Chair of the Audit Committee
Steve Bewick	Guild of Architectural Ironmongers (UK)	Director
Magin Guardiola	n.a.	n.a.
Stefano Zocca	n.a.	n.a.

[1] listed company

Report of the statutory auditor

to the General Meeting of dormakaba Holding AG

Rümlang

Opinion

We have audited the compensation report of dormakaba Holding AG (the Company) for the year ended 30 June 2024. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables marked 'audited' on pages 87 to 94 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report (pages 69 to 96) complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the compensation report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the compensation report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Patrick Balkanyi	Sandra Burgstaller
Licensed audit expert Auditor in charge	Licensed audit expert

Zürich, 29 August 2024

Consolidated Financial Statements

Table of contents

Key figures

The key headlines concerning the Group's performance are:

- Organic net sales growth of 4.7%
- Adjusted EBITDA margin increased by 120bps to 14.7%
- Transformation program on track, delivers tangible results
- Net profit of CHF 82.2 million
- Strong balance sheet, solid free cash flow generation

CHF million, except where indicated	Note	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Net sales	1.2	**2,837.1**		**2,848.8**	
Change in sales		–11.7	–0.4	91.9	3.3
translation exchange difference		–139.5	–4.9	–109.2	–4.0
acquisition impact		0.0	0.0	33.9	1.3
divestment impact		–0.1	0.0	–50.2	–1.8
organic sales growth	5.2	**127.9**	**4.7**	**217.4**	**8.4**
Adjusted EBITDA (Adjusted operating profit before depreciation and amortization)	1.1	**416.9**	**14.7**	**384.8**	**13.5**
Adjusted EBIT (Adjusted operating profit)	1.1	344.0	12.1	307.5	10.8
Profit before taxes		134.1	4.7	142.2	5.0
Net profit		82.2	2.9	88.5	3.1
Dividend per share (in CHF)[1]	3.3	8.0		9.5	
Other key figures					
ROCE (Return on capital employed)[2]	5.2	29.0%		25.1%	
Net debt	3.1	454.8		596.9	
Market capitalization		1,932.1		1,683.0	
Average number of full-time equivalent employees	1.3	15,336		15,519	

1 In 2023/24: proposal to the Annual General Meeting
2 The ROCE calculation is based on EBIT, adjusted for items affecting comparability (IAC). The detailed calculation is disclosed in the note on alternative performance measures (APM) (5.2).

The consolidated financial statements have been prepared in accordance with Swiss GAAP FER (GAAP = Generally Accepted Accounting Principles, FER = Fachempfehlung zur Rechnungslegung or "accounting and reporting recommendations"). Financial performance measures not defined by Swiss GAAP FER are described in 5.2 Alternative performance measures (APM).

Consolidated income statement

CHF million, except share amounts	Note	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Net sales	1.2	**2,837.1**	**100.0**	**2,848.8**	**100.0**
Cost of goods sold		–1,695.4	–59.8	–1,711.6	–60.1
Gross margin		**1,141.7**	**40.2**	**1,137.2**	**39.9**
Sales and marketing		–545.4	–19.2	–484.3	–17.0
General administration		–263.8	–9.3	–283.0	–10.0
Research and development		–127.3	–4.5	–129.6	–4.5
Other operating income		14.8	0.5	10.8	0.4
Other operating expenses	1.4	–55.0	–1.9	–62.1	–2.2
Operating profit (EBIT)		**165.0**	**5.8**	**189.0**	**6.6**
Result from associates	4.2	11.6	0.4	0.6	0.0
Financial expenses	1.5	–45.0	–1.6	–48.9	–1.7
Financial income	1.5	2.5	0.1	1.5	0.1
Profit before taxes		**134.1**	**4.7**	**142.2**	**5.0**
Income taxes	1.6	–51.9	–1.8	–53.7	–1.9
Net profit		**82.2**	**2.9**	**88.5**	**3.1**
Net profit attributable to minority interests		40.0		42.8	
Net profit attributable to the owners of the parent		42.2		45.7	
Basic earnings per share in CHF	3.3	10.1		10.9	
Diluted earnings per share in CHF	3.3	10.0		10.9	

Consolidated balance sheet

Assets

CHF million	Note	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Current assets					
Cash and cash equivalents		150.4	7.7	122.1	6.3
Trade receivables	2.1	483.1	24.5	461.2	23.7
Inventories	2.2	497.0	25.3	487.7	25.1
Current income tax assets		17.8	0.9	11.4	0.5
Other current assets	2.6	67.9	3.5	68.3	3.5
Total current assets		**1,216.2**	**61.9**	**1,150.7**	**59.1**
Non-current assets					
Property, plant, and equipment	2.3	403.5	20.5	398.1	20.5
Intangible assets	2.3	164.5	8.4	209.9	10.8
Investments in associates	4.2	0.0	0.0	0.9	0.0
Non-current financial assets	2.6	44.2	2.2	43.9	2.3
Deferred income tax assets	1.6	137.1	7.0	143.0	7.3
Total non-current assets		**749.3**	**38.1**	**795.8**	**40.9**
Total assets		**1,965.5**	**100.0**	**1,946.5**	**100.0**

Liabilities and equity

CHF million	Note	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Current liabilities					
Current borrowings	3.1	6.2	0.3	119.1	6.1
Trade payables		180.2	9.2	163.5	8.4
Current income tax liabilities		36.9	1.9	35.0	1.8
Accrued and other current liabilities	2.6	419.4	21.3	390.6	20.1
Provisions	2.4	86.8	4.4	18.3	0.9
Total current liabilities		**729.5**	**37.1**	**726.5**	**37.3**
Non-current liabilities					
Accrued pension and other employee benefits	2.5	253.2	12.9	254.5	13.1
Deferred income tax liabilities	1.6	21.9	1.1	31.0	1.6
Non-current provisions	2.4	19.5	1.0	0.0	0.0
Non-current liabilities	3.1	599.0	30.5	599.9	30.8
Total non-current liabilities		**893.6**	**45.5**	**885.4**	**45.5**
Total liabilities		**1,623.1**	**82.6**	**1,611.9**	**82.8**
Equity					
Share capital	3.2	0.4	0.0	0.4	0.0
Additional paid-in capital		811.3	41.3	811.3	41.8
Retained earnings		−481.0	−24.5	−484.6	−24.9
Treasury shares	3.2	−5.7	−0.3	−9.1	−0.5
Translation exchange differences	3.4	−69.3	−3.5	−67.3	−3.5
Total equity owners of the parent		**255.7**	**13.0**	**250.7**	**12.9**
Minority interests		86.7	4.4	83.9	4.3
Total equity		**342.4**	**17.4**	**334.6**	**17.2**
Total liabilities and equity		**1,965.5**	**100.0**	**1,946.5**	**100.0**

Consolidated cash flow statement

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Net profit		**82.2**	**88.5**
Depreciation and amortization	2.3	128.1	136.8
Income tax expenses	1.6	51.9	53.7
Interest expenses	1.5	37.3	41.5
Interest income	1.5	–2.4	–1.4
(Gain) Loss on disposal of fixed assets, net		–5.5	0.0
Adjustment for other non-cash and non-operational items		–6.1	12.9
Change in trade receivables		–26.4	–4.4
Change in inventories		–14.3	16.8
Change in other current assets		–0.8	–5.9
Change in trade payables		14.8	–5.9
Change in accrued pension and other employee benefits		2.7	6.2
Change in provisions, accrued and other current liabilities		120.1	24.6
Cash generated from operations		**381.6**	**363.4**
Income taxes paid		–60.6	–42.3
Interest paid		–37.2	–34.1
Interest received		2.4	1.4
Net cash from operating activities		**286.2**	**288.4**
Cash flows from investing activities			
Additions of property, plant, and equipment	2.3	–61.6	–61.5
Proceeds from sale of property, plant, and equipment	2.3	9.4	1.1
Additions of intangible assets	2.3	–37.0	–37.0
Change in non-current financial assets		–0.2	–1.8
Acquisition of subsidiaries, net of cash acquired	4.3	–4.2	–12.3
Sale of subsidiaries, net of cash sold	4.3	–0.1	–0.3
Sale of investment in associates and joint ventures	4.2	12.1	0.0
Net cash used in investing activities		**–81.6**	**–111.8**
Free cash flow	5.2	**204.6**	**176.6**
Cash flows from financing activities			
New bonds issued	3.1	0.0	274.2
Other proceeds from (repayment of) current borrowings, net	3.1	–110.8	–357.5
Proceeds from (repayment of) non-current borrowings, net	3.1	5.9	–1.9
Change in other non-current liabilities		–0.1	–0.1
Dividends paid to company's shareholders	3.3	–39.8	–48.1
Dividends paid to minority shareholders		–33.1	–43.4
(Purchase) Sale of treasury shares	3.2	0.0	–1.0
Net cash flows from financing activities		**–177.9**	**–177.8**
Translation exchange differences		1.6	18.8
Net increase (decrease) in cash and cash equivalents		**28.3**	**17.6**
Cash and cash equivalents at beginning of period		122.1	104.5
Cash and cash equivalents at end of period		150.4	122.1
Net increase (decrease) in cash and cash equivalents		**28.3**	**17.6**

Consolidated statement of changes in equity

CHF million	Share capital	Additional paid-in capital	Retained earnings	Treasury shares	Cumul. translation adjustm.	Minority interests	Total equity
Balance at 30.06.2024	**0.4**	**811.3**	**–481.0**	**–5.7**	**–69.3**	**86.7**	**342.4**
Net profit for the reporting period			42.2			40.0	82.2
Currency translation adjustments					–2.0	–5.2	–7.2
Dividend paid (see note 3.3)			–39.8			–33.1	–72.9
Shares awarded (share-based compensation)			1.2	3.4		1.1	5.7
Balance at 30.06.2023	**0.4**	**811.3**	**–484.6**	**–9.1**	**–67.3**	**83.9**	**334.6**
Net profit for the reporting period			45.7			42.8	88.5
Currency translation adjustments					–13.7	–15.4	–29.1
Dividend paid (see note 3.3)			–48.1			–43.4	–91.5
Shares awarded (share-based compensation)			–0.4	7.9		–0.4	7.1
Treasury shares (purchased) re-issued				–1.0			–1.0
Balance at 01.07.2022	**0.4**	**811.3**	**–481.8**	**–16.0**	**–53.6**	**100.3**	**360.6**

Notes to the consolidated financial statements for the 2023/24 financial year

1. Performance

This section provides information on the operational performance of dormakaba Group and the current operating model, the outlook on the organizational changes and its implication on the operating model, as well as on the segment disclosure. The description of the operating model provides information useful in understanding the segment reporting, which corresponds to the Group's internal reporting system. In addition, information is presented on selected income and expense items.

1.1 Segment reporting

Operating model and organizational structure

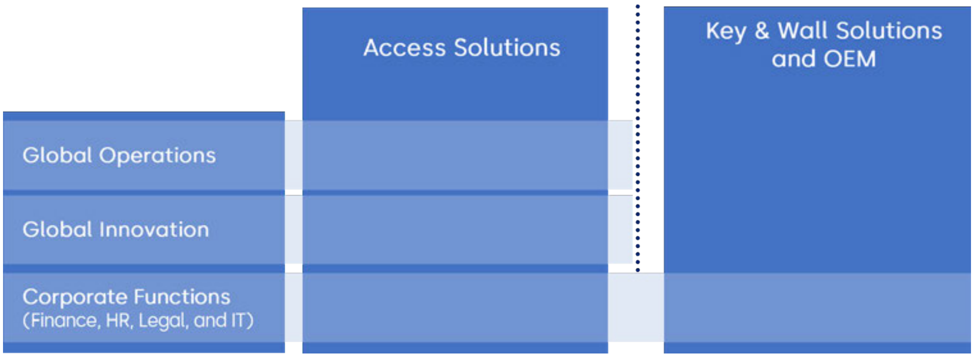
The Access Solutions (AS) business consists of the AS commercial business under one leadership of a Chief Commercial Officer (CCO) with support by Global Functions Operations and Innovation.

The company's five core markets (USA/Canada, Germany, Australia/New Zealand, Switzerland, UK/Ireland) as well as China and India are reporting directly to the CCO; together they represent around 70% of Access Solutions sales. To enable a strong customer focus and sales generation, the key markets are built around:

- Project and solution sales ("direct business"), focusing on end customers, general and technical contractors;
- Product and system sales ("indirect business"), focusing on distributors, value-added resellers, system integrators, and OEMs;
- Service sales, focusing on facility managers, building operators, or installers to support services growth as part of the global core;
- Furthermore, we support the above with pull generation via specification and support to architects, design engineers, planners, and other influencers.

Key & Wall Solutions and OEM completes the organizational setup as a standalone global segment. Key & Wall Solutions operates as a standalone self-contained segment with two global businesses – Key Systems and Movable Walls. It includes production facilities, which are situated in North and South America, Europe, and Asia. The original equipment manufacturing (OEM) business has plants in mainland China and Taiwan.

Operating model

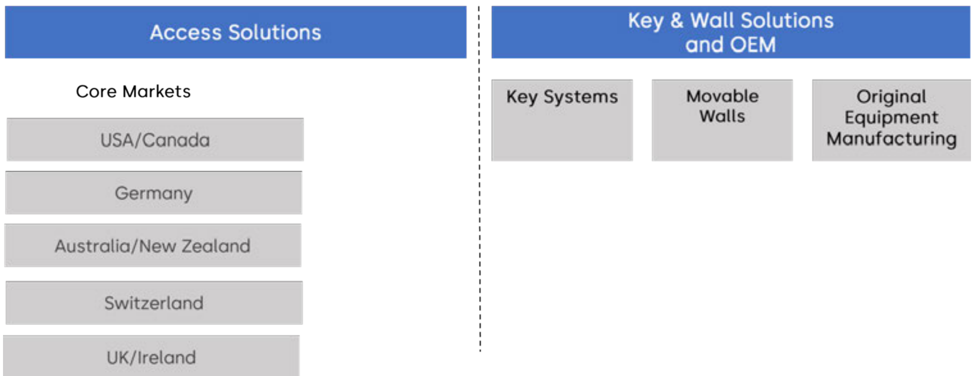


Global Operations is responsible for dormakaba's Access Solutions production network including the areas Plants, Manufacturing Excellence, Industrial Engineering, Procurement, Logistics, and Health & Safety. Operations' main task is to build an integrated production network, optimize the production footprint, bundle our purchasing activities, and drive lean efforts.

Global Innovation is responsible for delivering customer- and market-oriented product and solution developments and innovations. In cooperation with the Global Commercial function it develops and steers innovations and technology strategies to foster dormakaba's innovation leadership in the market.

Corporate Functions (Finance, HR, Legal, and IT) globally support the above business units and functions to steer the business, drive implementation of the current Shape4Growth strategy, and strengthen customer centricity of dormakaba.

Organizational structure



In accordance with the management organization, the reporting to Group management consists of the seven key markets, Key & Wall Solutions and OEM, and the Global Functions, as described above. Segment reporting is prepared in line with our management reporting up to the adjusted EBIT contribution. The reporting forms the basis for assessing performance and allocating resources. Financial transactions of Global Functions that are directly attributable or can be allocated on a reasonable basis to a specific segment are reported under the segment concerned. The financial performance of the key markets is measured at full value contribution to the performance of the Group to improve financial steering, transparency, and accountability. The segment results are based on the same accounting principles that are used to determine the operating profit of the Group. Intersegment transactions are based on the arm's length principle.

