

Sustainability Report

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Introduction

Three years after launching our sustainability framework and 30+ ESG targets, we're proud to share our achievements and future plans. Our goal is to offer more sustainable access solutions for every place that matters.

2023/24 in brief

- Scope 1+2 emissions were reduced by 12,500 tCO₂e against our baseline in FY 19/20
- We have expanded the production of on-site solar energy by 550% within a year
- The recordable injury rate dropped by 21% against the previous year
- 322 sustainability-related product declarations and certifications are now available
- 164 high-risk suppliers were assessed through our Supplier Sustainability Engagement Program
- 28% of candidates for succession of senior management positions are women
- Commitment to invest nearly CHF 1 million in our child labor remediation project in the Democratic Republic of Congo with Save the Children Switzerland over ten years
- External acknowledgments: Gold medal from EcoVadis; World's Most Sustainable Companies 2024 by TIME magazine; Europe's Climate Leaders by the Financial Times; AA rating from MSCI; Prime Status in the ISS-ESG Corporate Rating.

Letter from the CEO



Till Reuter, CEO of dormakaba

Dear Stakeholders,

Since becoming CEO, I have met many colleagues who support and are excited about our vision of sustainability. And this vision is backed by concrete, quantifiable initiatives on the ground that are making our aspirations a reality — we are letting our actions do the talking.

Looking back on our sustainability achievements during the past financial year, I am proud to highlight some of our key recognitions: we received a [gold medal from EcoVadis](#), were listed as one of the [World's Most Sustainable Companies 2024 by TIME magazine](#), and have been lauded as one of [Europe's Climate Leaders by the Financial Times](#). Not only that, we also retained our Prime Status issued by the ISS-ESG Corporate Rating and our AA rating from MSCI. These are all fantastic achievements.

During FY 23/24 we continued our work to reduce our carbon emissions. A prime example of this is the installation and commissioning of three photovoltaic power plants with a total of 21,000 solar panels on the roofs of our production sites in Melaka (Malaysia), Suzhou (China), and Taishan (China). With these, we are now generating 5.5 times more solar energy on site than in the last financial year. Harnessing energy from on-site solar panels is part of our climate transition plan, whose overarching goal is to reduce our operational emissions by 42% by 2030. Since our baseline in FY 19/20, our Scope 1+2 emissions have fallen by 12,500 tCO₂e.

At dormakaba, we bring together innovation, customer satisfaction, and sustainability by offering solutions that help our clients meet their own sustainability goals. One of the key tools that has been instrumental in demonstrating our commitment to these values is the dormakaba Door Efficiency Calculator (DEC). By offering a detailed analysis of the impact of our access solutions on a building's airflow, energy usage, and CO₂ emissions, as well as the estimated lifetime costs, our DEC gives our customers a clear picture of the long-term benefits and savings that come from choosing our products. In FY 23/24, we rolled out the DEC in 18 countries and trained over 250 sales colleagues on how best to consult prospective customers.

We have also strengthened our focus on human rights issues both within and outside our operations. Internally, we have set up a Human Rights Risk Management System that covers and classifies all dormakaba locations into four risk categories. This system serves as a basis for prioritizing sites for additional due diligence measures, such as on-site auditing cycles, mandatory training tailored to identified risks, and one-to-one support.

As the CEO of a manufacturing company, I place great importance on the safety and well-being of all my colleagues. This is also a human right. Thanks to our proactive safety culture, we have managed to decrease our recordable injury rate by 21% compared to the previous financial year baseline (1.5 in FY 22/23). This is partly the result of our increased efforts to raise awareness regarding health and safety and partly the simple process involved in reporting unsafe situations. Each unsafe observation that is flagged by our employees is another potential injury avoided. Still, there is another element that has led to greater success in reducing workplace injuries: our Health & Safety Directive. As of FY 23/24, over 77% of our sites have completed an applicability assessment pertaining to the Health &

Safety Directive, and over 65% have developed site-specific action plans to eliminate any gaps related to the Directive's requirements.

To also respect human rights in the supply chain, we have entered into a long-term partnership with Save the Children Switzerland and the Centre for Child Rights and Business as part of a landmark project to remediate child labor victims in small-scale mining communities in the Democratic Republic of Congo (DRC). Over a period of ten years, dormakaba will invest around CHF 1 million in total to support the project's objectives. We, like any company that sources electronic components, cannot be sure that the cobalt used to manufacture such components does not come from the DRC. We are therefore calling on other companies to join our remediation efforts to collectively address the pervasive issue of child labor in small-scale mining communities in the DRC.

We continue to harness the latest technology in our efforts related to supply chain transparency. In the past year, we introduced a robotic process automation tool named EVA to streamline and accelerate communication processes with thousands of our suppliers with regard to sustainability assessments. In addition, we began using an AI-based risk management tool to close gaps and find, understand, and categorize risks, including sustainability risks, that affect our supply chain. Such tools also enable us to remain compliant with rapidly changing laws and regulations in this field. So far, we have assessed 31.7% of suppliers in our target group.

Finally, like many other publicly listed companies, we are subject to ever-increasing demands from regulators when it comes to environmental and social management. Since 2011, more than 1,200 ESG policy interventions have been introduced worldwide, each one raising the bar as to how a just and sustainable business should act. At dormakaba, we benefit from already having a strong sustainability governance and management foundation, with clear targets and ambitions to guide us.

Even so, the rising tide of new regulations means we have more work to do. This is why we are expanding elements of our sustainability governance and efforts. For example, we have delegated more responsibility to the Board of Directors and the Executive Committee regarding oversight and decisions related to our sustainability targets and measures. Furthermore, this financial year is the first in which we are publishing our TCFD (Task Force on Climate-Related Financial Disclosures) along with our extended EU Taxonomy reports. In addition, we are now reporting according to the requirements of the Swiss Code of Obligations with regard to non-financial reporting. What's more, to ensure we are in line with the EU Corporate Sustainability Reporting Directive – which will apply to parts of our company from the next financial year – we have completed the required double materiality assessment together with top management and other relevant stakeholders.

As CEO, I encourage my colleagues worldwide to keep supporting our sustainability endeavors in the areas where they have the most impact. This will help us to achieve our global targets, which were set by putting our customers' needs at the forefront of everything we do. As well as striving to offer them sustainable solutions, we want our customers to be confident in the fact that we manufacture our products in a socially and environmentally responsible manner. Thank you to everyone that has contributed to these goals in the last financial year – keep it up!

Yours sincerely,



Till Reuter
CEO of dormakaba

About dormakaba

Our business

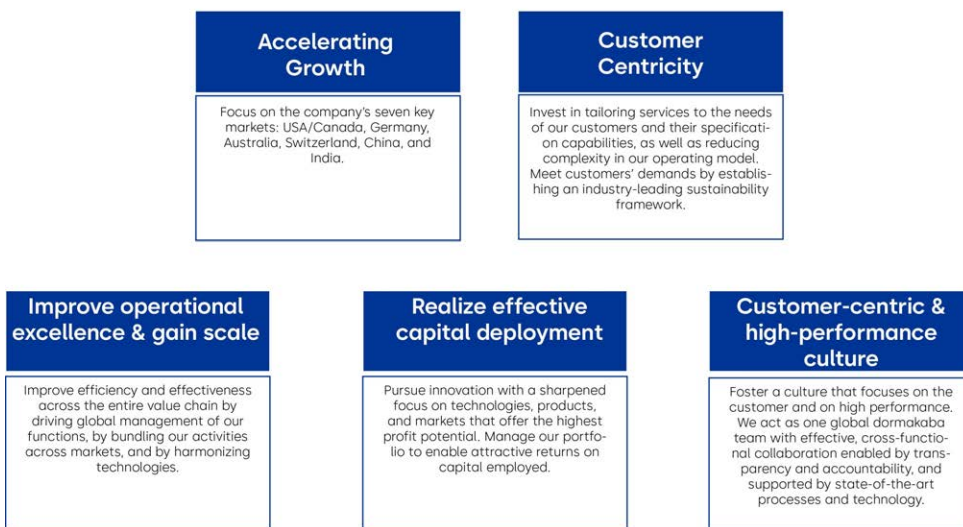
The dormakaba Group (dormakaba) is a leading provider in the access solutions market. The company offers customers a broad, innovative portfolio of products, solutions, and services that easily fit into building ecosystems. With clear portfolio segmentation, dormakaba focuses on its global core businesses 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 company is also a market leader for Key Systems (key blanks, key cutting machines, and automotive solutions such as transponder keys and programmers) and Movable Walls, which includes 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.

dormakaba's corporate strategy – Shape4Growth (S4G) – is about transforming the company, shaping it to its full potential, and accelerating profitable growth. It does so by building on five strategic pillars: Accelerating profitable growth; Focus on customer centricity; Improve operational excellence and gain scale; Realize effective capital deployment; Customer-centric and high-performance culture. Sustainability is a key focus of our customer centricity pillar.

Main Strategy and Portfolio Focus



Click [here](#) for more information about the strategy.

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 has comprised 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.

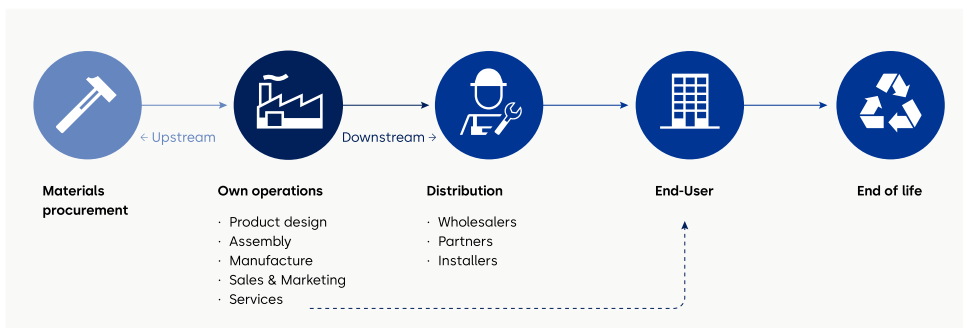
The CCO leads all Access Solutions market organizations, with those in our "5+2" key markets reporting directly and the others managed through three country clusters for increased efficiency. Customer excellence functions such as Strategic Marketing, Global Accounts & OEM, Services, and Product Management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

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.



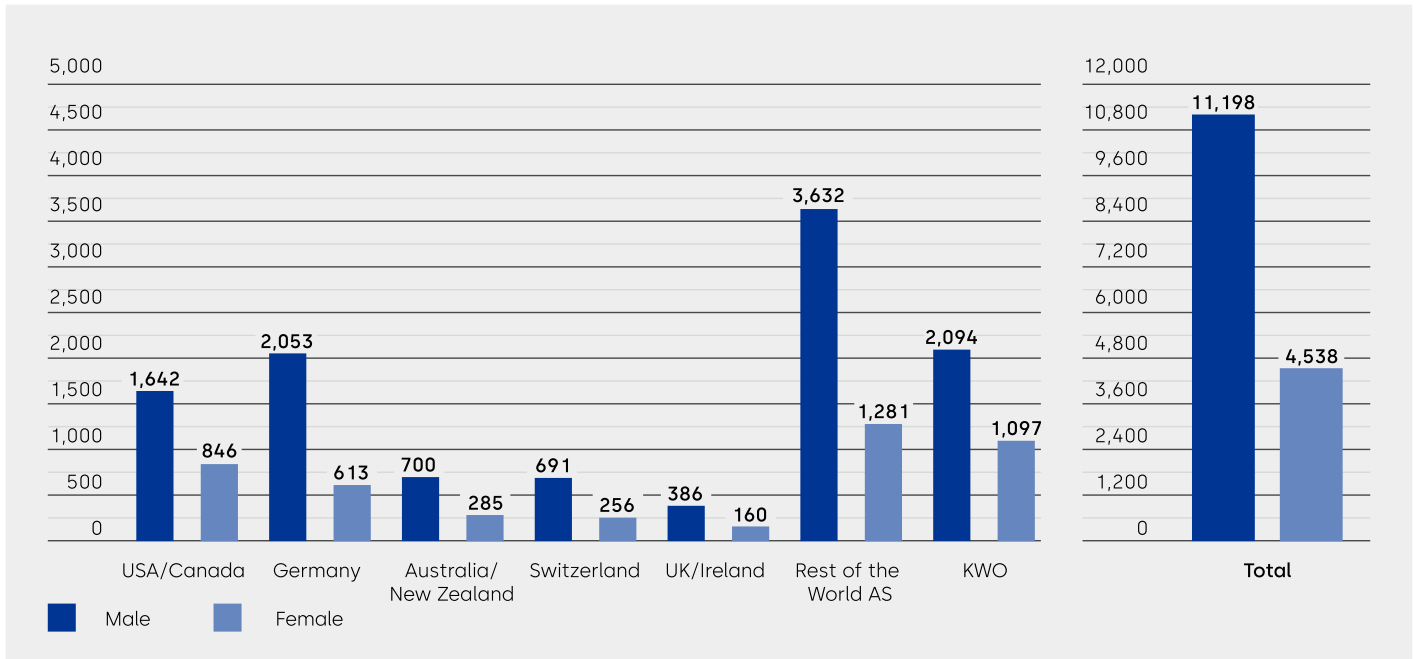
A detailed description of the structure can be found in the [Notes to the consolidated financial statements for financial year 2023/24](#).

Our value chain

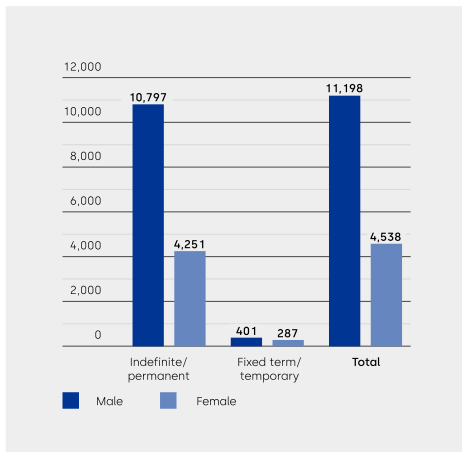


Our employees¹

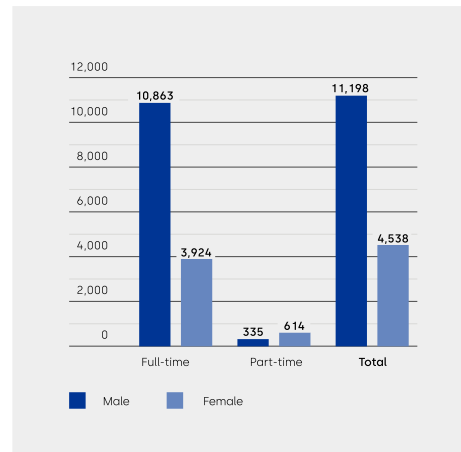
Employees by region



Employees by contract type



Employees by employment type



¹ Headcount as at 30 June 2024, excluding apprentices, trainees, interns, and contract workers. KWO refers to the global business segment of Key & Wall Solutions and OEM.

The key performance indicators for the above human resources data and the fluctuation figures available in the [Fair Employment](#) chapter and the [ESG Performance Table](#) are based on 100% of dormakaba Group employees as at 30 June 2024. The total workforce in this scope consisted of 15,736 employees, based on headcount. While the majority of our employees work full-time and on the basis of permanent contracts, 6% are engaged on a part-time basis. 39% of the employees in this scope are covered by collective bargaining agreements. In addition, dormakaba engaged 359 apprentices, trainees, and interns, and employed 2,025 contract workers at the sites in scope.

The collective bargaining coverage and training hours KPIs reported in the [Training & Education](#) chapter are based on the scope of employees located at the 111 sites in the reporting coverage as at 30 June 2024 (see Outro, 95% of dormakaba employees).

Strategy & Approach

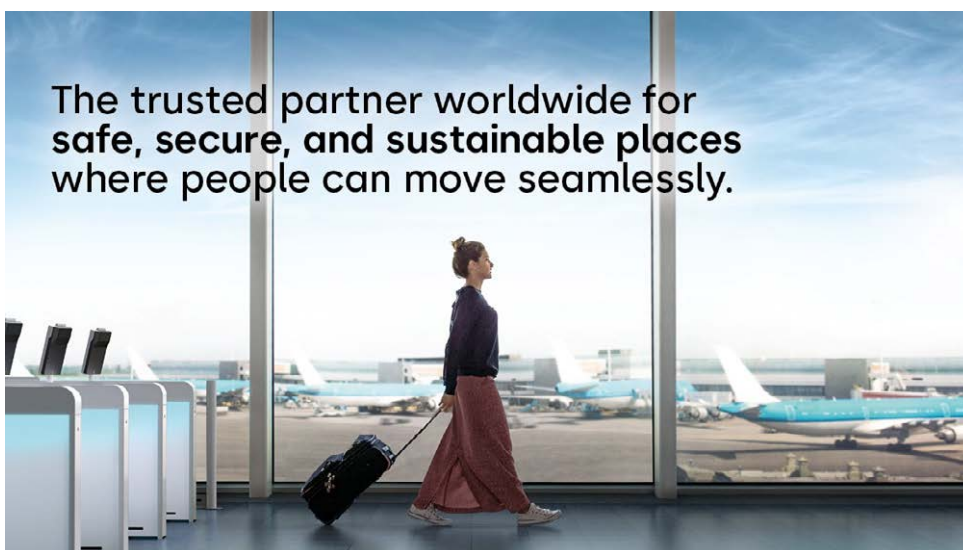
We are committed to championing sustainability in everything we do — from producing more sustainable solutions to helping our customers reduce their environmental footprint, to being a fair and responsible employer and neighbor.

dormakaba strives to promote sustainable development along the value chain as part of our economic, environmental, and social responsibility toward current and future generations. We seek open and transparent dialogue with stakeholders to define strategies and actions based on clear goals and continuous improvements. We adhere to the precautionary principle as the foundation of sustainability. Negative impacts on the environment and health should be avoided in advance to the greatest extent possible by all employees in all business activities. This approach is set out in our [Code of Conduct](#), which outlines our values, principles, standards, and norms of behavior.

At dormakaba we welcome the EU's and local governments' ambition to foster more responsibility within the business sector. We take our obligations to comply with the increasing number of sustainability laws and regulations seriously, including the German Supply Chain Act, the Swiss Conflict Minerals and Child Labor Due Diligence Legislation, the EU Taxonomy, and the EU Corporate Sustainability Reporting Directive.

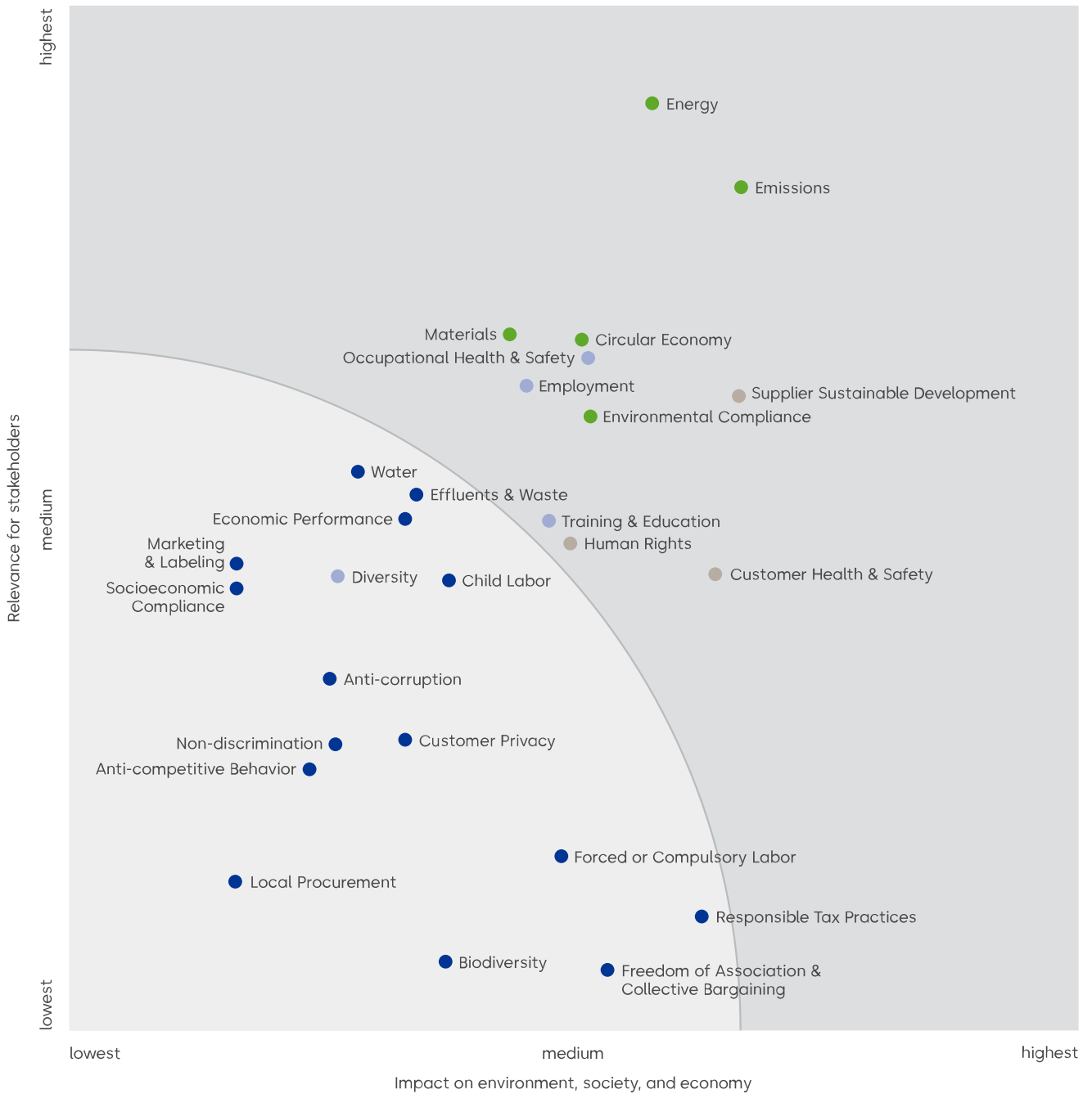
Sustainability is embedded in our strategy and vision