Offering

dormakaba Group provides smart, secure, and sustainable solutions for seamless flow and integrated access. Its portfolio of strong brands offers customers the full range of products, solutions, and services for access to premises, buildings, and rooms. From award-winning, end-to-end access solutions to industry best practices and straightforward installation across a range of markets and industries, dormakaba is a complete partner for door and access systems, catering to a broad range of industries such as hotels, retail spaces, sporting venues, airports, hospitals, offices, utilities, and multi-housing, as well as in some selected residential markets.

With a clear portfolio segmentation, dormakaba focuses on its global core businesses 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. The Group is 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.

Segment reporting

CHF million	Access Solutions Financial year ended 30.06.2024	Access Solutions Financial year ended 30.06.2023	Key & Wall Solutions and OEM Financial year ended 30.06.2024	Key & Wall Solutions and OEM Financial year ended 30.06.2023	Corporate Financial year ended 30.06.2024	Corporate Financial year ended 30.06.2023
Net sales third parties	2,399.3	2,409.4	437.8	439.4	0.0	0.0
Intercompany sales	6.6	4.7	46.6	46.9	0.0	0.0
Total sales	**2,405.9**	**2,414.1**	**484.4**	**486.3**	**0.0**	**0.0**
Adjusted EBIT (Adjusted operating profit)	**308.5**	**284.7**	**82.4**	**69.3**	**–46.9**	**–46.5**
as % of sales	12.8%	11.8%	17.0%	14.3%	0.0%	0.0%
Adjusted depreciation and amortization	57.8	61.8	12.8	13.5	2.3	2.0
Adjusted EBITDA (Adjusted operating profit before depreciation and amortization)	**366.3**	**346.5**	**95.2**	**82.8**	**–44.6**	**–44.5**
as % of sales	15.2%	14.4%	19.7%	17.0%	0.0%	0.0%
Net working capital	634.3	618.4	88.3	93.0	–18.3	–17.4
Capital expenditure	70.2	62.9	13.7	11.9	18.0	23.7
Average number of full-time equivalent employees	11,713	11,749	3,162	3,267	461	503

			Eliminations			Group
Net sales third parties			0.0	0.0	2,837.1	2,848.8
Intercompany sales			–53.2	–51.6	0.0	0.0
Total sales			**–53.2**	**–51.6**	**2,837.1**	**2,848.8**
Adjusted EBIT (Adjusted operating profit)			**0.0**	**0.0**	**344.0**	**307.5**
as % of sales			0.0%	0.0%	12.1%	10.8%
Adjusted depreciation and amortization			0.0	0.0	72.9	77.3
Adjusted EBITDA (Adjusted operating profit before depreciation and amortization)			**0.0**	**0.0**	**416.9**	**384.8**
as % of sales			0.0%	0.0%	14.7%	13.5%
Net working capital			0.0	0.0	704.3	694.0
Capital expenditure			0.0	0.0	101.9	98.5
Average number of full-time equivalent employees			–	–	15,336	15,519

Reconciliation of operational figures

	Financial year ended 30.06.2024			Financial year ended 30.06.2023		
CHF million	Adjusted	IAC[1]	Unadjusted	Adjusted	IAC[1]	Unadjusted
Operating profit before depreciation and amortization (EBITDA)	**416.9**	**–123.8**	**293.1**	**384.8**	**–59.0**	**325.8**
Depreciation and amortization	–72.9	–55.2	–128.1	–77.3	–59.5	–136.8
Operating profit (EBIT)	**344.0**	**–179.0**	**165.0**	**307.5**	**–118.5**	**189.0**

[1] Content of items affecting comparability (IAC) is described in the note on alternative performance measures (APM) (5.2).

1.2 Net sales per geographical markets/business units

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Net sales third parties		
USA/Canada	712.1	717.8
Germany	327.0	304.1
Australia/New Zealand	200.7	212.8
Switzerland	211.3	212.6
UK/Ireland	111.4	111.9
Rest of the World	836.8	850.2
Total Access Solutions	**2,399.3**	**2,409.4**
Key & Wall Solutions and OEM	437.8	439.4
Group	**2,837.1**	**2,848.8**

Accounting principles

Net sales includes all sales of goods and services, after deduction of freight expense of goods sold, sales commissions, and other sales deductions, such as discounts and rebates.

Sales from goods are recognized when all significant risks, rewards of ownership, and control are transferred. Sales related to services are recognized when the service is provided. Distinctive components related to multi-element contracts are recognized separately.

1.3 Personnel expenses

CHF million	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Personnel expenses	**1,210.1**	**100.0**	**1,127.9**	**100.0**
Salaries and wages	912.1	75.4	905.5	80.3
Social security expenses	176.6	14.6	170.4	15.1
Share-based payments	5.7	0.5	7.1	0.6
Pension benefit expenses (see note 2.5)	33.0	2.7	35.6	3.2
Employment termination expenses	82.1	6.8	8.3	0.7
Other benefits	0.6	0.0	1.0	0.1

Number of full-time equivalent employees	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Employees at balance sheet date	**15,444**		**15,352**	
Average number of employees per functions and business units	**15,336**	**100.0**	**15,519**	**100.0**
Total Access Solutions	11,713	76.4	11,749	75.7
Commercial and Marketing	7,185	46.8	7,319	47.2
Operations	3,098	20.2	3,013	19.4
Innovation	744	4.9	747	4.8
Finance and HR	686	4.5	670	4.3
Key & Wall Solutions and OEM	3,162	20.6	3,267	21.1
Corporate	461	3.0	503	3.2
Average number of employees per geographical region	**15,336**	**100.0**	**15,519**	**100.0**
Switzerland	913	6.0	932	6.0
Germany	2,787	18.2	2,788	18.0
Rest of EMEA	3,979	25.9	4,018	25.9
Americas	3,480	22.7	3,462	22.3
Asia Pacific	4,177	27.2	4,319	27.8

Share-based payments

The Nomination and Compensation Committee is responsible for nominating individual members of the Executive Committee (EC) and other Senior Management members for long-term incentive (LTI) awards. The LTI award is granted through a Performance Share Unit (PSU) plan, vesting over three years and subject to the achievement of performance conditions. During the reporting period, the LTI grants include performance indicators such as relative Total Shareholder Return (TSR), Earnings per Share (EPS), and Sustainability (ESG) related targets. ESG targets have been introduced as from the grant 2023 to reflect the increasing importance of sustainability and cover both social and environmental topics that are addressed by our sustainability strategy. The vesting level may range from 0% to a maximum of 200% of the original number of units granted (maximum two shares for each performance share unit originally granted); there is no vesting below the threshold levels of performance.

The fair value of the Performance Share Units (PSUs) at the grant date includes adjustments for foregone dividends during the vesting period and the Total Shareholder Return (TSR) performance condition. The associated expenses are recognized on a straight-line basis over the vesting period. The restricted shares allocated to the members of the Board of Directors (BoD) are blocked for three years.

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The fair value of the restricted shares corresponds to the value of the closing price of the dormakaba Holding AG share on the SIX Swiss Exchange as at the business day prior to the date of the allocation.

Further information about the allocation of treasury shares is disclosed in the note on share capital and treasury shares (3.2), and further details about long-term incentive stock award plans are outlined in the Compensation Report.

Accounting principles

The fair value of the employee services received in exchange for shares is measured at the fair value of the shares as at the grant date and recognized as an expense with a corresponding entry in equity. Expenses for shares that vest immediately are recognized accordingly. Shares that are subject to future services are recognized over the vesting period.

1.4 Other operating expenses

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Total other operating expenses	**–55.0**	**–62.1**
Goodwill amortization	–49.5	–59.5
Loss from sale of subsidiaries	–3.6	0.0
Other operating expenses	–1.9	–2.6

1.5 Financial result

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Financial income		**2.5**	**1.5**
Interest income		2.4	1.4
Other financial income		0.1	0.1
Financial expense		**45.0**	**48.9**
Interest expenses for bonds	3.1	13.6	10.6
Interest expenses for forward contracts	3.4	12.5	14.4
Other interest expenses		11.2	16.5
Foreign exchange losses (gains)	3.4	2.6	4.3
Other financial expenses		5.1	3.1

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1.6 Taxes

Income taxes

The weighted applicable tax rate results from applying each subsidiary's statutory income tax rate to the income before taxes. Since the Group operates in countries that have different tax rates, the weighted applicable tax rate may vary from year to year according to variations in income per country and changes in applicable tax rates.

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Profit before taxes	**134.1**	**142.2**
Weighted applicable tax rate	22.9%	24.8%
Tax calculated at applicable tax rate	**30.7**	**35.3**
Current income taxes	55.4	48.7
Deferred income taxes	–3.5	5.0
Income taxes	**51.9**	**53.7**
Difference between applicable and effective income taxes	**21.2**	**18.4**
Impact of losses and tax loss carryforwards	9.7	–3.3
Tax-exempt income	–2.8	–3.8
Non-deductible expenses	7.1	6.3
Non-taxable/non-deductible divestments/goodwill amortization	9.5	14.8
Non-recoverable withholding tax expenses	6.0	3.4
Effect of change in tax rates	–0.1	2.2
Tax charges (credits) relating to prior periods, net	–2.3	–0.3
Other	–5.9	–0.9
Income taxes charged to equity	1.4	–0.7

The effective income tax rate of 38.7% (2022/23: 37.8%) is impacted by divestments and the amortization of goodwill. The amortization of goodwill, which is non-deductible for tax purposes, leads to an increase of the effective tax rate, whereas the profit from the sale of investments, being non-taxable, reduces the effective tax rate. This impact is disclosed separately in the reconciliation above (divestments/non-deductible goodwill amortization). Without this impact, the effective tax rate is 29.3% (2022/23: 26.6%).

In 2023/24, the tax rate was further affected by tax losses resulting from restructuring costs. Consistent with our accounting policy, no tax benefit has been recognized for these losses. Excluding this negative impact of CHF 8.8 million, the tax rate would have been 24.5% (2022/23: 26.6%). A corresponding tax benefit can be anticipated in future years when the tax losses are utilized.

The variance in "Other" compared to the previous year is attributed to a change in tax provisions.

Deferred taxes

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Balance sheet presentation of deferred income taxes		
Total deferred income taxes, net	**115.2**	**112.0**
Deferred income tax assets	137.1	143.0
Deferred income tax liabilities	21.9	31.0
Expiration of tax loss carryforwards not recognized as deferred tax assets		
Balance of tax loss carryforwards at end of financial year	**147.9**	**122.4**
Expiry in 1 year	5.8	2.1
Expiry in 2 to 5 years	12.1	16.1
Expiry after 5 years	9.9	8.5
No expiry	120.1	95.7

The unrecognized tax loss carryforwards of CHF 147.9 million (2022/23: CHF 122.4 million) have the potential to generate tax relief of CHF 36.0 million (previous year: CHF 28.1 million). The increase of CHF 25.5 million in unrecognized tax loss carryforwards is primarily attributable to restructuring costs, which led to tax losses in some jurisdictions. Over the medium term, it is anticipated that up to CHF 10.4 million (2022/23: CHF 2.7 million) of the CHF 36.0 million potential tax relief may be realized.

In December 2021, the OECD published the Pillar Two model rules to introduce a global minimum corporate income tax of 15% for multinational companies with consolidated sales of more than EUR 750 million. Meanwhile, Pillar Two legislation has been enacted or substantially enacted in many jurisdictions in which dormakaba operates. The legislation will be effective for dormakaba's financial year beginning 1 July 2024. dormakaba performed an assessment of the potential exposure to Pillar Two income taxes. The application of the Pillar Two model rules would not have had a material impact on the financial results of 2023/24. dormakaba continues to monitor the development of the Pillar Two model rules and continually assesses the impact thereof on dormakaba.

Accounting principles

Current income taxes are based on taxable income for the current year and charged to income when incurred. Deferred income taxes are determined using the liability method, with the applicable and substantially enacted income tax rates applied on a comprehensive basis to eligible temporary differences. No deferred income tax assets and liabilities related to the OECD Pillar Two global minimum tax are recognized. Deferred income tax assets arising from temporary differences are only recognized to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilized. Deferred income taxes resulting from tax loss carryforwards applicable to future taxable income are only recognized to the extent of the available deferred tax liabilities.

Use of accounting estimates

The recoverable amount of deferred income tax assets is based on past performance and forecasts of the corresponding taxable entity over a period of several years. Deviations between actual and projected results can lead to impairment losses.

2. Operating assets and liabilities

Detailed information on the operating assets used and liabilities incurred to support the Group's operating activities are disclosed in this section. This includes disclosures on the valuation of trade receivables and inventory as well as movements in tangible and intangible assets, provisions, and employee benefits.

2.1 Trade receivables

Maturity analysis CHF million	Gross	Financial year ended 30.06.2024 Allow.	Net	Gross	Financial year ended 30.06.2023 Allow.	Net
Trade receivables	**502.0**	**–18.9**	**483.1**	**477.8**	**–16.6**	**461.2**
Not yet due	369.9	–0.2	369.7	350.7	–0.4	350.3
1–30 day(s) overdue	59.5	–0.3	59.2	52.2	–0.3	51.9
31–60 days overdue	19.5	–0.2	19.3	21.8	–0.1	21.7
61–90 days overdue	11.8	–0.4	11.4	14.2	–0.2	14.0
91–120 days overdue	6.4	–0.4	6.0	6.9	–0.2	6.7
121–150 days overdue	5.2	–0.4	4.8	4.6	–0.3	4.3
More than 150 days overdue	29.7	–17.0	12.7	27.4	–15.1	12.3

Accounting principles

Short-term accounts receivable are stated at nominal value less allowance for doubtful accounts. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows. It is assessed based on the maturity structure. In addition, accounts receivable are individually impaired if there is clear evidence of insolvency or other indications that collectability is severely endangered.

2.2 Inventories

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Inventories, net	**497.0**	**487.7**
Allowance for obsolete and slow-moving items	76.0	63.9
Inventories, gross	**573.0**	**551.6**
Raw materials and supplies	238.0	262.5
Semi-finished goods and work in progress	107.8	78.8
Finished goods	222.8	202.6
Prepayments to suppliers	4.4	7.7

Accounting principles

Inventories are valued at the lower of purchase/manufacturing cost and net realizable value. Cost is determined using the weighted average method. Manufacturing cost includes direct labor and material as well as a commensurate share of related overhead costs. Allowances are made for obsolete and slow-moving items. Cash discounts from suppliers are treated as purchase cost reductions.