As part of our company strategy Shape4Growth, dormakaba has committed to an industry-leading framework for sustainability with ambitious ESG targets. We share the belief that sustainability is core to the future of our industry, of the building industry in general, and thus to our business model. With Shape4Growth, we have further integrated sustainability into our solutions, operations, and processes to better meet the expectations of our customers. We must do our part to reduce the carbon footprint of the buildings we supply, and we aim to do the same in our internal operations.



Materiality

Our material topics were defined in the course of a comprehensive materiality reassessment in FY 20/21 and are valid for the years 2021–2027. We were able to identify ten topics that are the most relevant for our stakeholders and for those areas, where we have the biggest impact on sustainable development. Full details on the materiality process can be found in the Outro.

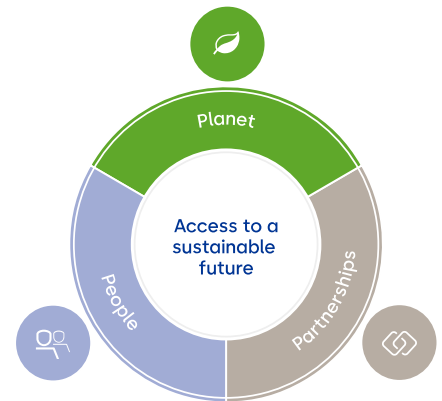


- Planet
- Partnerships
- People
- Non-material topic
- Approved threshold

Our Sustainability Framework 2021–2027

Following the reassessment of our material topics, we have developed a sustainability framework in line with our most material issues, based on three Pillars: People, Planet, and Partnerships. Within each Pillar, we have set clear sustainability targets that determine our sustainability-related efforts for the period 2021–2027.

We are committed to shaping a more sustainable industry and future. Sustainability is embedded at the core of our strategy and vision and is present in everything we do.



Icon	Aim	Material topics
<p>People We empower our people so that they can unlock their full potential</p>	<p>We create a fair, inclusive, and safe culture that enables our employees to thrive. We provide a workplace where they can continuously grow, openly contribute with their ideas, and feel proud of their achievements.</p>	<ul style="list-style-type: none"> • Fair Employment • Training & Education • Diversity, Equity & Inclusion • Occupational Health & Safety
<p>Planet We open the doors wide to a low-carbon and circular economy</p>	<p>We develop innovative and resource-efficient solutions for the circular economy and do our part to ensure a climate-resilient future. We offer durable and energy-efficient products that help our customers achieve their own sustainability goals.</p>	<ul style="list-style-type: none"> • Energy & Emissions • Circular Economy & Materials • Environmental Compliance
<p>Partnerships We collaborate to promote sustainable development beyond our own doors</p>	<p>We lead by example and engage with our partners to drive more eco-friendly practices and support the protection of human rights. Through our secure access solutions, we also contribute to people's health and safety. We work with partners to raise awareness of the safe operating practices of our products.</p>	<ul style="list-style-type: none"> • Supplier Sustainable Development • Human Rights • Customer Health & Safety

Strategic targets

In line with this strategic approach, dormakaba has committed to working toward 31 sustainability goals during the current strategic period. In the third year of implementation, we have made good progress on our targets. We are on track with our Scope 1 and 2 CO₂ reduction targets and have substantially increased the share of self-generated renewable electricity. We have also made strides in our employee training, DEI, injury rate, and zero waste to landfill targets. In the area of supplier sustainable development, we have seen continued progress in assessment rates but we have not managed to advance with our decarbonization efforts. We are also behind our plans in shifting the supply chain away from plastic packaging. These areas will be a particular focus in FY 24/25. Below is a summary of the status of the targets as at 30 June 2024. You can read about these achievements and challenges in more detail in the relevant chapters of this report.













People

Material Topic	Target	Target Year	Baseline FY 20/21	Performance FY 23/24	Notes	Status
Fair Employment	Maintain our employee engagement score at or above the IBM Global Norm (73)	2027	70% ¹	71%	Based on the latest results of the dormakaba dialogue in FY 22/23. The next dormakaba dialogue is planned for FY 24/25.	
Training & Education	Increase average training hours to 20 hours per employee per year	2027	13 hrs/FTE	14.3 hrs/FTE	We have improved by 2 hrs/FTE versus the last financial year's performance, when we had dipped below the baseline. We are satisfied that we have turned the trend around on this target.	
Diversity, Equity & Inclusion	1 in 3 managers are women	2027	19%	22%	We have continued our trend of consistent improvement of 1 pp. per annum.	
	25% women in succession planning for senior management positions	2027	14%	28%	Target has been achieved early. However, we will continue to monitor to ensure the target threshold is maintained throughout the strategic period.	
Occupational Health & Safety	Decrease the recordable work-related injury rate by 33%	2027	1.4	1.19	We have seen a significant drop in the number of recordable work-related injuries (164 vs. 210 in the last financial year).	

¹ Baseline FY 19/20 in line with the dormakaba dialogue cycle

 Planet

Material Topic	Target	Target Year	Baseline FY 20/21	Performance FY 23/24	Notes	Status
Energy & Emissions	Reduce operational emissions (Scope 1+2) by 42% in line with a 1.5°C future	2030	74,770 tCO ₂ e ¹⁾	62,269 tCO ₂ e	We are well on track and have reduced emissions by 17% versus the baseline.	
	Reduce value chain emissions (Scope 3) from purchased goods and services and the use of sold products by 25%	2030	734,850 tCO ₂ e ¹⁾	838,248 tCO ₂ e	For the second year in a row, we have seen reductions in emissions stemming from the use of sold products. However, emissions from purchased goods and services have continued to increase. Currently, data is collected on a material type basis, rather than disaggregating to an individual supplier level. This means we have little leverage to encourage suppliers to decarbonize. To address this, in FY 24/25 we will collect primary CO ₂ data from our most carbon-intensive suppliers and collaborate with them on their reduction strategies.	
	Become carbon neutral in our operations	2030	74,770 tCO ₂ e ¹⁾	62,269 tCO ₂ e	Carbon emissions from heating fuels, vehicle fuels, and purchased electricity are to be reduced by our own actions in line with our 1.5°C commitment, and residual emissions will be offset through Gold Standard-certified projects starting in 2030 only.	
	Achieve net zero emissions	Latest 2050	810,437 tCO ₂ e ¹⁾	923,823 tCO ₂ e		
	Have best-in-class energy efficiency for new products	2023	-	Target achieved	We developed an EcoDesign Specification Template, which is mandatory for all new product developments starting from FY 23/24.	
	Reduce energy intensity of our operations by 25%	2030	100.5 MWh/mCHF ¹⁾	84.8 MWh/mCHF		
	80% of purchased electricity is from green sources	2030	46%	53%		
	100% of fleet in Germany, France, and the UK is electric- or hydrogen-based	2030	-	9%	This is an improvement versus 4% in the previous FY.	
	All manufacturing sites maintain Energy Management Systems based on ISO 50001 ³⁾	2023	21% ²⁾	61% ⁴⁾		
	Circular Economy & Materials	All new product developments and optimizations are covered by our circularity approach	2023	-	Target achieved	We developed an EcoDesign Specification Template, which became mandatory for all new product developments in FY 23/24.
We offer extended producer responsibility take-back schemes for all products and packaging in top ten sales countries		2027	-	-	Strategic partnership with Resourcify launched for development of pilot schemes in Austria, Germany, Switzerland, and the UK. Kick-off workshop held in Germany.	

Zero fossil fuel-based plastic used in packaging	2027	223 tons	472 tons	Unfortunately, the trend is going in the wrong direction and has in fact doubled since the baseline year. We had planned to begin initiatives in FY 23/24 but shifted due to stronger focus on responsible forestry initiatives. Our new aim is to switch 33% of plastic packaging in FY 24/25.	
100% of paper, wood, and cardboard stems from Forest Stewardship Council-certified sources ⁵⁾	2027	–	25%	We achieved our aim for FY 23/24 of converting 25% of all procurement spend for paper, wood, and cardboard to FSC-certified goods. Our aim is to further increase this to 50% in the next financial year.	
Double the total number of sustainability-related product declarations/certifications, including Cradle-to-Cradle and for recycled content	2027	170	322 ⁴⁾		
Zero waste to landfill in operations	2027	3,443 tons	2,553 tons	Six sites with a combined 67% of our waste to landfill baseline received one-on-one support, including an on-site waste audit and specific waste optimization action plans in collaboration with our external experts from Beyondly.	