2.3 Property, plant, and equipment/ Intangible assets

Property, plant, and equipment

CHF million, except where indicated	Land and buildings	Plant, machinery, and equipment	Furniture, fixtures and other	Pre-payments	Total property, plant, and equipment
30 June 2024, net	**192.5**	**116.0**	**58.1**	**36.9**	**403.5**
30 June 2023, net	**204.0**	**110.8**	**51.0**	**32.3**	**398.1**
Cost 30 June 2024	**320.0**	**388.5**	**214.6**	**36.9**	**960.0**
Additions	2.2	15.6	19.3	27.8	64.9
Disposals	–4.8	–3.3	–5.0	–0.4	–13.5
Reclassifications	–0.4	16.7	4.9	–22.5	–1.3
Translation exchange differences	–3.6	–2.6	–2.3	–0.3	–8.8
30 June 2023	**326.6**	**362.1**	**197.7**	**32.3**	**918.7**
Additions	4.7	9.5	20.4	26.9	61.5
Disposals	–0.1	–5.3	–4.3	–0.8	–10.5
Reclassifications	0.7	9.8	3.8	–15.0	–0.7
Acquisition of businesses	0.0	0.0	0.1	0.0	0.1
Translation exchange differences	–11.4	–17.6	–8.9	–1.2	–39.1
1 July 2022	**332.7**	**365.7**	**186.6**	**22.4**	**907.4**
Estimated useful life (in years)	20-50[1]	4-15	3-15		
Accumulated depreciation 30 June 2024	**127.5**	**272.5**	**156.5**	**0.0**	**556.5**
Additions	8.5	23.9	17.1	0.0	49.5
Disposals	–1.8	–3.0	–4.6	0.0	–9.4
Reclassifications	–1.2	2.2	–1.0	0.0	0.0
Translation exchange differences	–0.6	–1.9	–1.7	0.0	–4.2
30 June 2023	**122.6**	**251.3**	**146.7**	**0.0**	**520.6**
Additions	9.2	24.0	19.3	0.0	52.5
Disposals	–0.1	–4.9	–4.1	0.0	–9.1
Reclassifications	–0.5	0.1	0.4	0.0	0.0
Translation exchange differences	–2.9	–11.3	–6.1	0.0	–20.3
1 July 2022	**116.9**	**243.4**	**137.2**	**0.0**	**497.5**

1 Land is not depreciated.

Accounting principles

Property, plant, and equipment are recorded at cost less accumulated depreciation using the straight-line method. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Items of minor value are charged directly to the income statement. All gains and losses on the disposal of property, plant, and equipment are recognized in the income statement.

Intangible assets

CHF million	Goodwill	Software	Develop-ment	Other	Total intangible assets
30 June 2024, net	**57.3**	**49.6**	**56.2**	**1.4**	**164.5**
30 June 2023, net	**110.7**	**53.8**	**41.8**	**3.6**	**209.9**
Cost 30 June 2024	**2,218.8**	**130.7**	**84.3**	**35.1**	**2,468.9**
Additions	0.0	16.2	20.4	0.4	37.0
Disposals	–5.7	–0.1	–2.2	–4.1	–12.1
Reclassifications	0.0	0.5	0.9	–0.1	1.3
Acquisition of businesses	–2.1	0.0	0.0	0.0	–2.1
Divestment of businesses	0.0	0.0	–2.4	0.0	–2.4
Translation exchange differences	–2.8	–1.4	–0.5	–0.7	–5.4
30 June 2023	**2,229.4**	**115.5**	**68.1**	**39.6**	**2,452.6**
Additions	0.0	18.6	15.8	2.6	37.0
Disposals	0.0	–0.3	–1.2	0.0	–1.5
Reclassifications	0.0	3.7	0.0	–3.0	0.7
Acquisition of businesses	8.1	0.0	0.0	0.0	8.1
Translation exchange differences	–97.9	–2.6	–1.2	–1.3	–103.0
1 July 2022	**2,319.2**	**96.1**	**54.7**	**41.3**	**2,511.3**
Estimated useful life (in years)	5-20	2-5	2-5	2-5	
Accumulated amortization 30 June 2024	**2,161.5**	**81.1**	**28.1**	**33.7**	**2,304.4**
Additions	49.5	20.1	5.2	2.4	77.2
Disposals	–5.0	–0.1	–2.2	–4.1	–11.4
Divestment of businesses	0.0	0.0	–0.9	0.0	–0.9
Translation exchange differences	–1.7	–0.6	–0.3	–0.6	–3.2
30 June 2023	**2,118.7**	**61.7**	**26.3**	**36.0**	**2,242.7**
Additions	59.5	16.4	5.2	3.2	84.3
Disposals	0.0	–0.4	–1.2	–0.1	–1.7
Translation exchange differences	–89.7	–1.5	–0.8	–1.1	–93.1
1 July 2022	**2,148.9**	**47.2**	**23.1**	**34.0**	**2,253.2**

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Accounting principles

Intangible assets are capitalized at cost, amortized using the straight-line method over their useful life.

Goodwill represents the excess of the consideration transferred, including any non-controlling interest in the acquired business, and the book value of any prior equity interest in the acquired business at the acquisition date, over the fair value of the Group's share of the net assets acquired. It excludes the separate capitalization of intangible assets that were not previously recognized. If the purchase price includes elements contingent on future performance, these are estimated and recognized at the acquisition date. Any differences arising when the final purchase price is determined will result in an adjustment to the goodwill (refer to note on business combinations and divestments (4.3)). The estimated useful life of goodwill is determined on a case-by-case basis and does not exceed 20 years.

Development costs are recognized as an asset when specific recognition criteria are met, and it is determined that the recognized amount is recoverable through future economic benefits.

Other intangibles primarily consist of licenses, patents, and advance payments. The useful life of software, developments, and other intangible assets is determined on a case-by-case basis and ranges from 2 to 5 years.

Use of accounting estimates

Property, plant, and equipment as well as intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. To determine whether impairment exists, estimates are made of the expected future cash flows arising from the use or the net selling price of the asset.

2.4 Provisions

CHF million	Warranty and customer returns	Restructuring	Other	Total
Provisions 30 June 2024	**18.0**	**74.1**	**14.2**	**106.3**
current	18.0	55.5	13.3	86.8
non-current	0.0	18.6	0.9	19.5
Provisions 30 June 2023	**11.0**	**0.0**	**7.3**	**18.3**
current	11.0	0.0	7.3	18.3
non-current	0.0	0.0	0.0	0.0

CHF million	Warranty and customer returns	Restructuring	Other	Total
Provisions 30 June 2024	**18.0**	**74.1**	**14.2**	**106.3**
Additions	15.0	74.9	11.5	101.4
Releases	–0.9	–0.1	–1.6	–2.6
Usage	–6.9	–0.9	–2.9	–10.7
Translation exchange differences	–0.2	0.2	–0.1	–0.1
Provisions 30 June 2023	**11.0**	**0.0**	**7.3**	**18.3**
Additions	8.0	0.0	3.9	11.9
Releases	–1.5	–1.5	–1.8	–4.8
Usage	–5.6	–4.0	–2.7	–12.3
Translation exchange differences	–0.4	0.0	–0.5	–0.9
Provisions 1 July 2022	**10.5**	**5.5**	**8.4**	**24.4**

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The provision for warranty and customer returns covers customer warranty claims and voluntary concessions as well as customer returns. The increase in 2023/24 financial year relates to the strategy of streamlining our product portfolio.

Restructuring provisions relate to the Shape4Growth transformation program which dormakaba announced on 3 July 2023. Further details are disclosed in the section Business performance of this annual report.

Other provisions mainly comprise those relating to environmental risks, litigation, and sales agents' indemnities. The increase in 2023/24 financial year is attributable to onerous contracts, litigation, or other claims from third parties.

Accounting principles

Provisions are recognized when:

- the Group has a present obligation (legal or constructive) as a result of a past event;
- it is probable that a use of resources will be required to settle the obligation; and
- the amount of the obligation can be reliably estimated.

A restructuring is a program planned and controlled by the Management that materially changes the manner in which the business is conducted. Costs relating to restructuring plans or agreements, including the reshaping of the organization, the discontinuation of certain activities, the streamlining of facilities and operations, and other restructuring measures, are recorded in the period in which the Group commits itself to a detailed formal plan. No provisions are recorded for future expenses that are linked to a future benefit.

Use of accounting estimates

In the course of their ordinary operating activities, Group companies can face claims from third parties. Provisions for pending claims are measured on the basis of the information available and a realistic estimate of the expected outflow of resources. The outcome of these proceedings may result in claims against the Group that cannot be met at all or in full through provisions or insurance cover.

Significant judgment is required to determine the costs of restructuring plans. The actual cost might deviate from the original plan.

2.5 Employee benefit liabilities

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023				Financial year ended 30.06.2024	Financial year ended 30.06.2023
	Economic part of the dormakaba Group		Translation differences	Change to previous year period or recognized in current result of the period, respectively	Contri-butions concerning the business period	Pension benefit expenses within personnel expenses	
Total accrued pension and other employee benefits	**253.2**	**254.5**					
Other long-term employee benefits	27.5	27.2					
Pension benefit obligations	**225.7**	**227.3**	**−3.7**	**2.1**	**30.9**	**33.0**	**35.6**
Pension institutions without surplus/deficit[1]					28.0	28.0	26.9
Pension institutions without own assets	225.7	227.3	−3.7	2.1	2.9	5.0	8.7

[1] In the current financial year, expenses related to Swiss pension are reported under pension institutions without surplus/deficit. In the previous year, these plans were classified under pension institutions with surplus due to the economic value indicated by a coverage rate exceeding 100%, despite the unavailability of free funds. To ensure consistency and comparability with the previous year's financial statements, the prior year's figures have been reclassified accordingly.

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Pension benefit expenses within personnel expenses	**33.0**	**35.6**
Decrease/increase in economic obligation from pension institutions without own assets	5.0	8.7
Contributions and changes to employer contribution reserves	**28.0**	**26.9**
Contributions to pension institutions from Group entities	28.0	26.9

Within the pension institutions without surplus/deficit, pension benefit expenses of CHF 11.3 million (2022/23: CHF 11.5 million) are attributed to Swiss pension plans. These plans are valued annually in December in accordance with Swiss GAAP FER 26. As of December 2023, the free funds amount to zero, while the coverage rate is 115.5%, based on an applied technical interest rate of 1.5% (December 2022: free funds amounted to zero, coverage rate 109.0%, technical interest rate 1.5%).

Pension institutions without own assets are assessed annually at the financial year-end. These primarily relate to pension liabilities of Group companies in Germany, Austria, and Italy.

Other long-term employee benefits mainly consist of provisions for anniversary and long-service awards, lump-sum payments at the end of service, and part-time retirement solutions.

Accounting principles

There are various pension plans in existence within the Group, which are individually aligned with local conditions in the respective countries. The plans are financed either by means of contributions to legally independent pension/insurance funds or by recognition as liabilities in the balance sheet of the respective Group companies. An economic obligation or an economic benefit arising from a Swiss pension scheme is determined from the statements made on the basis of Swiss GAAP FER 26 "Accounting of Pension Plans" and recognized in the balance sheet accordingly. The provision for pension plans of foreign subsidiaries which are not organized as independent legal entities is determined based on the local valuation methods.

Use of accounting estimates

dormakaba Group operates pension plans in various countries. The calculation of pension provisions for plans that do not have their own assets is based on actuarial assumptions, which may differ from the actual results.

2.6 Other assets and liabilities

Other assets

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Other current assets		**67.9**	**68.3**
Prepaid expenses		21.9	20.6
Retentions		10.7	8.7
Sales, withholding, and other recoverable taxes		33.4	35.7
Fair value of forward contracts	3.4	0.1	0.2
Other receivables and miscellaneous		1.8	3.1
Non-current financial assets		**44.2**	**43.9**
Loans		12.8	11.6
Pension-related assets		16.1	15.7
Long-term prepaid expenses		6.5	6.9
Long-term held securities		8.8	9.7

Accounting principles

Long-term held securities are recorded at fair value. All realized and unrealized gains and losses are recognized in the income statement. Other non-current financial assets are stated at amortized cost less valuation adjustments.

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Other liabilities

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Accrued and other current liabilities		**419.4**	**390.6**
Advances from customers		51.8	49.3
Deferred income		43.8	42.1
Sales, withholding, and other tax payable		39.9	37.6
Payables to social security and pension fund		15.2	14.7
Accruals for salary payments, bonuses, vacation, overtime, and other employee benefits		152.5	137.0
Accrued interest		9.7	9.7
Fair value of forward contracts	3.4	3.2	1.3
Other accruals and current non-interest-bearing liabilities		103.3	98.9

Current borrowings and other non-current liabilities are disclosed in the note on capital management (3.1) as this information relates to capital management disclosures.

Accounting principles

Financial liabilities measured at amortized cost are initially recorded at fair value, net of transaction costs incurred, and subsequently measured at amortized cost. Any difference between the proceeds from disposal (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowing using the effective interest method.

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3. Capital and financial risk management

This section outlines the principles and procedures applied to manage the capital structure and the financial risks to which the Group is exposed. Detailed information on dormakaba Group's sources of funding, such as credit facilities and bonds, are also provided here. In addition, the details of the share capital, treasury shares, earnings per share, and dividends are disclosed in this section.

3.1 Capital management

Capital management has the following objectives:

- securing sufficient liquidity to meet the Group's needs to fulfil its financial obligations;
- securing sufficient funding capacity for future investments and acquisitions;
- ensuring creditworthiness;
- achieving an appropriate risk-adjusted return for investors.

In response to ongoing economic and geopolitical uncertainties, including the war in Ukraine, dormakaba has maintained a strong focus on tightly managing cash positions and net working capital. This includes stringent credit management, disciplined collection of trade receivables, and careful cash conversion to effectively mitigate risks. Daily monitoring of liquidity and financial debt status at the Group level, including oversight of financial covenants and undrawn credit facilities, remains a key priority. Alongside these cash management efforts, dormakaba also conducts regular reviews of safety stocks to ensure supply capabilities amidst ongoing supply chain challenges, further reinforcing the company's financial stability.

Borrowings and other financial liabilities

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Current borrowings	**6.2**	**119.1**
Short-term bank loans and overdrafts	5.0	110.0
Current portion of other non-current liabilities	1.2	9.1
Non-current liabilities	**599.0**	**599.9**
Bonds	594.6	594.5
Other non-interest bearing liabilities	0.1	0.0
Other interest-bearing liabilities	4.3	5.4

Credit facility

As of 30 June 2024, short-term bank loans and overdrafts amount to CHF 5.0 million (2022/23: CHF 110.0 million).

In November 2020, dormakaba secured a five-year syndicated credit facility in the amount of CHF 525 million that includes options for a prolongation of two additional years and for an increase of up to CHF 200 million. In line with our ambitious sustainability strategy, the contract contains an incentivized ESG (Environmental, Social, and Governance) performance target for CO_2 reduction. The syndicated credit facility contains the leverage ratio as the only financial covenant. It is calculated based on net debt relative to EBITDA for the past 12 months as of June and December. As of 30 June 2024 and throughout the 2023/24 financial year, dormakaba complied with the financial covenant.

Net debt

The key figures, including the maturities, as of 30 June 2024 and 30 June 2023 are disclosed below.

	Financial year ended 30.06.2024				Financial year ended 30.06.2023			
CHF million	**Up to 1 year**	**2 to 5 years**	**Over 5 years**	**Total**	**Up to 1 year**	**2 to 5 years**	**Over 5 years**	**Total**
Short-term bank loans and overdrafts	5.0			5.0	110.0			110.0
Bonds		594.6		594.6		594.5		594.5
Other liabilities	1.2	1.7	2.7	5.6	9.1	2.6	2.8	14.5
Cash and cash equivalents	–150.4			–150.4	–122.1			–122.1
Net debt	**–144.2**	**596.3**	**2.7**	**454.8**	**–3.0**	**597.1**	**2.8**	**596.9**
Adjusted EBITDA				416.9				384.8
Net debt/Adjusted EBITDA (Leverage)				**1.1x**				**1.6x**

The interest expenses for short-term bank loans and overdrafts are recorded within other interest expenses. Interest expenses are disclosed in detail in the note on the financial result (1.5).

Accounting principles

Financial liabilities measured at amortized cost are initially recorded at fair value, net of transaction costs incurred, and subsequently measured at amortized cost. Any difference between the proceeds of disposal (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowing using the effective interest method.

Bonds

dormakaba Finance AG issued bonds with a total nominal value of CHF 595 million (ISIN CH0384629892 and ISIN CH1206367497). Of this amount, CHF 320 million will mature in October 2025 and CHF 275 million will mature in October 2027.

CHF million	Coupon % p.a.	Financial year ended 30.06.2024	Coupon % p.a.	Financial year ended 30.06.2023
Bonds (at fixed interest rates)		**594.6**		**594.5**
CHF 320 million bond 2017 – 2025 Payment date: 13 October 2017 Issue price: 100.46%	1.000	320.1	1.000	320.1
CHF 275 million bond 2022 – 2027 Payment date: 14 October 2022 Issue price: 100.00%	3.750	274.5	3.750	274.4

The interest expenses for the bonds amount to CHF 13.6 million in 2023/24 (2022/23: CHF 10.6 million). This is disclosed in the note on the financial result (1.5).

Accounting principles

Bonds are initially recorded at issue price, net of issue costs. Issue costs as well as any discount or premium are recognized in the financial result of the income statement over the period of each bond.

3.2 Share capital and treasury shares

Share capital

As of 30 June 2024, the share capital comprised 4,200,026 registered shares with a par value of CHF 0.10 each. The shares are listed on the SIX Swiss Exchange (DOKA/ISIN CH0011795959).

Conditional capital as of 30 June 2024 amounted to CHF 42,438.40.

The Company has a capital range ranging from CHF 378,002.60 (lower limit) to CHF 462,002.60 (upper limit). The Board of Directors is authorized within the capital range to increase or reduce the share capital once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until 5 October 2028, or until an earlier expiry of the capital range. The capital increase or reduction may be effected by issuing up to 420,000 fully paid registered shares with a nominal value of CHF 0.10 each or by cancelling up to 420,000 registered shares with a nominal value of CHF 0.10 each, as applicable, or by increasing or reducing the nominal value of the existing registered shares within the limits of the capital range or by simultaneous reduction and re-increase of the share capital. No shares were issued out of authorized capital in the 2023/24 financial year.

Treasury shares

Treasury shares are recorded as a negative balance within equity and disclosed in the consolidated statement of changes in equity. These registered shares are predominantly intended for share-based compensation. Further information about the long-term incentive stock award plans are disclosed in the note on personnel expenses (1.3) and within the Compensation Report.

	Financial year ended 30.06.2024			Financial year ended 30.06.2023		
Equity and treasury shares	**Number of shares**	**Transaction (Ø) price in CHF per share**	**Treasury shares in CHF million**	**Number of shares**	**Transaction (Ø) price in CHF per share**	**Treasury shares in CHF million**
Treasury shares as at 30 June	**9,027**	**630.28**	**5.7**	**13,577**	**672.58**	**9.1**
Purchases of treasury shares	77	463.50	0.0	2,600	369.85	1.0
Shares awarded (share-based compensation)	–4,627	751.64	–3.4	–10,647	737.59	–7.9
Treasury shares as at 1 July	13,577	672.58	9.1	21,624	740.99	16.0

In the 2023/24 financial year, a total of 4,627 shares (2022/23: 10,647 shares) were allocated. 1,992 performance shares were vested as part of the long-term incentive stock award plans (2022/23: 6,862 shares made up of 4,984 restricted and 1,878 performance shares) and 2,635 restricted shares (2022/23: 3,785 restricted shares) were allocated to the BoD members. Further information on the long-term incentive stock award plans is included in the Compensation Report.

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3.3 Earnings per share and dividends

Earnings per share

Number of shares, except where indicated	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Net profit attributable to the owners of the parent in CHF million	42.2	45.7
For basic number of shares		
Number of shares outstanding at end of financial year	**4,190,999**	**4,186,449**
Own shares (acquired)/reissued	4,550	8,047
Number of shares outstanding at beginning of financial year	4,186,449	4,178,402
Weighted average number of shares outstanding (basic)	4,187,853	4,184,179
Basic earnings per share in CHF	**10.1**	**10.9**
For diluted number of shares		
Weighted average number of shares outstanding (basic)	4,187,853	4,184,179
Eligible shares under stock award plans	39,133	26,751
Weighted average number of shares outstanding (diluted)	4,226,986	4,210,930
Diluted earnings per share in CHF	**10.0**	**10.9**

The earnings per share is calculated based on the profit attributable to the owners of the parent only. Net profit attributable to minority interests is not taken into account. The minorities represent mainly the shareholders who hold 47.5% of the shares of dormakaba Holding GmbH + Co. KGaA, a direct subsidiary of the Group parent, dormakaba Holding AG, which holds the remaining 52.5%. The legal subsidiaries are disclosed in the note on the legal structure of the dormakaba Group (5.4).

Accounting principles

Basic earnings per share is calculated by dividing net profit attributable to the owners of the parent by the weighted average number of shares outstanding during the reporting period.

The diluted earnings per share includes all potentially dilutive effects.

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Dividends

CHF million, except where indicated	CHF per share[1]	Financial year ended 30.06.2024[2,3]	CHF per share	Financial year ended 30.06.2023[4]	CHF per share	Financial year ended 30.06.2022[5]
Dividend for the financial year	**8.00**	**33.5**	**9.50**	**39.8**	**11.50**	**48.1**
Net profit attributable to the owners of the parent		65.6		76.9		95.4
Dividend payout ratio in %		51.1		51.7		50.4

1 Proposal to the AGM; dividend will be paid from 16 October 2024
2 The dividend for the financial year is calculated on the basis of the outstanding shares at the end of the financial year (estimated final dividend payable, subject to AGM approval and variations in the number of shares up to the recording date). This dividend was not recognized as a liability as at 30 June 2024 and will be recognized in subsequent consolidated financial statements.
3 In line with the BoD's decision not to consider the impact of the goodwill accounting when determining the dividend, the net profit attributable to owners of the parent company has been adjusted by CHF 23.4 million (CHF 44.5 million goodwill accounting impact less minorities of 47.5%).
4 In line with the BoD's decision not to consider the impact of the goodwill amortization when determining the dividend, the net profit attributable to owners of the parent company has been adjusted by CHF 31.2 million (CHF 59.5 million goodwill amortization impact less minorities of 47.5%).
5 In line with the BoD's decision not to consider the negative impact of the Mesker divestment when determining the dividend, the 2021/22 net profit attributable to owners of the parent company of CHF 63.2 million has been adjusted by CHF 32.2 million (CHF 61.4 million net profit impact of the Mesker divestment less minorities of 47.5%).

dormakaba Group envisages a dividend policy whereby the minimum payout ratio should be 50% of the consolidated net profit after minority interests.

The dividend distribution is proposed to the AGM in the form of a distribution from capital contribution reserves and statutory retained earnings of the parent entity, dormakaba Holding AG. After approval of this proposal by the AGM, the distribution from capital contribution reserves as well as dividend distribution from statutory retained earnings will be paid out as from 16 October 2024 according to the instructions received: CHF 8.00 (2022/23: CHF 9.50) gross per listed registered share at CHF 0.10 par value, whereof only the distribution from capital contribution reserves up to CHF 1.5 million in total will be paid free of Swiss withholding tax in accordance with Art. 5 para. 1bis of the Federal Law on Withholding Tax.

3.4 Financial risk management

The tasks of the BoD include identifying risks, determining suitable measures, and implementing these measures or having them implemented. The BoD of dormakaba Holding AG conducted a regular Group-wide risk assessment in the year under review and determined the risks to be managed at particular management levels.

The inflationary environment with globally increased interest rates, geopolitical and tariff tensions, as well as ongoing weaponed conflicts continue to impact the global economic environment. In response, the Group management has continued its comprehensive response strategy, ensuring that relevant reporting is provided to the EC and BoD. The measures are designed to safeguard employees, minimize disruptions to business operations and supply chains, and ensure that the focus remains on strong cash conversion and capital management.

dormakaba has continued its robust financial management and forecasting practices to maintain entrepreneurial flexibility and financial stability. This includes daily monitoring of liquidity and financial debt status, encompassing financial covenants and undrawn credit facilities at the Group level. Additionally, the solvency and credit spreads of all business banks are carefully evaluated, bank balances are managed within a risk budget, and excess cash is concentrated efficiently. The Ukraine Taskforce has maintained and enforced stringent sanction controls and business adjustments for Russia. This approach ensures that operating risks are effectively addressed, reported, and measures are taken.

Liquidity risk

Liquidity risk arises due to the possibility that dormakaba Group might experience difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

Liquidity risk is managed centrally by Group Treasury. The Group aims, secured by solid free cash flow, to balance funding continuity and flexibility, considering funding for the ongoing transformation and restructuring programs to ensure adequate liquidity for strategic initiatives. To avoid excessive refinancing in any single period, the Group maintains a diversified spread of maturities and ensures funding flexibility by securing a mix of uncommitted and committed credit lines with a range of counterparties and employing various financing instruments.

Credit risk

Credit risk is the risk of loss if a counterparty fails to fulfil its obligations to dormakaba Group. Hence, dormakaba Group is exposed to credit risk arising from financing activities, including deposits with banks and financial institutions, foreign exchange transactions, and other financial instruments such as trade receivables, other current assets, and non-current financial assets.

Cash and cash equivalents are mainly held in the form of current accounts and current fixed-term deposits. Counterparty risks with financial institutions are monitored continuously and are minimized by the Group limiting its relationships to high-ranking banks only and limiting cash balances within a risk budget or level of national deposit protection schemes.

Trade receivables are monitored on an ongoing basis locally and via Group management reporting procedures. The danger of cluster risks with trade receivables is limited due to the large number and wide geographical spread of customers. The extent of the credit risk is determined mainly by the individual characteristics of each customer. The assessment of this risk involves a review of the customer's creditworthiness based on its financial situation and experience. The maturity analysis of trade receivables is disclosed in the note on trade receivables (2.1).

Interest rate risk

Interest rate risk is the risk that the Group's financial situation is impacted by changes in interest rates.

dormakaba Group's interest rate risk arises from its short-term and long-term borrowings. Management strives for a well-balanced mix of long- and short-term interest rate exposure, taking into consideration the planned funding requirements. Funding and related interest are managed centrally by Group Treasury.

Foreign currency exposure

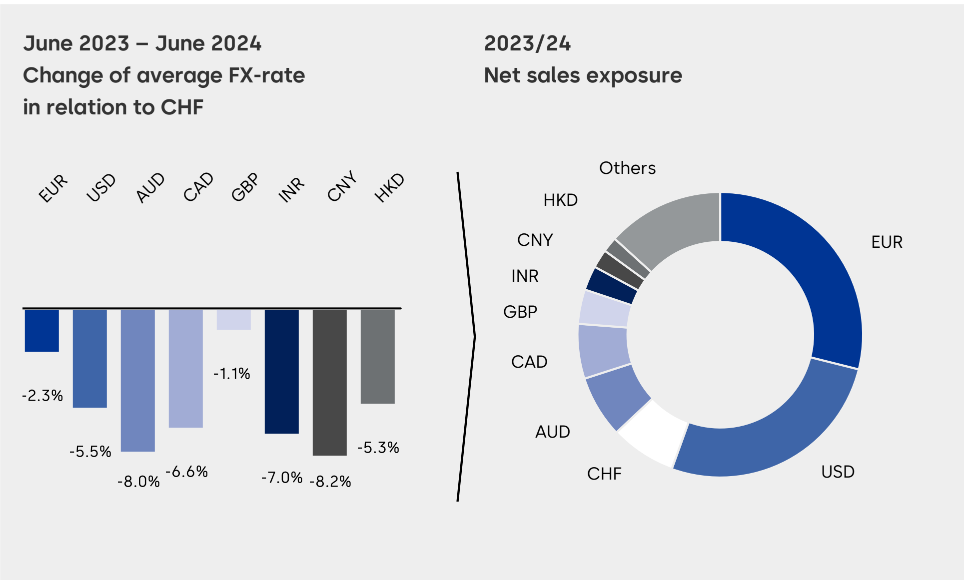
Translation risk

dormakaba Group does not actively manage the translation risk.

In the 2023/24 financial year, the Group's equity was negatively impacted in the amount of CHF 7.2 million by foreign currency translation (2022/23: CHF 29.1 million negative impact).

The key exchange rates based on net sales in foreign currencies are disclosed in the table below:

Currency rates (CHF), net sales (CHF million)	Net sales 30.06.2024	Exchange rate 30.06.2024	Average rate 2023/24	Net sales 30.06.2023	Exchange rate 30.06.2023	Average rate 2022/23
Total net sales	**2,837.1**			**2,848.8**		
EUR	820.3	0.962	0.960	799.9	0.978	0.982
USD	754.9	0.899	0.887	761.4	0.900	0.939
CHF	211.8	1.000	1.000	214.1	1.000	1.000
AUD	199.9	0.597	0.581	212.5	0.596	0.632
CAD	175.9	0.656	0.655	168.8	0.679	0.701
GBP	110.5	1.136	1.117	109.9	1.135	1.129
INR	78.6	0.011	0.011	74.9	0.011	0.012
CNY	60.1	0.126	0.124	62.0	0.124	0.135
HKD	49.1	0.115	0.113	53.2	0.115	0.120
Net sales in other currencies	376.0			392.1		



In the 2023/24 financial year, dormakaba Group's sales growth was negatively impacted by foreign currency translations in the amount of CHF 139.5 million (2022/23: CHF 109.2 million negative impact) and its adjusted EBITDA negatively by CHF 21.5 million (2022/23: CHF 14.6 million negative impact).

Transaction risk

Management monitors foreign exchange risks on a regular basis. When management deems it appropriate to do so, dormakaba uses derivative financial instruments to manage its transaction risk exposure to fluctuations in exchange rates.

Foreign exchange risks relating to intercompany loans are covered fully by forward exchange contracts with third parties. The external counterparties involved are high-ranking financial institutions. dormakaba enters into financial transactions only to hedge against a related off-balance-sheet risk or a highly probable future business transaction. No uncovered short transactions are entered into.

Intercompany invoicing is structured in a way that foreign exchange risks within the dormakaba Group are concentrated in the manufacturing units. The use of a group netting system with intercompany payment terms of up to 60 days reduces the intercompany exposure and foreign exchange risk. The third party and intercompany cross-currency exposures are reduced through natural hedges or using financial instruments.

dormakaba Group actively manages the transaction risk arising from third party and intercompany cross-currency exposures in foreign currencies.

The following currency forward contracts for hedging purposes existed as at the balance sheet date:

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Contract value	**446.3**	**388.8**
Fair value – held-for-trading, net	**–3.1**	**–1.1**
Assets from fair value of forward contracts	0.1	0.2
Liabilities from fair value of forward contracts	–3.2	–1.3

In the 2023/24 financial year, the net foreign exchange loss amounts to CHF 2.6 million (2022/23: loss amounts to CHF 4.3 million). While the hedges mitigate the foreign currency effect arising from intercompany loans, the interest expenses for forward contracts amount to CHF 12.5 million (2022/23: CHF 14.4 million). The foreign exchange gains and losses as well as the interest expenses and income are disclosed in the note on the financial result (1.5).

Accounting principles

Derivative financial instruments for the purpose of hedging balance sheet items are recorded using the same valuation principles as applied to the underlying hedged positions.

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4. Other financial information

This section provides details of the various commitments and contingencies as well as information about the associated companies, the acquisitions, and the legal subsidiaries including the Group companies' shareholdings.