¹ Baseline FY 19/20 in line with Science Based Targets initiative validation

² Baseline FY 19/20



³ Scope refers to all manufacturing sites constituting the top 85% of on-site energy consumption. Also referred to as "Operationalization of Energy Management Systems (EnMS)", as named in our credit facility agreement

⁴ 2023–2024 PwC-assured. The assurance statement is available at bit.ly/Assurance_Report_23_24

⁵ Or similarly certified by other accepted responsible forestry schemes

Partnerships

Material Topic	Target	Target Year	Baseline FY 20/21	Performance FY 23/24	Notes	Status
Supplier Sustainable Development	Assess all high-risk suppliers for their sustainability management through a third party or off-board them for lack of participation	2027	10%	31.7% ¹⁾		
	At least 45% of our high-risk suppliers participate in our sustainability engagement program	2027	10%	31.7%		
	Close at least 80% of high-priority corrective actions of assessed suppliers	2027	–	9%	825 high-priority corrective actions have been requested since the launch of our supplier engagement program. However, many suppliers are delayed in implementing them. In FY 24/25, we will increase awareness raising and communication with them, as well as improving our monitoring processes.	
	90% of assessed suppliers with priority findings have completed a sustainability training	2027	–	–	We developed training packages for our suppliers together with external partner ELEVATE, and we invited 221 suppliers to participate in training to improve their sustainability performance as planned. However, the launch took place near the end of the financial year and thus no update can be provided yet on completion rates.	

	Provide information regarding conflict minerals for high-risk suppliers	2027	-	-	Suppliers providing 89% of the relevant parts completed Conflict Minerals Reporting Templates upon our request, with over 600 suppliers responding.	
Human Rights	Reduce the risk of forced labor for migrant workers by providing ethical recruitment trainings for all our labor agents in sending and receiving countries	2027	-	-	A tailored training program for dormakaba labor agents was developed in FY 23/24 as planned. This will be rolled out in FY 24/25.	
	Support the right to water in communities where we manufacture by establishing water stewardship programs in areas of high water scarcity, with no absolute increase in water consumption and reducing water intensity by 28%	2027	75,086 m ³ absolute consumption and 25.5 L/hours worked ²⁾	55,554 m ³ absolute consumption and 18.2 L/hours worked	While the target was achieved ahead of schedule in FY 22/23, we will continue to monitor in the coming years to ensure the level remains within the target threshold in 2027.	
	Ensure supply chain traceability for minerals with a high risk of child labor	2027	-	-	In FY 23/24 we entered into a ten-year partnership with Save the Children to remediate child labor in the mining industry in the Democratic Republic of China. Regarding our supplier dialogue program, ten suppliers have been prioritized for further action and five invited to join a dialogue. The dialogues are planned for FY 24/25.	
Customer Health & Safety	Collaborate on health and safety training with subcontractors and installation partners	2027	-	-	We are behind plan and will refocus efforts in FY 24/25.	
	Collaborate on training and provide information materials on the safe operation of our products for all end users	2027	-	-	We are behind plan and will refocus efforts in FY 24/25.	
	At least one corrective action and/or one awareness training session for each product-related injury	2027	-	-	To support the tracking of corrective actions, we have completed the development of a workflow for product safety risk identification in our global incident management tool.	

¹ 2023–2024 PwC-assured. The assurance statement is available at bit.ly/Assurance_Report_23_24

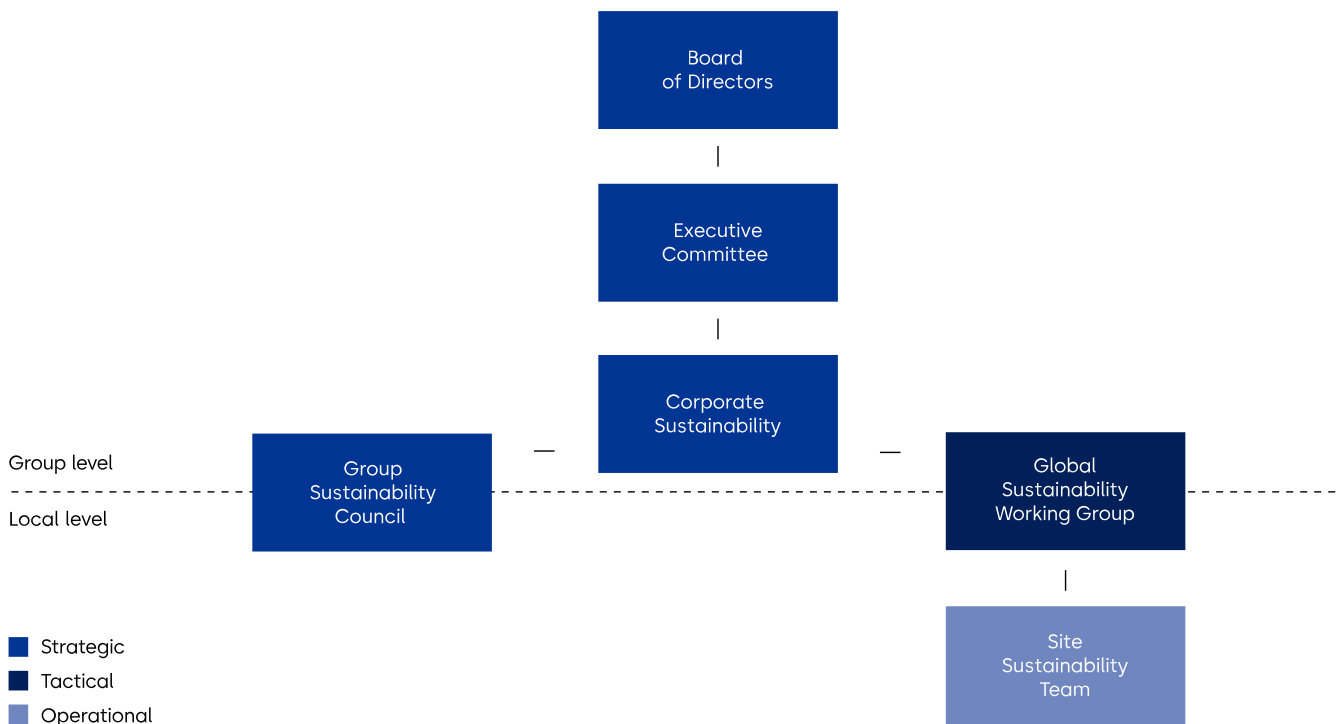
² Baseline FY 19/20

Sustainability governance

Our **Sustainability Charter** defines the management framework required to achieve our sustainability vision. In FY 23/24, the Charter was updated to improve governance and execution processes, to be aligned with upcoming regulations like the CSRD, and to adapt to the changes in the organizational structure. The most fundamental changes are related to the responsibilities of the Board of Directors, the Executive Committee, and the Global Sustainability Working Group. We have also introduced the requirement of monthly status reports on Must-Have sustainability initiatives that are shared with the Group Sustainability Council, the Executive Committee, and the Chairman of the Board. Lastly, we have eliminated the Region Sustainability Network to adapt to the organizational changes.

An overview of the dormakaba sustainability organization can be found below. Further duties, authorities, and reporting channels for the various bodies are set out in the Sustainability Charter.

Sustainability organization



Board of Directors

The Board of Directors guides the dormakaba sustainability framework 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 Audit Committee is responsible for contributing to the integrity of the Sustainability Report and monitoring the assurance of the Sustainability Report. The Nomination & Compensation Committee is additionally responsible for approving ESG-related targets in management incentive plans. The Chairman of the Board of Directors is additionally responsible for monitoring sustainability implementation progress against targets and for evaluating and monitoring sustainability risks and opportunities. The Board of Directors receives a status update on sustainability performance minimally once a year from the Group Sustainability Council, and the Chairman receives an update on the status of initiatives on a quarterly basis, in addition to monthly reports.

Executive Committee

The Executive Committee sets and approves strategic objectives and defines an appropriate strategic thrust that incorporates the objectives of the organization, its operational structure, and the business processes needed to meet the company's obligations. The Executive Committee is also responsible for implementing sustainability-related performance objectives for its direct reports and assigning corrective actions to them for initiatives that are off track based on the monthly status reports. Furthermore, they must formally review and approve the Sustainability Report chapters relating to topics in their area of responsibility.

Group Sustainability Council

The cross-functional Group Sustainability Council receives its mandate from the Executive Committee (EC) and is chaired by the CEO. The members of the Council are senior representatives from the global functions and regions, and they cascade relevant information and details within their functional networks after the meetings. The Council meets twice per year as a minimum. It ensures proper implementation of the sustainability framework. It has the mandate of supporting value creation for the main stakeholders by integrating ethical, social, and environmental responsibility into daily activities as defined in the dormakaba Code of Conduct and based on global best practice. Its purpose is to review sustainability performance and discuss and recommend to the EC the policies, processes, systems, and staff required to identify and meet the relevant international standards and agreements in the social, environmental, and economic fields to which it is formally committed as a member of the UN Global Compact.

Corporate Sustainability

Corporate Sustainability develops, monitors, and coordinates the implementation of the sustainability management system across the organization and develops its related policies and standards. The role of Corporate Sustainability is to report and make appropriate recommendations to the Group Sustainability Council with regard to the company's management of its sustainability and its business conduct in accordance with the above-mentioned external and internal policies, regulations, charters, and principles. The Corporate Sustainability function chairs the Global Sustainability Working Group and is in regular contact with the Expert Group Leads to give guidance, build capability, and support with projects. Corporate Sustainability is led by the Group Sustainability Officer, reporting directly to the CEO.

Global Sustainability Working Group

The Global Sustainability Working Group discusses global and regional sustainability performance, shares ideas and experiences on current sustainability initiatives and best practice, develops concepts for new initiatives that support the achievement of sustainability targets, and operationalizes them wherever appropriate. It consists of four Expert Groups: Sustainable Products, Supplier Sustainable Development, People, and Environment, Health & Safety. The function of the Expert Groups is to conceptualize and operationalize specific initiatives within the members' functional area of expertise to ensure target achievement. The members act as sustainability experts and consultants in the functional networks and collaborate with Site Sustainability Teams and project managers of Must-Have sustainability initiatives to provide guidance and support on global standards and objectives. The Global Sustainability Working Group meets virtually on a bimonthly basis, and annually for an in-person workshop to review progress, discuss challenges, and operationalize sustainability initiatives. Additionally, all Expert Groups meet monthly.

Site Sustainability Team

The Site Head and any local team members are ultimately responsible for the local implementation of sustainability projects and improvement initiatives based on global sustainability targets. dormakaba locations with over 100 employees have a formal sustainability management system including a local sustainability team.

Global Sustainability Conference

In November 2023, 40 members of dormakaba's Global Sustainability Working Group gathered for the annual Sustainability Conference to move the sustainability agenda forward. Representatives from all four Expert Groups worked on action plans to get us closer to achieving our ESG targets. The key topics were – among others – development of an HSE Change Management System; training on our new health and safety incident reporting tool; EcoDesign product specifications, supplier onboarding process, and outreach, both generally and for conflict minerals and cobalt reporting; local DE&I topics and reporting improvements for training hours.