4.1 Commitments and contingencies

Lease commitments

Operating lease payments are charged to income (CHF 42.8 million in 2023/24 and CHF 37.1 million in 2022/23) on a straight-line basis over the lease term. The following table shows the future minimum lease payments resulting from non-cancellable operating leases:

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Future payment commitments for operating leases	**171.7**	**119.9**
Up to 1 year	38.9	32.8
2 to 5 years	83.1	65.5
Over 5 years	49.7	21.6

Operating lease commitments mainly refer to the lease of buildings used for operational purposes.

The increase in future payment commitments for operating leases is primarily due to new lease agreements signed for production facility expansions in Canada and Bulgaria.

Accounting principles

Operating lease agreements are lease agreements that do not qualify as finance leases and are not capitalized in the balance sheet.

Other commitments and contingencies

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Current endorsement liabilities	1.1	2.1
Investments committed to purchase from third parties:		
Property, plant, and equipment	9.2	8.8
Intangible assets	0.4	2.3

4.2 Equity accounted investments

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Investments in associates - 30 June	**0.0**	**0.9**
Increase of investments in associates	0.0	0.0
Sale of investments in associates	–1.0	0.0
Share of profit (loss)	0.1	0.6
Translation exchange differences	0.0	0.0
Investments in associates - 1 July	**0.9**	**0.3**
Result from associates	**11.6**	**0.6**
Share of profit (loss)	0.1	0.6
Profit from sale of investments in associates	11.5	0.0

Accounting principles

Investments in associates and joint ventures where dormakaba Group exercises significant influence but does not have control (i.e. usually an interest between 20% and 50%) are accounted for using the equity method of accounting. Under the equity method, investments in associated companies and joint ventures are initially recognized at costs and the carrying amount is increased or decreased to recognize dormakaba Group's share of the profit or loss of the associate or joint venture after the date of acquisition. Profit and loss are attributed to the owners of the parent and to the minority interests, even if this results in a negative balance.

4.3 Business combinations and divestments

Business combinations

The following table summarizes all considerations paid for businesses, as well as the assets and liabilities acquired and recognized at fair value as at the acquisition date for the 2023/24 financial year and 2022/23 in comparison.

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
	Total	Total
Total consideration	**–2.1**	**8.9**
Cash paid	4.2	8.7
Deferred payment	–6.3	0.0
Acquisition-related costs	0.0	0.2
Identifiable assets and liabilities	**0.0**	**0.8**
Cash and cash equivalents	0.0	1.1
Trade receivables	0.0	0.7
Property, plant, and equipment	0.0	0.1
Trade payables	0.0	–0.3
Accrued and other current liabilities	0.0	–0.8
Goodwill[1]	**–2.1**	**8.1**

1 Goodwill is capitalized or adjusted within intangible assets and disclosed in note on property, plant, and equipment/intangible assets (2.3).

In the period reported, no acquisitions were made. The change in deferred payments of CHF 6.3 million is related to acquisitions from previous years. Of this amount, CHF 4.2 million was paid out, while CHF 2.1 million was adjusted against goodwill. Goodwill is capitalized within intangible assets and disclosed in the note on property, plant, and equipment/ intangible assets (2.3).

In the previous year, dormakaba acquired Alldoorco based in Nijkerk (NL) as per 1 August 2022. Alldoorco contributed CHF 5.9 million to the net sales in the financial year ended 30 June 2023 and generated net sales of CHF 0.5 million from 1 July 2022 until the acquisition date.

Business divestments

In the period reported and in the previous year, no material divestments were made.

5. Other disclosures

This section provides a general understanding of the preparation and consolidation principles as well as an overview of the use of accounting estimates. In addition, it details any events occurring between the balance sheet date and the date at which the financial statements are approved by the BoD.

5.1 About this report

Parent company of the Group

The parent company of the Group is dormakaba Holding AG, a company limited by shares that is incorporated and domiciled in Rümlang (Switzerland). The address of its registered office is Hofwisenstrasse 24, 8153 Rümlang, Switzerland. The company is listed on the SIX Swiss Exchange.

Basis for preparation

These consolidated financial statements were approved for issue by the BoD on 29 August 2024 and will be presented for approval by the AGM on 10 October 2024.

The consolidated financial statements of dormakaba Group comply with Swiss law and have been prepared using the historical cost principle, except where disclosed in the accounting policies below, and in accordance with Swiss GAAP FER as a whole (GAAP = Generally Accepted Accounting Principles, FER = Fachempfehlung zur Rechnungslegung or "accounting and reporting recommendations"). Furthermore, the accounting complies with the provisions of the Listing Rules of SIX and Swiss company law. The accounting policies have been applied consistently by all Group companies. In the year under review, the Swiss GAAP FER accounting principles remained unchanged except for the accounting for government grants. The new Swiss GAAP FER standard "Government grants" (FER 28) has been implemented and dormakaba Group complies with all the requirements. No material amounts were granted by governments in the year under review and in the previous year. The revised standard "Consolidated Financial Statements" (FER 30), effective from 1 January 2024, was implemented in the 2022/23 financial year.

Currency conversion

The consolidated financial statements are presented in Swiss francs (CHF), which is dormakaba Group's presentation currency. Items included in the financial statements of each dormakaba Group company are measured using the currency of the primary economic environment in which that company operates (the "functional currency").

Foreign currency transactions are converted into the functional currency of the appropriate entity using the exchange rates prevailing as at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the income statement.

The assets and liabilities of subsidiaries reporting in currencies other than Swiss francs are translated at the exchange rates prevailing as at the balance sheet date. Income, expenses, cash flows, and other movement items are translated at average exchange rates for the period. All resulting exchange differences are recognized in equity. Upon consolidation, exchange differences arising from the translation of the net investment in foreign companies and from borrowings and other currency instruments designated as hedges of such investments are taken to equity. When a foreign operation is sold, exchange differences that were recorded in equity are recycled to the income statement as part of the gain or loss on the sale.

Basis of consolidation

The consolidated financial statements of dormakaba Group include the operations of dormakaba Holding AG and all direct and indirect subsidiaries. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and it has the ability to affect those returns through its power over the entity. The consolidated accounts are based on the annual financial statements of the individual subsidiaries. All companies follow the uniform measurement and reporting practices prescribed by the Group. In applying the full consolidation method, the assets, liabilities, income, and expenses of all subsidiaries are included in their entirety. Minority interests in equity and profit are disclosed separately. Subsidiaries are consolidated from the date when control is acquired. The identifiable assets and liabilities are revalued and included according to the acquisition method. Any difference between the cost of acquisition and the fair value of the Group's share of net assets acquired constitutes goodwill. The net assets acquired excludes the separate capitalization of intangible assets that were not previously recognized. Subsidiaries sold are excluded from consolidation as of the date when control ceases. All intercompany balances, transactions, and intercompany profits are eliminated upon consolidation. Investments in associates and joint ventures where dormakaba Group exercises significant influence but does not exercise control (i.e. usually an interest between 20% and 50%) are accounted for using the equity method of accounting. Under the equity method, investments in associated companies and joint ventures are initially recognized at cost and the carrying amount is increased or decreased to recognize dormakaba Group's share of the profit or loss of the associate/joint venture after the date of acquisition. Profit and loss are attributed to the owners of the parent and to the minority interests, even if this results in a negative balance. Investments in which dormakaba Group does not have significant influence (i.e. dormakaba Group's interest is usually less than 20%) are recorded at cost.

Companies established or acquired or those in which the Group increases its interest and thereby obtains control during the year are consolidated as of the date of establishment or the date when control commences. Companies are deconsolidated as of the date that control effectively ceases upon disposal or a reduction in ownership interest. This rule is applied similarly to investments in associates.

The Group treats transactions with minority interests that do not result in a loss of control as transactions with the equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling interests and minority interests to reflect their relative interests in the subsidiary.

Use of estimates

The preparation of financial statements in accordance with Swiss GAAP FER requires the use of estimates and assumptions, which have an effect on the reported value of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported value of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events as well as actions that dormakaba Group may undertake in the future, the actual results may differ from the estimates.

The most important accounting estimates are described in the box at the end of the note to which they relate as per the following table:

Use of accounting estimates	Note
Deferred income taxes	1.6
Provisions	2.4
Testing goodwill and assets for impairment	2.3, 5.2
Accrued pension costs and benefits	2.5

In accordance with Swiss GAAP FER, assets are subject to an impairment test based on indicators reflecting a possible impairment of the individual assets. Therefore, the following accounting estimates apply to all assets in general.

Use of accounting estimates

For the purpose of testing impairment, goodwill and assets are grouped in cash-generating units for which cash flows are separately identifiable. The Group estimates the recoverable amount of those cash-generating units, which generally represent their value in use. Value in use is calculated using the discounted cash flow method. The estimates used in these calculations are based on updated budgets and medium-term plans covering a period of three years. Cash flows beyond the projection period are extrapolated in perpetuity.

When the carrying amount exceeds its recoverable amount, an impairment loss is recognized separately in the income statement. The recoverable amount is the higher of fair value less cost of disposal and value in use.

5.2 Alternative performance measures (APM)

Some of the key figures used by dormakaba to measure the financial performance are not defined by Swiss GAAP FER. The comparability of these figures with those of other companies might be limited. Explanations and reconciliations of these APMs are disclosed below.

EBITDA and EBIT adjusted by items affecting comparability (IAC)

Earnings before interest, taxes, depreciation, and amortization (EBITDA) corresponds to the operating result (EBIT) before depreciation and amortization. By adjusting EBITDA and EBIT for items affecting comparability (IAC), transparency is further increased and the comparability of the Group's operational performance on a period-to-period basis is improved.

CHF million, percentages of net sales	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Adjusted EBITDA (Adjusted operating profit before depreciation and amortization)	**416.9**	**14.7**	**384.8**	**13.5**
Items affecting comparability (IAC) - EBITDA	–123.8	–4.4	–59.0	–2.1
EBITDA (Operating profit before depreciation and amortization)	**293.1**	**10.3**	**325.8**	**11.4**
Adjusted EBIT (Adjusted operating profit)	**344.0**	**12.1**	**307.5**	**10.8**
Items affecting comparability (IAC) - EBIT	–179.0	–6.3	–118.5	–4.2
EBIT (Operating profit)	**165.0**	**5.8**	**189.0**	**6.6**

IACs are defined as significant costs and income that, because of their exceptional nature, cannot be viewed as inherent to the Group's underlying performance. The content of these excluded items is summarized in the table below and the reconciliation with EBIT defined by Swiss GAAP FER is disclosed in segment reporting:

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Items affecting comparability (IAC) - EBITDA	**123.8**	**59.0**
Reorganization and restructuring expenses	125.7	56.5
(Gain) Loss on divestment of businesses	2.4	0.0
Other exceptional items	–4.3	2.5
Items affecting comparability (IAC) - EBIT	**179.0**	**118.5**
Depreciation and amortization[1]	55.2	59.5
Items affecting comparability (IAC) - EBITDA	123.8	59.0

1 In 2023/24: CHF 49.5 million relates to amortization of goodwill (previous year: CHF 59.5 million) and is included in other operating expenses, disclosed in the note on other operating expenses (1.4).

Reorganization and restructuring comprise transformation expenses in relation to dormakaba's Shape4Growth transformation program, which aims to further consolidate the global production footprint, to reduce the supplier base, to improve sourcing capabilities, to refocus Product Development through a single global roadmap and to optimize its General & Administrative functions by leveraging shared service centers for Human Resources and Finance. Strategic IT harmonization projects to support the transformation and which are closely related to the execution of the Shape4Growth transformation, such as ERP harmonization and accelerated IT infrastructure optimization, including state-of-the-art business continuity management across applications and processes, are also included.

Other exceptional items comprise revaluation gains or losses, significant gains on sale of property, plant, and equipment, as well as other significant items that cannot be viewed as inherent to the Group's underlying performance.

IACs within depreciation and amortization mainly relates to amortized goodwill, which is treated as IAC to increase comparability with historical EBIT and with other financial statements that apply accounting policies which do not result in goodwill amortization.

Capital expenditure

Capital expenditure (Capex) consists of the additions in property, plant, and equipment and the additions of intangible assets excluding goodwill.

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Capital expenditure	**101.9**	**98.5**
Additions of property, plant, and equipment	64.9	61.5
Additions of intangible assets (excluding goodwill)	37.0	37.0

Free cash flow and free cash flow before acquisitions/divestments

Free cash flow consists of cash flow from operating activities together with cash flow from investing activities. Free cash flow before acquisitions/divestments excludes the cash effective movements arising from acquisitions/divestments.

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Free cash flow before acquisitions/divestments	**196.8**	**189.2**
Acquisition of subsidiaries, net of cash acquired	–4.2	–12.3
Sale of subsidiaries, net of cash sold	–0.1	–0.3
Sale of investment in associates and joint ventures	12.1	0.0
Free cash flow	**204.6**	**176.6**
Net cash from operating activities	286.2	288.4
Net cash used in investing activities	–81.6	–111.8

Net working capital

Net working capital is used by the Group to measure the efficiency of the segment in managing financial resources and complements the Group's performance management. dormakaba defines net working capital as trade receivables plus inventories, minus the sum of trade payables, advances from customers, and deferred income.

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Net working capital		**704.3**	**694.0**
Trade receivables	2.1	483.1	461.2
Inventories	2.2	497.0	487.7
Trade payables		–180.2	–163.5
Advances from customers		–51.8	–49.3
Deferred income		–43.8	–42.1

Operating cash flow margin

Operating cash flow margin is calculated as the ratio of net cash from operating activities to net sales.

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Operating cash flow margin		**10.1%**	**10.1%**
Net sales	1.2	2,837.1	2,848.8
Net cash from operating activities		286.2	288.4

Organic sales growth

Organic growth in sales is calculated by adjusting the current year's sales for acquisition impact and comparing it to the previous year's sales adjusted for currency translations and divestment impact.

The relative changes resulting from translation exchange differences and impacts from divestment are calculated based on the total sales for the previous period. The relative changes resulting from acquisition and organic sales growth are calculated based on the total sales for the previous year, adjusted for the effects of translation exchange differences and impacts from divestment.

CHF million, except where indicated	Financial year ended 30.06.2024	%	Financial year ended 30.06.2023	%
Net sales	**2,837.1**		**2,848.8**	
Change in sales	–11.7	–0.4	91.9	3.3
Of which translation exchange difference	–139.5	–4.9	–109.2	–4.0
Of which acquisition impact	0.0	0.0	33.9	1.3
Of which divestment impact	–0.1	0.0	–50.2	–1.8
Of which organic sales growth	**127.9**	**4.7**	**217.4**	**8.4**

Return on capital employed (ROCE)

EBIT divided by capital employed (CE) results in ROCE. dormakaba bases the calculation on a 12-month rolling EBIT, adjusted for items affecting comparability (IAC). CE equals the sum of net working capital, property, plant, and equipment, and intangible assets excluding goodwill. For the calculation, the average of the last three published balance sheets' information is considered (30 June 2024, 31 December 2023, and 30 June 2023). For the previous year comparison, the same principles were applied.

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
ROCE (Return on capital employed)		**29.0%**	**25.1%**
Adjusted EBIT		**343.9**	**307.5**
Average CE (Capital employed)		**1,184.4**	**1,222.7**
Average net working capital	5.2	689.9	729.1
Average property, plant, and equipment		394.0	401.4
Average intangible assets (excluding goodwill)		100.5	92.2

5.3 Events after the balance sheet date

On 10 June 2024 dormakaba announced that it has signed an agreement to sell the South African entity dormakaba South Africa (Pty) Ltd to the local management. At issue date the transaction is pending due to the final approval from the relevant local authorities.

5.4 Legal structure of the dormakaba Group

As at 30 June 2024

Company	Registered office	Currency	Share capital in 1,000	Ownership 30.06.2024	Group companies with shareholdings
dormakaba Holding AG	Rümlang/CH	CHF	420.0		Publicly Listed Company
dormakaba Holding GmbH + Co. KGaA	Ennepetal/DE	EUR	27,642.1	52.5%	dormakaba Holding AG
				47.5%	Familie Mankel Industriebeteiligung GmbH + Co. KGaA
dormakaba Beteiligungs-GmbH	Ennepetal/DE	EUR	1,000.0	52.5%	dormakaba Holding AG
All of the following companies are held directly or indirectly by dormakaba Holding GmbH + Co. KGaA. The voting rights listed for these companies represent the voting rights of this sub-holding. dormakaba shareholders ultimately benefit from the 52.5% share of the cash flows generated by these entities.					
dormakaba International Holding AG	Rümlang/CH	CHF	101.0	100%	dormakaba Holding GmbH + Co. KGaA
ADUK Products Ltd.	Nuneaton/GB	GBP	0.1	100%	dormakaba UK Holding Limited
Advanced Diagnostics Ltd.	Nuneaton/GB	GBP	0.1	100%	ADUK Products Ltd.
Alldoorco Bedrijfsdeuren B.V.[2]	Nijkerk/NL				dormakaba Nederland B.V.
Alldoorco Service & Onderhoud B.V.[2]	Nijkerk/NL				dormakaba Nederland B.V.
Aluminum Services Inc.[2]	Randolph/US				dormakaba USA Inc.
Alvarado Manufacturing Co. Inc.	Chino/US	USD	100.0	100%	dormakaba U.S. Holding Ltd.
any2any GmbH	Munich/DE	EUR	38.6	31%	dormakaba International Holding GmbH
Atimo Personeelstechniek B.V.	Utrecht/NL	EUR	72.9	100%	AtiQx Holding B.V.
AtiQx Holding B.V.	Utrecht/NL	EUR	201.5	100%	dormakaba Nederland B.V.
ATM-Türautomatik GmbH	Gleisdorf/AT	EUR	35.0	100%	dormakaba Austria GmbH
AXE S.A.S.	Bonneuil Sur Marne/FR	EUR	38.1	100%	dormakaba France S.A.S.
Best Doors Australia Pty. Ltd.	Hallam/AU	AUD	5,565.7	100%	dormakaba Holding Australia Pty. Ltd.
Best Doors Victoria Pty. Ltd.[2]	Hallam/AU	AUD	0.0	100%	Best Doors Australia Pty. Ltd.
Corporación Cerrajera Alba, S.A. de C.V.	Edo. de México/MX	MXN	202,059.4	100%	dormakaba Canada Inc.
Danmar Australia Pty. Ltd.[2]	Hallam/AU	AUD	0.1	100%	Reliance Doors Pty. Ltd.
Dörken + Mankel Verwaltungs-Gesellschaft mit beschränkter Haftung	Ennepetal/DE	EUR	30.0	100%	dormakaba Holding GmbH + Co. KGaA
DORMA Arabia Automatic Doors Company Ltd.	Dammam/SA	SAR	10.0	95%	dormakaba International Holding GmbH
				5%	dormakaba Deutschland GmbH
DORMA Ghana Limited	Accra/GH	GHS	1,850.0	100%	dormakaba International Holding GmbH
DORMA HUEPPE Pty. Ltd.	Regents Park/AU	AUD	5,374.4	100%	dormakaba Holding Australia Pty. Ltd.
DORMA Hüppe Asia Sdn. Bhd.	Senai, Johor/MY	MYR	2,510.0	100%	DORMA Hüppe Raumtrennsysteme GmbH
DORMA Hüppe Austria GmbH	Linz/AT	EUR	146.0	100%	DORMA Hüppe Raumtrennsysteme GmbH
DORMA Hüppe S.A.	Brugge/BE	EUR	3,300.0	100%	DORMA Hüppe Raumtrennsysteme GmbH
DORMA Hüppe Raumtrennsysteme GmbH	Westerstede/DE	EUR	3,000.0	100%	dormakaba Holding GmbH + Co. KGaA
dormakaba Access Indonesia, PT	Jakarta/IN	IDR	2,555,199.5	90%	dormakaba International Holding GmbH
				10%	dormakaba Deutschland GmbH
dormakaba Access Solutions LLC	Doha/QA	QAR	200.0	100%	dormakaba International Holding GmbH
dormakaba Access Solutions (China) Ltd.	Shanghai/CN	USD	3,000.0	100%	dormakaba International Holding GmbH
dormakaba Australia Pty. Ltd.	Hallam/AU	AUD	0.0	100%	dormakaba Holding Australia Pty. Ltd.

dormakaba Austria GmbH	Herzogenburg/AT	EUR	1,460.0	100%	dormakaba International Holding AG
dormakaba Belgium N.V.	Bruges/BE	EUR	2,416.3	100%	dormakaba International Holding AG
dormakaba Brasil Soluções de Acesso Ltda.[3]	São Paulo/BR	BRL	23,470.5	100%	dormakaba International Holding AG
dormakaba Bulgaria Ltd.[3]	Sofia/BG	BGN	2,056.0	100%	dormakaba International Holding GmbH
dormakaba business services Bulgaria Ltd.[1]	Sofia/BG	BGN	200.0	100%	dormakaba International Holding GmbH
dormakaba Canada Inc.	Montreal/CA	CAD	1.0	100%	dormakaba International Holding AG
dormakaba Cesko s.r.o.	Praha/CZ	CZK	100.0	100%	dormakaba International Holding GmbH
dormakaba China Ltd.[3]	Suzhou/CN	USD	12,500.0	100%	dormakaba International Holding GmbH
dormakaba (China) Technologies Ltd.	Shenzhen/CN	CNY	69,500.0	100%	dormakaba Hong Kong Limited
dormakaba Danmark A/S	Albertslund/DK	DKK	696.0	100%	dormakaba International Holding AG
dormakaba Deutschland GmbH	Ennepetal/DE	EUR	126,780.0	100%	dormakaba Holding GmbH + Co. KGaA
DORMAKABA DOO BEOGRAD	Beograd/RS	RSD	4,474.3	100%	dormakaba International Holding GmbH
dormakaba España S.A.U.	Madrid/ES	EUR	600.0	100%	dormakaba International Holding AG
dormakaba Eurasia LLC	Moscow/RU	RUB	213,000.0	100%	dormakaba International Holding GmbH
dormakaba Finance AG	Rümlang/CH	CHF	100.0	100%	dormakaba Holding GmbH + Co. KGaA
dormakaba Finance GmbH	Ennepetal/DE	EUR	25.0	100%	dormakaba Holding GmbH + Co. KGaA
dormakaba France S.A.S.	Antony/FR	EUR	5,617.2	100%	dormakaba International Holding AG
dormakaba Gulf FZE	Dubai/AE	USD	9,524.9	100%	dormakaba International Holding GmbH
dormakaba Holding Australia Pty. Ltd.	Hallam/AU	AUD	11,600.0	100%	dormakaba Singapore Pte. Ltd.
dormakaba Hong Kong Limited	Hong Kong/HK	HKD	100.0	100%	dormakaba Nederland B.V.
dormakaba Hrvatska d.o.o.	Zagreb/HR	EUR	749.9	100%	dormakaba International Holding GmbH
dormakaba Immobilien GmbH	Villingen-Schwenningen/DE	EUR	50.0	100%	dormakaba Holding GmbH + Co. KGaA
dormakaba India Private Limited	Chennai/IN	INR	1,147,197.3	100%	dormakaba International Holding GmbH
dormakaba International Holding GmbH	Ennepetal/DE	EUR	110.0	100%	dormakaba Holding GmbH + Co. KGaA
dormakaba Ireland Limited[3]	Kildare/IE	EUR	100.0	100%	dormakaba International Holding GmbH
dormakaba Italia Srl.	Milano/IT	EUR	260.0	100%	dormakaba Schweiz AG
dormakaba Japan Co. Ltd.	Tokyo/JP	JPY	120,000.0	100%	dormakaba Schweiz AG
dormakaba Kapi Ve Güvenlik Sistemleri Sanayi Ve Ticaret A.S.	Istanbul/TR	TRY	3,750.0	99%	dormakaba International Holding GmbH
				1%	dormakaba Deutschland GmbH
dormakaba Kenya Limited	Nairobi/KE	KES	40,000.0	99%	dormakaba International Holding GmbH
				1%	dormakaba Deutschland GmbH
dormakaba Korea Inc.	Seoul/KR	KRW	150,000.0	100%	dormakaba International Holding GmbH
dormakaba Kuwait for Ready Made Windows LLC	Kuwait City/KW	KWD	10.0	49%	dormakaba International Holding GmbH
				51%	dormakaba Middle East SPV Ltd.
dormakaba Luxembourg S.A.	Wecker/LU	EUR	300.0	100%	dormakaba International Holding AG
dormakaba Magyarorszàg Zrt.	Budapest/HU	HUF	251,000.0	100%	dormakaba Holding GmbH + Co. KGaA
dormakaba Malaysia SDN BHD	Selangor/MY	MYR	800.0	100%	dormakaba Nederland B.V.
dormakaba Maroc SARL	Casablanca/MA	MAD	2,000.0	100%	dormakaba International Holding GmbH
dormakaba México, S. de R.L. de C.V.	Mexico City/MX	MXN	3.0	97%	dormakaba International Holding GmbH
				3%	dormakaba Deutschland GmbH
dormakaba Middle East (LLC)	Dubai/AE	AED	7,700.0	49%	dormakaba International Holding GmbH
				51%	dormakaba Middle East SPV Ltd.
dormakaba Middle East SPV Limited	Abu Dhabi/AE	AED	N/A	100%	dormakaba International Holding AG
dormakaba Nederland B.V.	Dodewaard/NL	EUR	11.7	100%	dormakaba International Holding GmbH
dormakaba New Zealand Limited	Auckland/NZ	NZD	384.0	100%	dormakaba Nederland B.V.
dormakaba Norge A/S[3]	Drammen/NO	NOK	1,812.5	100%	dormakaba International Holding AG

dormakaba Philippines Inc.	Makati City/PH	PHP	18,000.0	100%	dormakaba International Holding GmbH
dormakaba Polska sp.z.o.o.	Konstancin-Jeziorna/PL	PLN	10,000.0	100%	dormakaba International Holding AG
dormakaba Portugal, Unipessoal Lda.	Lisbon/PT	EUR	50.0	100%	dormakaba International Holding GmbH
dormakaba Production GmbH + Co. Kommanditgesellschaft	Ennepetal/DE, Singapore/SGP	EUR	2,560.0	100%	dormakaba Deutschland GmbH
dormakaba Production GmbH	Ennepetal/DE	EUR	50.0	100%	dormakaba Deutschland GmbH
dormakaba Production Malaysia SDN. BHD.	Melaka/MY	MYR	5,000.0	100%	dormakaba International Holding GmbH
dormakaba Romania S.R.L.	Bucharest/RO	RON	4,705.8	100%	dormakaba International Holding GmbH
dormakaba SAL GmbH	Velbert/DE	EUR	255.7	100%	dormakaba Deutschland GmbH
dormakaba Schweiz AG	Wetzikon/CH	CHF	6,800.0	100%	dormakaba International Holding AG
dormakaba Services B.V.	Dodewaard/NL	EUR	100.0	100%	dormakaba Nederland B.V.
dormakaba Singapore Pte Ltd	Singapore/SGP	SGD	13,300.0	100%	dormakaba Production GmbH + Co. KG
dormakaba Slovensko s.r.o	Bratislava/SK	EUR	6.6	100%	dormakaba International Holding GmbH
dormakaba South Africa (Pty.) Ltd.[3]	Johannesburg/ZA	ZAR	40,001.0	100%	dormakaba International Holding GmbH
dormakaba Suomi Oy	Helsinki/FI	EUR	67.3	100%	dormakaba International Holding GmbH
dormakaba Sverige AB	Västra Frölunda/SE	SEK	500.0	100%	dormakaba Nederland B.V.
dormakaba (Thailand) Ltd.	Bangkok/TH	THB	13,490.0	100%	dormakaba International Holding GmbH
dormakaba UK Holding Limited	Hitchin/GB	GBP	173.0	100%	dormakaba International Holding GmbH
dormakaba UK Limited	Hitchin/GB	GBP	250.0	100%	dormakaba International Holding GmbH
dormakaba Ukraine LLC	Kiev/UA	EUR	250.0	99%	dormakaba International Holding GmbH
				1%	dormakaba Deutschland GmbH
dormakaba Uruguay S.A	Montevideo/UY	UYU	10.8	100%	dormakaba International Holding GmbH
dormakaba U.S. Holding Ltd.	Wilmington/US	USD	470,000.0	59.52%	dormakaba Schweiz AG
				17%	dormakaba Nederland B.V.
				23.48%	dormakaba International Holding AG
dormakaba USA Inc.	Indianapolis/US	USD	1.0	100%	dormakaba U.S. Holding Ltd.
dormakaba Workforce Solutions LLC	Wilmington/US	USD	19.7	100%	dormakaba U.S. Holding Ltd.
Eminence S.A.S.[2]	Guitrancourt/FR				dormakaba France S.A.S.
E Plus Building Products Pty. Ltd.	Hallam/AU	AUD	0.2	100%	E Plus Nominees Pty. Ltd.
Ezi Roll Doors Australia Pty. Ltd.	Hallam/AU	AUD	12,600.7	100%	Best Doors Australia Pty. Ltd.
Farpointe Data Inc.	San Jose/US	USD	1,701.7	100%	dormakaba USA Inc.
Fermatic S.A.S.	Guitrancourt/FR	EUR	260.0	100%	dormakaba France S.A.S.
Fermatic AFH S.A.S.	Octeville-sur-Mer/FR	EUR	12.5	100%	dormakaba France S.A.S.
Fermatic Agence Normandie S.A.S.	Saint-Jacques-sur-Darnétal/FR	EUR	350.0	100%	dormakaba France S.A.S.
Fermatic Fresnais S.A.S.	Saint-Luce-Sur-Loire/FR	EUR	32.0	100%	dormakaba France S.A.S.
Fermetures GROOM S.A.S.	Javené/FR	EUR	1,500.0	100%	dormakaba France S.A.S.
Forponto Informática S.A.	São Paulo/BR	BRL	10.0	100%	Task Sistemas de Computação S.A.
Gliderol International Pty. Ltd.	Hallam/AU	AUD	5.0	100%	Reliance Doors Pty. Ltd.
Grupo Klaus S.A.C.[3]	Lima/PE	PEN	14,498.1	100%	dormakaba International Holding AG
H. Cillekens & ZN BV, Roermond/NL	Roermond/NL	EUR	15.9	100%	dormakaba Nederland B.V.
Jaqmar Pty. Ltd.	Hallam/AU	AUD	6,195.1	100%	Best Doors Australia Pty. Ltd.
Kaba do Brasil Ltda.	São Paulo/BR	BRL	32,051.2	100%	dormakaba International Holding AG
Kaba Holding AG	Rümlang/CH	CHF	100.0	100%	dormakaba International Holding AG
Kaba Ilco Corp.	Rocky Mount/US	USD	56,897.6	100%	dormakaba U.S. Holding Ltd.
Kaba Ltd.	Tiverton/GB	GBP	6,300.0	100%	dormakaba UK Holding Limited
Kaba Mas LLC	Lexington/US	USD	880.7	100%	dormakaba U.S. Holding Ltd.
Kilargo Pty. Ltd.	Hallam/AU	AUD	1.0	100%	dormakaba Holding Australia Pty. Ltd.
KIWS Property LLC	Delaware/US		N/A	100%	dormakaba USA Inc.