Besides the break-out sessions, further workshops kept the participants busy. The Working Group gave recommendations for updating the Sustainability Charter according to the new S4G organization and upcoming ESG regulations. Furthermore, during an intensive workshop we have discussed financial risks and opportunities for related to sustainability topics, to give valuable input for the financial materiality assessment – a key element in double materiality assessments required by the EU Corporate Sustainability Reporting Directive.

Winners of the Changemaker Awards were once again announced. One employee per Expert Group was honored in recognition of their extraordinary work and for going above and beyond in supporting sustainability initiatives. Furthermore, our then CEO, Jim-Heng Lee, and Svein Richard Brandtzæg, Chairman of the Board of Directors, also joined the event to share their views on the importance of sustainability in the company's strategy and transformation.



The Global Sustainability Working Group at the annual Sustainability Conference

Stakeholder dialogue and partnerships

dormakaba attaches great importance to regular contact and ongoing dialogue with our stakeholders at both local and global levels. We consider the close involvement of our stakeholders to be an asset in our ongoing efforts and therefore pursue a goal of creating better mutual understanding, based on trust, to enhance our partnerships and collaboration. Examples of stakeholder dialogue in FY 23/24 include:

- **Employees:** 6,655 employees worldwide participated in this year's Pulse Check survey. The implementation of the S4G Transformation required structural changes within several departments and countries, where intensive negotiations took place between employee representatives and dormakaba, to find socially acceptable solutions for all those affected and to significantly reduce and, if possible, avoid layoffs. Solutions to mitigate the negative economic consequences for the employees affected were agreed in the social plans.
- **Customers:** We organized two workshops with our client, Lindner on sustainability-related topics such as reporting and the circular economy, to share best practices on our work. We opened our second Customer Experience Center in Mumbai (India) to help our customers experience our products and solutions. At our German Partner Congress, more than 430 of our partners joined to meet our CEO, Till Reuter, and to learn about growth opportunities with new products and solutions. Furthermore, we hosted the Architects Connect 2024 summit in collaboration with the German Design Council, that brought together international architects and industry leaders to exchange visionary ideas and reimagine the future of architecture and urban planning. At the Heinze "Klimafestival für die Bauwende" we presented our sustainable solutions MotionIQ and the Door Efficiency Calculator and shared ideas and experiences with many other companies in the building industry working toward a low-carbon economy. dormakaba representatives participated on the panel during our "What's next? Save resources" discussion to address challenges and opportunities, regulatory trends, and the way forward for a sustainable industry.
- **Suppliers:** We continuously engage with our suppliers through the EcoVadis platform and lead conversations to gain greater visibility of the upstream parts of our cobalt supply chain. This financial year, we launched sustainability training sessions for suppliers to strengthen our partnership with them, and organized three Supplier Conferences in Germany, China, and the USA.
- **Government and Civic Society:** dormakaba was honored to be one of only two multinationals to speak at the Swiss Business and Human Rights Forum, a national event bringing together business representatives, leaders from different sectors, policymakers, academic, and civil society experts to discuss and debate on pressing business and human rights issues. Stephanie Ossenbach, our Group Sustainability Officer was elected to the Board of the UN Global Compact Network Switzerland & Liechtenstein, a key organization that helps to raise awareness of and embed responsible business conduct across all sectors in these countries. Additionally, our Head of Product Sustainability was re-elected as Board member of the Institut Bauen und Umwelt e.V., the largest association of building material manufacturers devoted to the concept of sustainable construction.

Working together with industry associations to shape the future of sustainable construction

The Institut Bauen und Umwelt (IBU), or Institute for Construction and Environment, is a German industry organization with over 300 members dedicated to promoting sustainability within the construction sector. It is also one of the EU's largest program operators for Environmental Product Declarations (EPDs). These declarations offer transparent and verified information about the environmental impact of construction materials throughout their life-cycle. Overall, the IBU plays a crucial role in advancing sustainable construction by providing essential tools, resources, and certification services to the construction industry.

Lea Rammelmann, our Head of Product Sustainability, has been a member of the IBU's Board of Directors since 2023. We sat down with Lea to find out more about her role and what this means for dormakaba's approach to sustainable product development.

Lea, what is the biggest challenge at the IBU at the moment?

The revision of the EU Construction Products Regulation (CPR) is currently a sensitive topic, as it sets harmonized rules for the marketing of construction products. The revision establishes important changes, notably introducing environmental sustainability requirements. It is a significant development that the IBU needs to stay on top of, in order to best advise its members on what it means for the entire construction industry. The IBU's focus is on establishing stable and sustainable processes and structures so that it can play a proactive role in relation to the new requirements. One of the key decisions taken was to position the IBU as a notified body, which means it will have the authority to validate manufacturers' environmental impact assessments, ensuring they meet the stringent regulatory standards.

How do you think this will impact business at dormakaba?

We will need to ensure that our products meet the enhanced standards. This includes obtaining EPDs and other relevant product declarations and certifications for those products for which we have not yet done so. Additionally, the regulation requires more detailed information on the environmental impact of products throughout their life-cycle. We will need to provide transparent data on the environmental performance of our products, which may involve more rigorous testing and documentation processes. And we will need to focus more on designing products that are not only high-performing but also environmentally friendly. This could drive innovation in materials and manufacturing processes to reduce the environmental footprint of our products. The regulation may necessitate a more comprehensive lifecycle analysis of products, from raw material extraction to end-of-life disposal. Furthermore, we will need to integrate these analyses even more into the product development processes to ensure compliance and optimize sustainability.

In your view, is dormakaba well prepared?

Yes, of course! There are still gaps in our EPD portfolio, but with our dormakaba LCA Tool we will be able to close these gaps in the near future. To become even better prepared, we will investigate developing other product declarations and certifications, as the market for green buildings is growing every day. For example, we are planning to publish our first Cradle 2 Cradle certification by the end of this calendar year. We are also working to establish a circular economy approach in which we not only design sustainable products, but also give our customers the opportunity to return our products at the end of life so that they can be reintroduced into our manufacturing processes.

And how do you think the IBU benefits from having you on its Board?

As a representative from dormakaba on the IBU Board, I represent the interests but also the requirements of the Building Product Manufacturers. As we at dormakaba have global expertise in sustainable building solutions and strong sustainability management in general, I can make well-informed recommendations on the future steps of the IBU.



The IBU Board in 2024

Stakeholder	Key topics and concerns	Platforms	Grievance mechanisms
Employees	Employment practices and benefits, occupational health and safety, sustainable business practices, environmentally safe production processes	dormakaba dialogue survey, bilateral meetings with local Human Resources representatives, employee works councils or trade unions, safety committees	Reporting channels defined in the Code of Conduct, open-door policies, grievance mechanisms in place as part of collective bargaining agreements, meetings with trade union representatives
Investors	Business performance and strategy, responsible business practices, eco products, transparent reporting, quantifiable objectives	Anchor Shareholders Events, Capital Market Day, road shows, analyst conferences, bilateral meetings, ESG rating questionnaires	Interviews with Investor Relations and members of the Executive Committee upon request
Architects, specifiers	Product offering, product design and quality, trustworthiness and reliability, price level, innovation	Annual brand tracking survey, trade shows and associations, customer service hotlines	Customer complaint process
Partners, installers, distributors, customers, and end users	Technical training and product specifications, product design and quality, trustworthiness and reliability, price level, sustainability demands for green building certifications	Partner Days (conferences), in-house product training, annual brand tracking survey, trade associations, direct e-mail requests	Customer complaint process
Suppliers	Qualification process	Bilateral meetings, surveys, on-site audits	Third-party whistleblowing hotline
Local government	Employment, health, safety, and environmental compliance	Bilateral meetings	Direct contact

Partnerships



External acknowledgments



We have been awarded a gold medal for our sustainability management by the assessment firm [EcoVadis](#), placing the company in the top 5% of all assessed companies in the assigned sector. Our company has shown an advanced performance in all four assessed categories: environment, labor and human rights, ethics, and sustainable procurement.



We received a B score from the [Carbon Disclosure Project \(CDP\)](#) for our climate-related management. This is in the Management band and the same as the European regional average.



We maintained our "Prime Status" as awarded by the [Institutional Shareholder Services \(ISS\) Environmental, Social and Governance \(ESG\) Corporate Rating](#). The ESG Corporate Rating assesses companies based on analysis of more than 100 sector-specific ESG factors. Companies that receive particularly high scores within their respective industry are awarded a Prime Status distinction. This means that they fulfill ambitious absolute performance requirements.



In 2024 our MSCI rating remained unchanged at AA, maintaining our position among the leaders in our industry. The [MSCI ESG Rating](#) aims to measure a company's management of financially relevant ESG risks and opportunities.



We have earned prominent recognition for our sustainability management and are listed as one of the [World's Most Sustainable Companies 2024 by TIME magazine and Statista](#). dormakaba is among the top 500 companies achieving the highest scores based on more than 20 sustainability criteria from over 5,000 assessed companies.



dormakaba is named as one of [Europe's Climate Leaders 2024 by the Financial Times and Statista](#). We are among the 600 European companies, that are moving the fastest on decarbonization in parallel to financial growth.

Contributing to the UN Sustainable Development Goals

In 2015, the 193 countries of the United Nations General Assembly adopted the Agenda 2030, with 17 Sustainable Development Goals (SDGs) and 169 targets at its heart. These are ambitious targets for people, the planet, and prosperity that require partnerships between governments, non-governmental organizations (NGOs), businesses, and institutions of higher learning. If we are to achieve them, everyone should be aware of them.

Because of their importance, dormakaba aims to increase stakeholder awareness of the SDGs, especially within our workforce, which we have done through our Enterprise Social Network. As a first step towards contributing to the SDGs, we have mapped our defined material topics to the targets of the SDGs. While it is essential to achieve all 17 Goals, we can make a substantial contribution to nine of the SDGs by addressing our material topics. We also see the SDGs as a guide to new business opportunities.





Goal 3 – Good Health and Well-being

Goal 3. Ensure healthy lives and promote well-being for all at all ages

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination (Target 3.9).

Material Topics: Customer Health & Safety; Occupational Health & Safety

How we are contributing

Studies show that in North America and Europe, people spend about 90% of their time indoors and many indoor environments have pollution levels two to five times higher than outdoor levels. It is therefore our responsibility to ensure that our products do not contain hazardous materials that may harm people's health. We provide our customers with transparent product declarations on the materials used under the Health Product Declaration (HPD) standard, as well as in accordance with related regulations such as REACH and RoHS. Several products have qualified as testing for low emissions of volatile organic compounds. As of 30 June 2024, we have published 94 HPDs.