Legic Identsystems AG	Wetzikon/CH	CHF	500.0	100%	dormakaba Schweiz AG
Minda Silca Engineering Pvt. Ltd.	New Delhi/IN	INR	107,510.0	65%	dormakaba International Holding AG
Modernfold Inc.	Greenfield/US	USD	0.0	100%	dormakaba USA Inc.
Modernfold of Nevada LLC.	Greenfield/US	USD	0.0	100%	Modernfold Inc.
MultiGlazingSystems Limited	Oldbury/GB	GBP	0.3	100%	dormakaba UK Limited
Path Line (China) Ltd.[2]	Hong Kong/HK				Wah Yuet Hong Kong Limited
Perfect Lease S.A.S.	Guitrancourt/FR	EUR	8.0	100%	Fermatic S.A.S.
Poksundo GmbH[2]	Villingen-Schwenningen/DE				dormakaba International Holding GmbH
Rafi Shapira & Sons Ltd.	Rishon LeZion/IL	ILS	0.1	30%	dormakaba International Holding GmbH
Reliance Doors Pty. Ltd.	Hallam/AU	AUD	768.5	100%	dormakaba Holding Australia Pty. Ltd.
Resolute Testing Laboratories Pty. Ltd.	Hallam/AU	AUD	0.1	100%	Kilargo Pty. Ltd.
R.T.R. Services Limited	Derbyshire/GB	GBP	6,270.0	100%	dormakaba UK Limited
Serrurerie Chaudronnerie Bouffier Alain et Heurtaut Jean Claude SCBH S.A.S.	Freneuse/FR	EUR	300.0	100%	dormakaba France S.A.S.
Silca GmbH	Velbert/DE	EUR	358.0	100%	dormakaba Holding GmbH + Co. KGaA
Silca Key Systems S.A.	Barcelona/ES	EUR	162.3	100%	dormakaba Holding GmbH + Co. KGaA
Silca S.A.S.	Porcheville/FR	EUR	797.7	100%	dormakaba France S.A.S.
Silca S.p.A.	Vittorio Veneto/IT	EUR	10,000.0	97%	dormakaba Holding GmbH + Co. KGaA
				3%	dormakaba Schweiz AG
Silca South America S.A.	Tocancipa/CO	COP	4,973,013.8	65.92%	dormakaba International Holding AG
				32.52%	dormakaba Schweiz AG
Skyfold Inc.	Quebec/CA	CAD	113,994.5	100%	dormakaba Canada Inc.
Smart Access Solutions Company Ltd.	Riyadh/SA	SAR	25.0	100%	dormakaba Middle East SPV Limited
Solus Security Systems Private Limited	Mumbai/IN	INR	100.0	100%	dormakaba India Private Limited
Task Sistemas de Computação S.A.	Rio de Janeiro/BR	BRL	26,438.7	100%	dormakaba International Holding AG
TLHM Co. Ltd.	Taiwan/TWN	TWD	270,000.0	100%	dormakaba International Holding AG
Transquest Tag & Tracing Solutions B.V.	Utrecht/NL	EUR	18.0	100%	AtiQx Holding B.V.
WAH MEI Access Security Technology Co. LTD.	Taishan/CN	USD	15,000.0	100%	Wah Yuet Hong Kong Limited
Wah Yuet Hong Kong Limited	Hong Kong/HK	HKD	768,250.0	100%	dormakaba Schweiz AG
Wah Yuet (Ng's) Overseas Co. Ltd.	Tortola/VG	USD	13,289.0	100%	Wah Yuet Hong Kong Limited

1 Changes in scope of consolidation from acquisitions and foundations (comparison to previous year)

2 Changes in scope of consolidation from divestments, liquidations, internal mergers or status change to dormant (comparison to previous year)

3 Changes in equity and/or ownership (comparison to previous year): dormakaba Brasil Soluções de Acesso Ltda. decreased its share capital from BRL 35,160,700 / dormakaba Bulgaria Ltd. decreased its share capital from EUR 1,314,100 / dormakaba China Ltd. decreased its share capital from CNY 127,759,100 / dormakaba Ireland Limited decreased its share capital from EUR 1,500,000 / dormakaba Norge A/S increased its share capital from NOK 1,798,000 / dormakaba South Africa (Pty.) Ltd. increased its share capital from ZAR 1,000 / Grupo Klaus S.A.C. increased its share capital from PEN 11,516,200

Apart from dormakaba Holding AG in Rümlang, none of the companies in the dormakaba Group's scope of consolidation is listed on a stock exchange. The registered shares of dormakaba Holding AG are traded on the SIX Swiss Exchange (security no./ISIN: 1179595/CH 0011795959). As at 30 June 2024, the company's market capitalization was CHF 1,932.1 million.

This disclosure meets the requirements of the GRI standards (Disclosure 102-45).

Primary statements
Performance
Operating assets and liabilities
Capital and financial risk management
Other financial information
Other disclosures
Report of the statutory auditor

Report of the statutory auditor

to the General Meeting of Dormakaba Holding AG

Rümlang

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Dormakaba Holding AG and its subsidiaries (the Group), the consolidated income statement for the year ended 30 June 2024, the consolidated balance sheet as at 30 June 2024, and the consolidated cash flow statement, the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 102 to 146) give a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor’s responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall group materiality: CHF 12.8 million

We concluded full scope audit work at 48 reporting units in 20 countries. Our audit scope addressed over 75% of the Group's revenue. In addition, specified procedures were performed on a further three reporting units in one country representing a further 3% of the Group's revenue. Reviews were performed for 30 reporting units in 19 countries addressing a further 8% of the Group’s revenue.

As key audit matters the following areas of focus have been identified:

Revenue Recognition

Restructuring provision

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due

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to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	CHF 12.8 million
Benchmark applied	Adjusted Profit before tax
Rationale for the materiality benchmark applied	We chose adjusted profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured, and it is a generally accepted benchmark.

We agreed with the Audit Committee that we would report to them misstatements above CHF 0.6 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates. In establishing the overall approach for the Group audit, we determined the type of work that needed to be performed by us, as the Group audit team and by component auditors from the other PwC network firms operating under our instructions. The Group consolidation, financial statement disclosures, acquisition and divestment accounting and the valuation of deferred tax assets are audited by the Group audit team. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work for those reporting units to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our audit opinion on the Group's financial statements as a whole. The Group audit team's involvement also included reading the reports from the component auditors and leading conference calls with component auditors to discuss their audit findings.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Key audit matter	How our audit addressed the key audit matter
Total consolidated net sales of the financial year 2023/2024 amounted to CHF 2,837.1 million (2022/2023: CHF 2,848.8 million). Refer to note 1.2 “Net sales per geographical markets / business units”. Net sales include all sales of goods and services, after deduction of freight expense of goods sold, sales commissions and other sales deductions, such as discounts and rebates. Sales from goods are recognized when all significant risks, rewards of ownership and control is transferred. Sales related to services are recognized when the service is provided. Distinctive components related to multi-element contracts are recognized separately. The risk for revenue being recognized in an incorrect period presents a key audit matter due to the financial significance and nature of net sales in the financial statements.	We obtained an understanding of the Group’s policies, processes and methods regarding revenue recognition. During our audit, we analyzed the process established to determine revenue recognition and we performed, on a sample basis, the following audit procedures for all full scope reporting components and for the reporting unit subject to specified procedures: • We tested whether revenue is categorized and recognized in line with the dormakaba accounting policy. • We tested the occurrence and timing of revenue recognition of sales related to products by comparing individual sales transactions to delivery documents. • We tested the occurrence and timing of revenue related to individual services by comparing sales transactions to contracts, handover certificates or equivalent. Based on the audit procedures performed, we consider the risk of revenue recognition in an incorrect period to be adequately addressed by Management.

Restructuring provision

Key audit matter	How our audit addressed the key audit matter
As of year end 30 June 2024 the company had restructuring provisions in the amount of CHF 74.1 million (prior year CHF 0.0 million) A restructuring is a program planned and controlled by the Management that materially changes the manner in which the business is conducted. Costs relating to restructuring plans or agreements, including the reduction of excess staff, the discontinuation of certain activities, the streamlining of facilities and operations, and other restructuring measures, are recorded in the period in which the Group commits itself to a detailed formal plan. The risk for the restructuring provision not being accurate, existing and recognized in compliance with Swiss GAAP FER 23 presents a key audit matter due to significant balance at year end. Also the restructuring provision entails a complex calculation and significant estimates.	We obtained an understanding of the Group’s policies and analysed the process and methods established to determine the restructuring provision. • We validated the input data and corroborated management assumptions • We verified mathematical accuracy of the calculations • We reconciled the journal entries to supporting documents • We reviewed protocols of the board of directors’ meetings • Testing recognition in compliance with Swiss GAAP FER 23 Based on the audit procedures performed, we consider the risk of revenue recognition in an incorrect period to be adequately addressed by Management.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Patrick Balkanyi Licensed audit expert Auditor in charge	Sandra Burgstaller Licensed audit expert

Zürich, 29 August 2024

Financial Statements dormakaba Holding AG

Balance sheet

Assets

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Current assets			
Cash and cash equivalents		0.1	0.1
Other current assets: third parties		0.2	0.2
Total current assets		**0.3**	**0.3**
Non-current assets			
Investments	2.1	704.9	704.9
Loans to Group companies	2.2	169.4	171.2
Total non-current assets		**874.3**	**876.1**
Total assets		**874.6**	**876.4**

Liabilities and equity

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Current liabilities			
Other current liabilities: third parties		0.7	1.0
Total current liabilities		**0.7**	**1.0**
Long-term provisions	2.3	11.3	11.7
Equity			
Share capital	2.4	0.4	0.4
Legal capital reserves			
- capital contribution reserves		1.5	21.4
Legal reserves		261.0	261.0
Reserves for treasury shares	2.6	5.7	9.1
Statutory retained earnings			
- available earnings carried forward		555.3	522.5
Net profit for the year		38.7	49.3
Total equity		**862.6**	**863.7**
Total liabilities and equity		**874.6**	**876.4**

Income statement

CHF million	Note	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Operating revenues			
Dividend income from investments	3.1	40.1	50.3
Interest from loans to Group companies		5.9	5.1
Other financial income		0.0	1.6
Total operating revenues		**46.0**	**57.0**
Operating expenses			
Financial expenses	3.2	−3.3	−3.2
Cost of services provided by Group companies		−0.1	−0.1
Personnel expenses		−3.2	−2.9
Other operating expenses	3.3	−0.8	−0.9
Direct taxes	3.4	0.1	−0.6
Total operating expenses		**−7.3**	**−7.7**
Net profit for the period		**38.7**	**49.3**

Notes to the financial statements

1. Principles

1.1 General

These annual financial statements were prepared in accordance with the provisions of the Swiss accounting law (Title 32 of the Swiss Code of Obligations [CO]). The main valuation principles applied that are not prescribed by law are described below.

In accordance with the provisions of the Swiss accounting law (article 961d para. 1 CO), the company does not provide a management report, a cash flow statement, or additional information in the notes and refers instead to the consolidated financial statements of dormakaba Holding AG for the relevant information.

1.2 Loans to Group companies and other financial assets

Loans granted to Group companies and other financial investments in foreign currencies are valued at the market rate on the balance sheet date. The valuation is at nominal values, taking into consideration any impairment required.

1.3 Investments

Investments are valued in accordance with the principle of individual valuation. General value adjustments can be applied.

1.4 Dividend income

Dividend income is recorded when payment is received.

2. Information on balance sheet items

2.1 Investments

		Share capital in local currency	Voting rights in %
dormakaba Holding GmbH + Co. KGaA, Ennepetal/DE	EUR	27,642,105	52.5
dormakaba Beteiligungs-GmbH, Ennepetal/DE	EUR	1,000,000	52.5

There are no changes to the investments.

2.2 Loans to Group companies

Counterparty	Currency	Interest rate	Financial year ended 30.06.2024	Financial year ended 30.06.2023
dormakaba International Holding AG, Rümlang/CH	CHF	1.50%	169.4	171.2
Total loans to Group companies			**169.4**	**171.2**

2.3 Long-term provisions

These provisions relate to general risks.

2.4 Share capital

As at 30 June 2024, the share capital amounted to CHF 420,002.60 divided into 4,200,026 registered shares at a par value of CHF 0.10.

Conditional capital as at 30 June 2024 amounted to CHF 42,438.40.

The Company has a capital range ranging from CHF 378,002.60 (lower limit) to CHF 462,002.60 (upper limit). The Board of Directors is authorized within the capital range to increase or reduce the share capital once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until 5 October 2028, or until an earlier expiry of the capital range. The capital increase or reduction may be effected by issuing up to 420,000 fully paid registered shares with a nominal value of CHF 0.10 each or by cancelling up to 420,000 registered shares with a nominal value of CHF 0.10 each, as applicable, or by increasing or reducing the nominal value of the existing registered shares within the limits of the capital range or by simultaneous reduction and reincrease of the share capital.

2.5 Principal shareholders

	As at 30.06.2024 or last reported No. of shares at CHF 0.10 par value	%	As at 30.06.2023 No. of shares at CHF 0.10 par value	%
Pool Shareholders[1]	**1,170,605**	**27.9**	**1,170,496**	**27.9**
Group's treasury shares	**9,027**	**0.2**	**13,577**	**0.3**
Public shareholders				
SEO Management AG	339,109	8.1	126,059	3.0
UBS Fund Management (Switzerland) AG	171,679	4.1	-	-
Other public shareholders	2,496,743	59.5	2,870,417	68.3
Total public shareholders	**3,007,531**	**71.7**	**2,996,476**	**71.3**
BoD and EC members[2]				
BoD members	228,773	5.5	228,434	5.4
EC members	5,094	0.1	11,938	0.3
Total BoD and EC members	**233,867**	**5.6**	**240,372**	**5.7**
Less double-counting in respect of Pool Shareholders[3]	−221,004	−5.4	−220,895	−5.2
Total shares	**4,200,026**	**100.0**	**4,200,026**	**100.0**

1 The following persons are party to the pool agreement dated 29 April 2015, updated 7 December 2021: Familie Mankel Industriebeteiligungs GmbH + Co. KGaA / Ennepetal, Mankel Family Office GmbH / Ennepetal, KRM Beteiligungs GmbH / Ennepetal, Christine Mankel / Ennepetal, CM Beteiligungs-GmbH / Ennepetal, CM-Familienstiftung / Düsseldorf, Laetitia Brecht-Bergen / Düsseldorf, Leander Brecht-Bergen / Düsseldorf, Stephanie Brecht-Bergen / Düsseldorf, SBB Beteiligungs-GmbH / Ennepetal, as well as Martina Bössow / Meilen, Balz Dubs / Zurich, Karina Dubs / Zurich, Kevin Dubs / Zurich, Kim Dubs / Zurich, Linus Dubs / Zurich, Amy Flückiger / Herrliberg, Anja Flückiger / Herrliberg, heirs of Beat Flückiger / Herrliberg, Flo Flückiger / Herrliberg, heirs of Karin Forrer / Bern , Clive Kuenzle / Zurich, Michael Kuenzle / Meilen, Alexandra Sallai / Worb, Christoph Sallai / Bern, Andrea Ullmann / Zollikon, Basil Ullmann / Zollikon, Lynn Ullmann / Zollikon, Sascha Ullmann / Zollikon, Adrian Weibel / Meilen and Tonia Weibel / Meilen.