Our DORMA Hüppe movable wall Variflex 100 passed the VOCs (volatile organic compounds) test, in accordance with the updated AgBB scheme 2021 (German Committee for Health-related Assessment of Building Products).

We practice responsible waste management and treatment. Toxic waste arising from painting and electroplating is disposed of as special waste. Certified disposal companies are commissioned to dispose of industrial waste and chemicals, and to recycle materials. We also continuously work to reduce the use of hazardous materials in our production processes, and our filter systems ensure that potentially hazardous substances are not released externally. All dormakaba facilities that work with hazardous materials must maintain a hazard communication and chemical management program, as well as a transportation compliance policy, if applicable. Our workers responsible for the storage, clean up, or disposal of chemical releases receive specialized training and equipment.



Goal 4 – Quality Education

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

By 2030, ensure equal access for all women and men to affordable and quality technical, vocational, and tertiary education, including university (Target 4.3).

By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development (Target 4.7).

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship (Target 4.4).

Material Topic: Training & Education

How we are contributing

We provide our employees with regular vocational training on topics such as lean management, health and safety, and product offerings. We partner with local schools and universities by offering apprenticeships and internships as well as work-study programs. In the USA and Italy we also collaborate with local educational institutions to foster innovation, knowledge exchange, and offer students their first practical business experience.

As part of our commitment to promoting individual development and career management, in FY 23/24 we continued to offer LinkedIn Learning licenses to our employees, providing more flexible training opportunities to a wider audience across various topics. We have now reached 6,695 active users, with 42% monthly returning learners. This yielded a total number

of 6,947 training hours through LinkedIn Learning. Furthermore, over 12,500 employees have access to our Learning Management System, and 84% (10,568) of them completed at least one eLearning module. We adapt our learning and development portfolio on an ongoing basis in line with current trends.



Goal 5 – Gender Equality

Goal 5. Achieve gender equality and empower all women and girls

By 2030, end all forms of discrimination against all women and girls everywhere (Target 5.1).

By 2030, ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life (Target 5.5).

Material Topics: [Fair Employment](#); [Diversity, Equity & Inclusion](#)

How we are contributing

We recognize, respect, and embrace the differences between each individual and provide equal opportunities for our employees. By 2027, we aim to achieve our target of ensuring that one-third of our managers are female, and to improve the gender diversity of our leadership pipeline. As signatories of the [UN Women's Empowerment Principles \(WEPs\)](#), we are committed to implementing the seven principles that guide businesses to foster gender equality and women's empowerment. Furthermore, during FY 23/24 we published and implemented the global Talent Acquisition Directive, which includes a clause on Diversity, Equity & Inclusion, with the aim of ensuring that we select the best candidates from a diverse pool of applicants.

In FY 23/24 we have increased the proportion of women candidates in the pipeline for senior management positions to 28% vs. 14% (baseline in FY 20/21). Furthermore, we have expanded access to the unconscious bias training and allocated 4,000 licenses for additional employees and new joiners across 30 countries. Our existing Women's Networks have also been expanded with a German- and an English-speaking Women's Network for everyone to join, and in Spain and Portugal, the Talentia Female Leadership Mentoring Program.



Goal 7 – Affordable and Clean Energy

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all

By 2030, increase substantially the share of renewable energy in the global energy mix (Target 7.2).

By 2030, double the global rate of improvement in energy efficiency (Target 7.3).

Material Topic: [Energy & Emissions](#)

How we are contributing

We have set a target to reduce our operational emissions (Scope 1+2) by 42%, in line with a 1.5°C future by 2030 (baseline is 74,770 tCO₂e in FY 19/20). To achieve this, we have set Must-Have initiatives along six levers that must be completed by 2030. These include initiatives on green electricity, on-site solar energy generation, eMobility, energy efficiency, and heating and vehicle fuel reduction (see our climate transition plan).

We currently source renewable electricity for 53% of the locations within the scope of this report.

In FY 23/24, energy-saving initiatives were implemented at various sites in the reporting coverage. This work included upgrading equipment such as air compressors, the optimization of heating and cooling systems, and improving fuel efficiency. Climate-related initiatives implemented during the reporting year resulted in total annual savings of approximately

21,500 tCO₂e (over a third of our total footprint from own operations). In addition, we expanded the production of on-site solar energy by 550%.



Goal 8 – Decent Work and Economic Growth

Goal 8. Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all

Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment (Target 8.8).

Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labor (Target 8.7).

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value (Target 8.5).

Material Topics: Fair Employment; Human Rights; Occupational Health & Safety

How we are contributing

We are committed to providing our nearly 16,000 employees with fair working conditions. This entails fulfilling our duty of care toward our employees in terms of healthy working environments, fair compensation, and full respect for the ILO core labor standards.

We therefore address not only the safe operation of machines, ergonomic workplaces, and the handling of hazardous substances, but also mental health issues including stress, depression, and emotional well-being, and refrain from offering excessively low wages (i.e., wage dumping). Furthermore, our Group-wide Responsible Labor Directive regulates the minimum business standards applied during recruiting, hiring, and employment regarding freely chosen employment, working hours, wages and benefits, the prevention of child labor, freedom of association, and workers' accommodation. Besides this, the Zero Recruitment Fees Directive regulates the business standards regarding fees and costs associated with recruitment governed by the Employer Pays Principle. We are, however, also committed to further expanding our sphere of influence with regard to our suppliers. This is why these principles are also enshrined in our Supplier Code of Conduct, our Sustainable Procurement Directive, and are part of our supplier risk assessments.

During FY 23/24 we set up an internal Human Rights Risk Management System that covers all dormakaba locations. The sites are classified according to a four-level risk scale between extreme, high, medium, and low risk. This classification serves as a basis for prioritizing sites for additional due diligence measures, such as on-site auditing cycles, mandatory training tailored to the risks identified, and one-to-one support. In FY 23/24, we conducted six audits to identify actual or potential human rights risks or abuses in those facilities classified as high or extreme risk. Furthermore, we developed a Human Rights Good Practices Hub for local managers, where they can find information about the Group human rights standards and applicable regulations, lessons learned from their peers, 12 new training modules, as well as readily available assets to communicate and fulfill the obligations.

Our Health & Safety Directive regulates the minimum business standards with regards to the occupational health and safety management and processes at a local level, such as the safety of the working environments and the health of our employees, contractors, and visitors within our facilities. Furthermore, the Directive gives clear guidance on incident data management, and on the effective control of facilities and equipment during high-risk activities. During FY 23/24, over 77% of our sites completed an applicability assessment related to the Health & Safety Directive, and over 65% developed their action plans to fill in any gaps to meet the Directive's requirements. In FY 23/24, 164 occupational injury cases

were registered, compared to 210 in the previous reporting year. This represents a recordable injury rate of 1.19, which is 21% lower than in the previous reporting year (1.5).



Goal 9 – Industry, Innovation, and Infrastructure

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities, and specifically, reduce the CO₂ emission per unit of value added (Target 9.4).

Material Topics: [Energy & Emissions](#); [Circular Economy & Materials](#)

How we are contributing

In addition to our contributions to resource-use efficiencies in the production phase, which are outlined under Goal 7, we also aim to increase the resource efficiency of our products. Our Group-wide [Environment Directive](#) regulates minimum business standards in manufacturing practices, product circularity, and eco-design, including material selection and the energy efficiency of the product use phase. The dormakaba sustainability commitment and life cycle approach are also integrated into our Product Design Manual. Furthermore, our circularity approach is integrated into our new product development process through the mandatory EcoDesign Specification Template. This includes guidelines on energy use, materials selection, longevity/durability, repairability, adaptability, and disassembly. The template also defines minimum values for the amount of recycled content for each product class and how to design and select the product packaging. In FY 23/24 we received 23 new recycled content certifications, issued by GreenCircle Certified, for all door closers manufactured in Singapore. This is in addition to the 16 certifications we have for door hardware manufactured in the USA. Furthermore, we were able to confirm that 25% of our total paper, cardboard and wood purchases are FSC (or similarly) certified.

We have several examples in place to provide transparent information on our products, including material compliance activities and publishing product declarations and sustainability-related certifications. Furthermore, our digital Product CO₂ Inventory Tool provides information on the carbon emissions of energy-consuming products during their use phase. This supports product development and optimization activities with the aim of creating more energy-efficient products.

Our sensor-controlled automatic door system makes a significant contribution to improving the energy balance of the building, reducing operating costs, and ensuring greater safety during operation. Furthermore, our consulting tool, the Door Efficiency Calculator, helps customers find the most suitable automatic doors for their buildings in terms of energy efficiency, costs, and carbon footprint. In FY 23/24, the tool was rolled out in 18 countries and over 250 employees were trained on how to best consult our customers with it.



Goal 10 – Reduced Inequalities

Goal 10. Reduce inequalities within and among countries

By 2030, facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies (Target 10.7).

Material Topics: [Fair Employment](#)

How we are contributing

We are committed to "Zero Recruitment Fees" throughout our global operations. We take special care to enforce the Employer Pays Principle, particularly in the recruitment of foreign workers, in order to facilitate orderly, safe, and responsible migration and mobility of people. Should we discover that recruitment fees have been paid by our employees, we are committed to reimbursing these within a short time frame.



Goal 12 – Responsible Consumption and Production

Goal 12. Ensure sustainable consumption and production patterns

By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water, and soil in order to minimize their adverse impacts on human health and the environment (Target 12.4).

By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse (Target 12.5).

By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature (Target 12.8).

Material Topic: Circular Economy & Materials

How we are contributing

The generation of different waste streams is an inevitable consequence of our operations, although by implementing the circular economy approach, we aim to send zero waste to landfill in our operations by 2027 (baseline 3,443 tons in FY 20/21). To achieve this, 33 manufacturing sites have been tasked with developing road maps and received training and guidance from external experts. We monitor our waste by treatment method and waste type. Approximately 89% of the waste stream was diverted away from disposal and instead recycled, reused, recovered (including raw materials and energy recovery), or stored on site in FY 23/24. Our contributions to the environmentally sound management of chemicals and hazardous materials are detailed under Goals 3 and 6.

Additionally, we have established a strategic partnership with Resourcify, a waste management and recycling expert, to jointly develop product take-back programs in Germany, Switzerland, Austria, and the UK in the current and upcoming financial year.