2 Including related parties.

3 Shareholdings of Pool Shareholders who are also BoD members are included under Pool Shareholders and BoD members.

2.6 Treasury shares

	Financial year ended 30.06.2024		Financial year ended 30.06.2023	
	CHF million	Number of shares	CHF million	Number of shares
Treasury shares at the beginning of the period	0.0	–	0.0	–
Purchase	1.2	2,635	1.4	3,785
Share-based compensation	−1.2	−2,635	−1.3	−3,785
Revaluation	0.0	–	−0.1	–
Treasury shares at the end of the period	**0.0**	**–**	**0.0**	**–**
Treasury shares held in other Group entities	5.7	9,027	9.1	13,577

3. Information on the income statement

3.1 Dividend income

The dividend income for the year is CHF 40.1 million (2022/23: CHF 50.3 million).

3.2 Financial expenses

The financial expenses relate primarily to guarantee fees paid to dormakaba Holding GmbH + Co. KGaA to guarantee the bond issued by dormakaba Finance AG.

3.3 Other operating expenses

The main expense items relate to external consulting services and marketing expenses.

3.4 Direct taxes

Direct taxes comprise capital taxes and income taxes.

4. Other information

4.1 General information

dormakaba Holding AG is incorporated and domiciled in Rümlang (Switzerland). The address of its registered office is Hofwisenstrasse 24, 8153 Rümlang, Switzerland.

The company is listed on the SIX Swiss Exchange.

4.2 Full-time equivalents

As at 30 June 2024, dormakaba Holding AG did not employ any personnel.

4.3 Contingent liabilities

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Guarantees	656.3	656.3
Of which used	0.0	0.0

As in the previous year, the guarantees disclosed relate to the guarantee accorded to the bondholders for the bonds issued by dormakaba Finance AG in the total nominal amount of CHF 595.0 million.

The dormakaba companies in Switzerland are treated as a single entity for VAT purposes (Group taxation, article 13 Swiss VAT Act). If one company is unable to meet its payment obligations to the taxation authorities, the other Group companies within the tax group are jointly and severally liable.

5. Conditional capital

	Financial year ended 30.06.2024		Financial year ended 30.06.2023	
	Share capital value in CHF	Number of shares	Share capital value in CHF	Number of shares
Conditional capital at the end of the period	42,438	424,384	42,438	424,384

Conditional capital of CHF 36,000 (2022/23: CHF 36,000) is earmarked for the coverage of convertible bonds and warrant bonds, plus CHF 6,438.40 (2022/23: CHF 6,438.40) for shares or share options to associates and BoD members of which CHF 0 (2022/23: CHF 0) were exercised in the 2023/24 financial year.

6. Shareholdings of BoD and EC members

As at the reporting date, the individual BoD and EC members (including related parties) held the following numbers of shares in dormakaba Holding AG. None of the BoD and EC members held any options.

Number of shares	Financial year ended 30.06.2024	Financial year ended 30.06.2023
BoD		
Brandtzaeg Svein Richard	844	168
Aebischer Thomas	669	430
Birgersson Jens	2,792	2,491
Brecht-Bergen Stephanie	221,097	220,895
Daeniker Daniel[1]	-	2,379
Gummert Hans	1,552	1,350
Liu John Y.	695	493
Lochiatto Kenneth	606	114
Poeschel Ines[2]	202	-
Regelski Michael	316	114
Total BoD	**228,773**	**228,434**
EC		
Bewick Stephen	501	449
Guardiola Magín	1,282	1,258
Häberli Andreas[3]	-	2,696
Housten Alex[4]	-	922
Johansson Christina	470	-
Lee Jim-Heng[5]	-	3,896
Reuter Till[6]	46	-
Zocca Stefano	2,795	2,717
Total EC	**5,094**	**11,938**

1 BoD Member until 5 October 2023
2 BoD Member as of 5 October 2023
3 EC Member until 30 June 2023
4 EC Member until 16 February 2024
5 CEO until 31 December 2023
6 Board Member from 5 October until 31 December 2023, CEO as of 1 January 2024

7. Events after the balance sheet date

There were no events between 30 June 2023 and 29 August 2024 which would necessitate adjustments to the book value of the dormakaba Holding AG's assets or liabilities, or which require additional disclosure in the financial statements.

Appropriation of retained earnings

Proposal for the appropriation of available retained earnings as at 30 June 2024

CHF million	Financial year ended 30.06.2024	Financial year ended 30.06.2023
Net profit for the period	38.7	49.3
Allocation from reserves for treasury shares	3.4	6.9
Statutory retained earnings carried forward from previous year	551.9	515.6
Unappropriated retained earnings at the end of the period	**594.0**	**571.8**
Allocation from capital contribution reserves[1]	1.5	20.0
Total at the AGM's disposal	**595.5**	**591.8**

1 Capital contribution reserves will only be released in the amount of the resolution of the AGM.

The BoD will propose to the shareholders at the AGM on 10 October 2024 a total distribution of CHF 33.6 million on the basis of the share capital of CHF 420,002 (4,200,026 shares at CHF 0.10) without contribution to other reserves, to be paid out from capital contribution reserves and statutory retained earnings:

- CHF 1.5 million (2022/23: CHF 20.0 million) from capital contributions without deduction of Swiss withholding tax; and
- CHF 32.1 million (2022/23: CHF 20.0 million) from statutory retained earnings subject to Swiss withholding tax.

CHF million	Proposal to the AGM 2024	Approved by the AGM 2023
Distribution from capital contribution reserves[1]	1.5	20.0
Dividend distribution from statutory retained earnings[1]	32.1	20.0
To be carried forward	561.9	551.8
Total at the AGM's disposal	**595.5**	**591.8**

1 Calculated based on the number of total shares as at 30 June 2024. The total amount of the distribution depends on the number of shares entitled to dividend payout as from 14 October 2024. Treasury shares are not entitled to dividend payout.

After approval of this proposal by the AGM, the distribution from capital contribution reserves as well as dividend distribution from statutory retained earnings will be paid out as from 16 October 2024 according to the instructions received: CHF 8.00 (2022/23: CHF 9.50) gross per listed registered share at a par value of CHF 0.10.

Report of the statutory auditor

to the General Meeting of dormakaba Holding AG

Rümlang

Report on the audit of the financial statements

Opinion

We have audited the financial statements of dormakaba Holding AG (the Company), which comprise the balance sheet as at 30 June 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 152 to 159) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall materiality: CHF 4.37 million

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

Valuation of Investments

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 4.37 million
Benchmark applied	Total Assets
Rationale for the materiality benchmark applied	We chose Total Assets as a benchmark because, in our view, it is a relevant benchmark for a Holding company, and it is a generally accepted benchmark for holding companies.

We agreed with the Audit Committee that we would report to them misstatements above CHF 0.44 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Investments

Key audit matter	How our audit addressed the key audit matter
As at 30 June 2024, the Company had investments in two subsidiaries in the amount of CHF 704.9 million (prior year: CHF 704.9 million). These investments are stated at cost in accordance with the commercial accounting and financial reporting provisions of the Swiss Code of Obligations. Valuation of investments was deemed a key audit matter due to their significance on the balance sheet. The two investments in dormakaba Holding GmbH & Co KGaA and dormakaba Beteiligungs-GmbH represent the largest single asset category on the balance sheet (80% of Total Assets).	Management performs a review of whether indicators for impairment for the investments exist. No such indicators were identified in the process. We tested the valuation of the investments as at 30 June 2024 by performing the following procedures: • We compared the net book values of the investments as at 30 June 2024 to the shareholders equity of the company concerned. • We compared the book value of equity of the Company to its market capitalization as at 30 June 2024. We consider Management's approach to value the investments as acceptable and reasonable.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Patrick Balkanyi	Sandra Burgstaller
Licensed audit expert Auditor in charge	Licensed audit expert

Zürich, 29 August 2024

Five-year Performance Overview

CHF million, except where indicated	2023/24	2022/23	2021/22	2020/21	2019/20
Net sales	**2,837.1**	**2,848.8**	**2,756.9**	**2,499.7**	**2,539.8**
Organic growth in %	4.7	8.4	7.7	1.3	–6.9
EBITDA (Operating profit before depreciation and amortization)	293.1	325.8	342.0	353.1	325.0
Adjusted EBITDA (Adjusted operating profit before depreciation and amortization)[3]	**416.9**	**384.8**	**372.3**	**362.0**	**–**
Adjusted EBITDA in % of net sales[3]	14.7	13.5	13.5	14.5	–
EBIT (Operating profit)[2]	165.0	189.0	103.0	274.3	253.2
Adjusted EBIT (Adjusted operating profit)[3]	**344.0**	**307.5**	**293.4**	**283.6**	**–**
Adjusted EBIT in % of net sales[3]	12.1	10.8	10.6	11.3	–
Net profit[2]	**82.2**	**88.5**	**38.8**	**193.3**	**164.1**
Net profit in % of net sales[2]	2.9	3.1	1.4	7.7	6.5
Net profit after minorities[2]	**42.2**	**45.7**	**19.3**	**100.8**	**84.6**
Basic earnings per share (in CHF)[2]	10.1	10.9	4.6	24.2	20.4
Diluted earnings per share (in CHF)[2]	10.0	10.9	4.6	24.1	20.3
Dividend per share (in CHF)[1]	8.00	9.50	11.50	12.5	10.5
Payout ratio in %	51.1	51.7	50.4	51.7	51.6
Cash generated from operations	381.6	363.4	188.4	384.5	407.9
Net cash from operating activities	**286.2**	**288.4**	**127.3**	**313.5**	**328.1**
Operating cash flow margin in %	10.1	10.1	4.6	12.5	12.9
Net cash used in investing activities	–81.6	–111.8	–158.9	–95.5	–232.4
Free cash flow	204.6	176.6	–31.6	218.0	95.7
Net cash flows from financing activities	–177.9	–177.8	–0.4	–231.9	–65.8
Of which dividends paid	–39.8	–48.1	–52.2	–43.7	–66.5
Personnel expenses	1,210.1	1,127.9	1,093.9	1,022.3	1,027.7
Average number of full-time equivalent employees	15,336	15,519	15,495	14,989.0	15,676.0
Total assets[2]	**1,965.5**	**1,946.5**	**2,071.9**	**1,869.8**	**1,808.6**
Total assets in % of net sales[2]	69.3	68.3	75.2	74.8	71.2
Property, plant, and equipment in % of net sales	14.2	14.0	14.9	17.4	17.4
Inventories in % of net sales	17.5	17.1	19.5	18.0	17.5
Receivables in % of net sales	17.0	16.2	17.5	17.0	15.3
Net working capital	**704.3**	**694.0**	**751.3**	**641.6**	**631.9**
Net working capital in % of net sales	24.8	24.4	27.3	25.7	24.9
Net debt	**454.8**	**596.9**	**708.1**	**508.8**	**667.7**
Net debt/Adjusted EBITDA[3]	1.1	1.6	1.9	1.4	–
Interest coverage (Adjusted EBITDA / interest expense, net)[3]	11.9	9.6	18.7	19.5	–
Shareholders' equity[2]	**342.4**	**334.6**	**360.6**	**264.9**	**141.3**
Return on equity (ROE) in %[2]	24.0	26.4	10.8	73.0	116.1
Shareholders' equity per share (in CHF)	81.0	79.5	86.0	63.4	34.0

1 In 2023/24: proposal to the Annual General Meeting
2 In 2022/23: dormakaba changed the choice of accounting policies for goodwill accounting. To enable a fair comparison with the current year, the prior-year disclosures have been restated. Please refer to chapter 5.1 in the notes to the consolidated financial statements of the Annual Report 2022/23 of dormakaba.
3 As from 2020/21, adjusted EBITDA/EBIT is introduced. Details are disclosed in the note on alternative performance measures (APM). Please refer to chapter 5.2 of the notes to the consolidated financial statements in the Annual Report 2023/24 of dormakaba.

		2023/24	2022/23	2021/22	2020/21	2019/20
Capital stock						
Registered shares at CHF 0.10 par value	No	4,200,026	4,200,026	4,200,026	4,200,026	4,200,026
Outstanding shares at end of financial year	No	4,190,999	4,186,449	4,178,402	4,168,767	4,157,216
Weighted average number of shares outstanding (diluted)	No	4,226,986	4,210,930	4,193,859	4,178,883	4,159,736
Par value of average outstanding shares	CHF m	0.4	0.4	0.4	0.4	0.4
Par value of year-end outstanding shares	CHF m	0.4	0.4	0.4	0.4	0.4
Shareholders as at 30 June (registered)	No	8,571	9,073	9,033	9,413	9,389
Figures per share (fully diluted)						
Adjusted EBITDA per share (Group)[3]	CHF	98.6	91.4	88.8	84.5	–
Earnings per share (Group)[2]	CHF	10.0	10.9	4.6	24.1	20.3
Shareholders' equity per share (Group)[2]	CHF	81.0	79.5	86.0	63.4	34.0
Price per share						
– high	CHF	503.0	461.0	728.0	657.0	737.0
– low	CHF	402.0	303.5	393.0	416.0	396.4
– 31 December	CHF	454.0	416.5	630.5	502.5	692.5
– 30 June	CHF	461.0	402.0	416.5	630.5	516.5
Market capitalization						
– high	CHF m	2,108.1	1,930.0	3,041.9	2,738.9	3,063.9
– low	CHF m	1,684.8	1,270.6	1,642.1	1,734.2	1,647.9
– 30 June	CHF m	1,932.1	1,683.0	1,740.3	2,628.4	2,147.2
Dividend yield						
– low[1]	%	1.6	2.1	1.6	1.9	1.4
– high[1]	%	2.0	3.1	2.9	3.0	2.6

1 In 2023/24: under the precondition that the shareholder approves the dividend proposed at the Annual General Meeting.
2 In 2022/23: dormakaba changed the choice of accounting policies for goodwill accounting. To enable a fair comparison with the current year, the prior-year disclosures have been restated. Please refer to chapter 5.1 of the notes to the consolidated financial statements in the Annual Report 2022/23 of dormakaba.
3 As from 2020/21, adjusted EBITDA is introduced. Details are disclosed in the note on alternative performance measures (APM). Please refer to chapter 5.2 of the notes to the consolidated financial statements in the Annual Report 2023/24 of dormakaba.

Disclaimer

This communication contains certain forward-looking statements including, but not limited to, those using the words “believes”, “assumes”, “expects” or formulations of a similar kind. Such forward-looking statements reflect the current judgement of the company, involve risks and uncertainties and are made on the basis of assumptions and expectations that the company believes to be reasonable at this time but may prove to be erroneous. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks, uncertainties and other factors outside of the company’s and the Group’s control which could lead to substantial differences between the actual future results, the financial situation, the development or performance of the company or the Group and those either expressed or implied by such statements. Except as required by applicable law or regulation, the company accepts no obligation to continue to report, update or otherwise review such forward-looking statements or adjust them to new information, or future events or developments.

For definition of alternative performance measures, please refer to the chapter 5.2 of the notes to the consolidated financial statements of the Annual Report 2023/24 of dormakaba.

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