Goal 13 – Climate Action

Goal 13. Take urgent action to combat climate change and its impacts

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries (Target 13.1).

Improve education, awareness raising, and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning (Target 13.3).

Material Topic: Energy & Emissions, TCFD Report

How we are contributing

In addition to the initiatives mentioned under Goal 9, in 2021, SBTi approved our targets for operational and value chain emissions, including emissions from purchased materials and the use of our products. Progress towards the operational emissions target is being tracked as part of our sustainability-linked credit facility. We aim to reduce Scope 1+2 emissions in line with a 1.5°C world by 42% versus our baseline by 2030, and to reduce Scope 3 emissions by 25% in the same time period. We have reduced our Scope 1+2 carbon emissions by 17% versus

the target baseline of FY 2019/20 through green electricity purchases and energy efficiency projects.

For more information about our activities regarding climate change mitigation, refer to the section on [Task Force on Climate-related Financial Disclosures](#).

A group of four diverse employees (three men and one woman) are smiling and standing in a modern office environment with large windows and structural beams. The woman on the left is wearing a grey t-shirt with the 'dormakaba' logo. The man in the center is wearing a white shirt and blue trousers. The woman in the foreground is wearing a bright green jacket over a black shirt. The man on the right is wearing a light blue shirt and dark trousers.

People

We empower our people so that
they can unlock their full potential

Fair Employment

We strive to create an engaging and fair working environment, where the rights of our employees are respected and where every person can thrive.

Our approach

Our success is based on the engagement and performance of our employees. It is their dedication to delivering excellent solutions to our customers that helps us maintain and further develop our competitive global position. As a company with employees in over 50 countries, we aim to ensure an engaging working environment so that we are an employer of choice for current and prospective employees. We also ensure that we treat employees fairly and in accordance with our company values, and that we provide them with equal opportunities and fair remuneration.

Our approach toward our employees is governed primarily by our [Code of Conduct](#), as well as by country-based labor regulations and the local employee handbooks, where available. Our Group-wide **Responsible Labor Directive** regulates the minimum business standards during recruitment, hiring, and employment in terms of freely chosen employment, working hours, wages and benefits, the prevention of child labor, freedom of association, and workers' accommodation. Furthermore, the **Zero Recruitment Fees Directive** regulates the business standards regarding fees and costs associated with recruitment governed by the Employer Pays Principle.

Key activities

Engaging our employees

High employee engagement has been proven to lead to increased productivity, fewer workplace accidents, and improved customer satisfaction. A key method for supporting employee engagement is to ensure a culture of open dialogue across the organization.

To monitor any changes in the level of employee engagement, we use a global norm as a benchmark¹. Our target is to **maintain our Employee Engagement score at or above the Global Norm (currently 73% favorable) until 2027**. Our comprehensive global employee survey, the dormakaba dialogue, is sent out every two years, and the last edition in the FY 22/23 saw an employee engagement score of 71%, a slight improvement versus our baseline. Besides this, we initiate smaller Pulse Checks on an annual basis to learn about our employees' engagement level. During the FY 23/24 edition, 6,655 employees worldwide (58% participation rate) gave feedback on the topics of our company strategy and transformation, our Behaviors, the working environment, direct supervisors' relationships, and engagement. The survey was accessible to all employees with a company email address and wherever allowed by local works councils, if existing.

The main findings were:

- Employees are generally satisfied with their direct supervisors (80% favorable answers) and working environment (69% favorable answers). This is a good indicator of a strong management team throughout dormakaba.
- Areas showing the largest room for improvement (50% or less favorable answers) were related to simplifying processes for internal and external customers, feeling part of one global team, and collaboration between departments.

As a follow-up, three workshops were conducted to come up with top-down actions to improve the three least favorably rated survey items. Each workshop focused on one of the above-named topics.

¹ The Qualtrics Global Norm is a composite of employee responses from 900+ companies across organizations from all industries and all geographies. It provides comparative results that represent the average scores across all organizations in the database running employee surveys for multiple years.

Fair remuneration and benefits

We aim to establish fair compensation that is determined based on job function and relevant local market benchmarks. It is not influenced by personal attributes such as age, nationality, or gender. The global grading system ensures that functions are evaluated in a consistent manner across the organization.

In FY 23/24 we started a global living wage gap assessment to verify that even entry level employees are paid enough to afford the necessities of life based on the local cost of living. We have completed the pilot living wage gap assessment for India and Sweden in the scope of our internal employees, and we will roll out the assessment to all other countries during the next financial year.

Furthermore, following local regulations, 15 entities conducted an audit on equal pay for equal work this financial year. For example, in Switzerland, an independent external auditor verified that the legal entities fully comply with equal pay regulations and there is no statistically significant difference in pay based on gender.

In addition, we provide locally specific benefits and welfare programs. For example, in FY 23/24 we collaborated with a local hospital in Dubai (United Arab Emirates) to offer free breast cancer screening for our female employees over the age of 40 to raise awareness of breast cancer prevention.

An overview of best practice employment-related benefits and measures across the Group can be found in the Employee Benefits table.







Employee Benefits

Employee attraction and retention

We are proud of our diverse workforce, our openness, and our transparency and strive to create an inclusive workplace where everyone can be their authentic selves. All this is part of our company culture. Many factors shape our culture, but the most important one is our behavior: how we work together and how we act toward our customers and colleagues. So that we are clear on what we can expect from each other, we have established six Behaviors that all employees must adopt. We rolled out a Behaviors eLearning course that is available to all employees who have access to the eLearning platform. Additionally, they were incorporated into the performance reviews for employees in selected countries.

We strive to create a diverse and inclusive workplace, where everyone can be their authentic selves.

Diversity, Equity & Inclusion

<p>Growing the business</p>  <p>We make things simple for our customers</p>  <p>We are courageous and play to win</p>	<p>Growing together</p>  <p>We act as ONE global team</p>  <p>We are respectful and communicate openly</p>	<p>Growing ourselves</p>  <p>We develop ourselves</p>  <p>We celebrate successes</p>
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By adopting these behaviors, we aim to provide a working environment in which people can thrive and where everybody feels part of one team. We also provide our employees with

professional development opportunities to retain our qualified workforce. And when filling open positions, promoting from within our own workforce is preferred.

This financial year we introduced the **global Talent Acquisition Directive**, which provides a common understanding and key principles for attracting, recruiting, and onboarding talents across the company. The directive includes a clause on Diversity, Equity & Inclusion, aiming to ensure that the attraction, recruitment, and selection practices are free from bias and are fair to candidates, including those with diverse backgrounds. To facilitate the adoption of this directive across our organization, we developed an online training course that is mandatory for all managers and available to all employees with access to our online training platform.

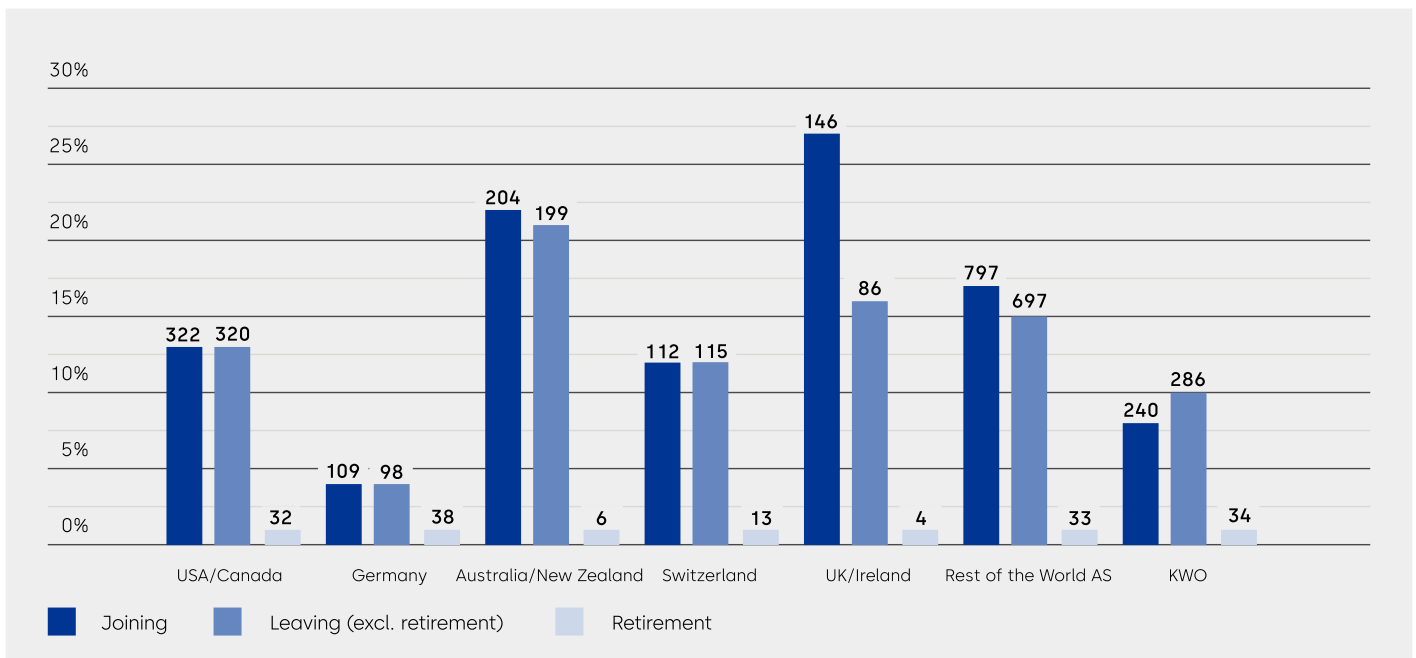
Furthermore, we have successfully built and finalized our global talent acquisition structure and strategy. We now work in global teams, supporting and learning from each other. Our local career websites also follow a global standard, allowing for a consistent candidate experience. And as part of our growth strategy, we have opened dormakaba business services in Sofia (Bulgaria). The new center will serve as a backbone that bundles services and expertise to improve quality, efficiency, and flexibility in HR and other business processes.

Fluctuation

In FY 23/24, a total of 1,930 employees joined the company and 1,801 left within the reporting scope. This corresponds to rates of 13% and 12% respectively, which reflects a slightly higher joiner rate than leaver rate and a lower leaver rate than in the previous year (14%).

Further breakdowns of fluctuation data can be found in the ESG Performance table.

[ESG Performance Table](#)



Fluctuation by region (in percent and headcount of permanent staff). KWO refers to the global business unit Key & Walls Solutions and OEM.

Employee fluctuation across all business regions was similar, with higher rates being seen in Australia and New Zealand, where we see higher attrition rates from employees who have been at the company for less than one year. To reverse this trend, an onboarding system is being developed so that our new starters are feel better supported and educated when they start working with us.

Some fluctuation can be attributed to our S4G transformation program. Through this program we aim to simplify processes, become more efficient, reduce costs, and invest the freed-up resources in growth and innovation. While the program's implementation may impact up to 1,800 positions, the expected net reduction of full-time equivalent positions will be approximately 800. Of these, as part of the implementation of the various initiatives, approximately 700 full-time positions will be reduced in Austria, Germany, and Switzerland over three financial years until the end of June 2026. Communication about the restructuring process has been transparent through townhall meetings, internal articles, and in-person conversations with the affected employees.

About 400 of the affected positions are in Germany, where intensive negotiations took place between the employee representatives and dormakaba to find socially acceptable solutions for all those affected and to significantly reduce and, if possible, avoid layoffs. Solutions to mitigate the negative economic consequences for the employees affected were agreed in a social plan. For example, we offered early retirement opportunities wherever possible. All employees affected by a layoff were offered a transfer period of five months so that they could qualify for a new job in addition to receiving a severance payment.

In Switzerland, a social agreement was successfully concluded and signed by representatives of the Swiss companies and the Swiss Employee Representation (ANV). The social agreement contains a range of measures to support and safeguard the employees concerned. These include individual job search support as well as advice from external outplacement specialists, compensation for potential salary disadvantages in the event of internal and external reemployment, or extended or shortened notice periods in the employees' favor.

In Austria, the company and the works council concluded an agreement on measures to prevent, eliminate, or mitigate the consequences of the restructuring. A social plan has been developed for those employees who are affected by the restructuring measures to mitigate the adverse consequences of the changes, for example through severance payments in the event of job loss or relocation support in the event of a job being shifted from one Austrian site to another.

Outlook

In the next fiscal year, we will continue to execute the restructuring program in a socially responsible manner. Beyond that, we will focus on improving and expanding our candidate experience, and build on as well as simplifying our improved global recruitment processes. We will also continue to roll out our global recruitment tool to the remaining 25 countries to harmonize processes. Finally, we will also complete the living wage gap assessment and begin developing actions to close any gaps discovered.

Training & Education

Employee development is vital to maintaining and improving the skills of our workforce and the quality of our offering.

Our approach

Today's dynamic and globalized world requires new competencies. At the same time, many industries face serious skills shortages, especially in the areas of information technology and digitalization. To address this challenge, it is crucial to focus on employee development, as it is vital to maintaining and improving the skills of our workforce and the quality of our products. We want to prepare our employees for the fast-changing world. This improves their motivation and performance on the job and increases their long-term employability. We continually increase our investment in the development of both our employees and business leaders.

In FY 23/24 we established the People Development Center of Excellence, to develop consistent global training and development programs. Leadership development programs in particular have benefited from this change, as these were streamlined globally across the organization, allowing the colleagues at regional or country level to serve local needs.

dormakaba previously established a Learning Hub, a matrix of regional campuses and functional academies to deploy training programs. In FY 23/24 we put more emphasis on regional deployment and also established a learning and development partner network to support global processes and adapt them to local needs.

We regularly gather and evaluate participant feedback after training sessions in order to maintain and continually adapt the quality of our training and education programs. In addition, our training programs are regularly evaluated as part of external audits for ISO 9001 certification. If a negative trend is identified through this audit process, management meets to review the root cause and determine any potentially required remediation, which may include increased communication and/or modifying the training program.

Our activities

Our goal is to **increase average training hours to 20 hours per employee per year by 2027** (baseline 13 hours/FTE in FY 20/21). To provide our staff with the competencies they require to perform their tasks safely and efficiently, and to support their career advancement, dormakaba focuses on three areas:

- 1 Leadership development
- 2 Individual development and career management
- 3 Vocational and technical training

Leadership development

In line with our strategy and ambition, we aim to have the best leaders in key positions. We have therefore designed and delivered core leadership training, like Leading for Success, Leading Leaders, and we support individual executive coaching. Furthermore, we also continue to offer both agile and classic project management training as standard curricula. During FY 23/24, 224 employees took part in a leadership development program.

In this fiscal year, we prioritized the standardization of our core leadership programs focusing on managers who lead other managers, and which now caters to more complex leadership topics. Furthermore, we successfully carried out several Leading for Success programs, our basic leadership program, delivered in a blended learning approach.

This includes incorporating the latest leadership strategies, our company vision and behaviors, and customized mentoring that caters to our new managers' unique needs. Lastly, we carried out additional Advanced Management and Talent Development Program modules for our top talents.

Our focus on leadership development reflects our commitment to cultivating strong, effective leaders who can help drive our company's success in the long term.

Individual development and career management

As part of our commitment to promoting individual development and career management, we have continued to offer LinkedIn Learning licenses to our employees, providing more flexible training opportunities to a wider audience across various topics. In FY 23/24 we simplified the authentication process to reach even more dormakaba employees. This has enabled us to offer our employees a diverse range of learning opportunities that cater to different learning styles and preferences. This micro-learning format makes it easy for employees to fit training into their busy schedules. We have now reached 6,695 active users, with 42% monthly returning learners. This yielded a total number of 6,947 training hours through LinkedIn Learning. With the help of LinkedIn Learning, we are fostering a culture of continuous learning and development and aiming for a more engaged and committed workforce.

Our combined performance and succession management process known as **Perform & Grow** provides a common framework for measuring and managing performance and potential. The objective-setting is based on the principle of Objectives and Key Results (OKRs).

In FY 23/24, we expanded the number of users of Perform & Grow to around 5,000 employees (approx. 500 more compared to the previous financial year) and will continue with further rollouts in the coming years. In addition, performance assessments through Perform & Grow are now also linked to our new Behaviors.

Focusing on the blue-collar employees – without access to Perform & Growth – the Job Redesign Program at our manufacturing site in Chiayi (Taiwan) provides long-term professional development opportunities for middle aged and senior colleagues who have difficulties with physical loading activities due to health and aging. The purpose of this program is mainly to help them maintain or improve their work efficiency, without any health compromises. Since the program was launched in 2019, 75 employees have participated, including four in FY 23/24.

Vocational and technical training

In today's rapidly changing world of work, the importance of lifelong learning is steadily increasing. For our business success, it is essential that our employees have the skills relevant for their work. The training we provide covers topics such as lean management, health and safety, and product offerings. Additionally, the increasing digitalization of our products and services also requires new competencies – for example, related to big data analytics and artificial intelligence. To ensure that our employees have the relevant skills in the long term, we continue to invest in their vocational development and in promoting their talents.

For example, in FY 23/24 we offered online language training for 50 employees in Vittorio Veneto (Italy), and in Wah Yuet (China) we continued the Operational Excellence Kaizen Program with five training sessions and about 150 employees, focusing on problem-solving processes and standard work engaging. Around 700 employees have participated in the training sessions since 2021. Furthermore, in Switzerland we launched the Future Competencies program last year with 12 participants and in the FY 23/24, 16 more managers and employees received training to develop their skills in Agile Change Management.

Collaborations with local educational institutions

Corporate and educational partnerships are beneficial for both parties as they foster innovation, knowledge exchange, and can even land talents a job. By connecting classroom concepts to actual business challenges, students become more engaged and motivated, and at the same time a company can benefit from the solutions the students develop. Such collaborations also contribute to the UN Sustainable Development Goals by supporting Quality Education.

In the USA, we have established a strategic partnership with Purdue University, including sponsorship of the Hackathon for the past two years. During the 2023 hackathon, students participated in a competition to create solutions to help people with physical disabilities achieve easier and unassisted building access. During the competition, over 110 students engaged in hands-on empathy research, bodystorming (simulation in a physical environment), affinity mapping, cardboard prototyping, and role-playing. Industrial Design students contributed the necessary design skills, while the business school students investigated cost effectiveness, competitors' products, marketing, and other issues. Justin Crotzer, Senior Vice President Global Innovation Value Engineering Management at dormakaba, led the event, with 12 dormakaba leaders serving as judges. AACSB International (AACSB), the world's largest business education alliance, has chosen the Purdue Hackathon in its annual Innovations That Inspire member spotlight program.

In Italy, Key & Wall Solutions (KWS) representatives are members of the Technical-Scientific Committee of Vittorio Veneto, to host students in a type of apprenticeship program and to provide practical knowledge to them by sharing business cases during lessons. They collaborate with the local Applied Sciences High School every year on a special project. Last year the key topic was the circular economy and this year, it is "GenZ attraction & inclusion". The purpose of the project is to improve our understanding of the needs of younger generations at work and to support the inclusion of diverse employees. Students benefit from learning about corporate diversity and inclusion and the process of survey assessments, as they interview about 50 dormakaba employees and more than 100 students. Local institutions, like the Equal Opportunity Counsel for the Province, are also part of the project. Lastly, KWS employees are also active in providing career orientation advice for management students at the Technical Commercial Institute in Sansovino and Oderzo.

Furthermore, **in Rocky Mount (USA), Kaba Ilco is partnering with local schools and community colleges** to provide insight into manufacturing and engineering careers for STEM students. They have been a sponsor for the local robotics and engineering program for many years and with the assistance of the local engineering team have participated in local competitions. The team has also participated in career fairs with Nash and Edgecombe Community Colleges, where they have shared their passion for STEM with the students at the community college level down to elementary-aged students.

Lastly, we have continued our **partnership with the KEDGE Business School in Paris**. Last year the students developed a concept for take-back programs for nine countries, focusing on best-selling dormakaba products. This financial year they supported the concept development of a training course and awareness raising activities related to our zero waste to landfill target.



Partnership with local educational institutions

Our performance

Besides the initiatives already mentioned, during FY 23/24 we continued to develop eLearning modules to support our employees during the change process associated with our corporate strategy, Shape4Growth. In addition to change management modules, a key focus has been on stress and resilience training. These resources have been specifically designed to help our workforce adapt to new ways of working, stay informed about the latest developments, and

ensure that they are equipped with the knowledge and skills they need to succeed in this agile environment.

During the FY23/24 we also placed particular emphasis on introducing a global Onboarding Program including a common SharePoint site, a new "Welcome to dormakaba" eLearning module, and manager resources to support hiring and onboarding of new employees.

Furthermore, we invested in developing interview training for hiring managers and launched our eLearning on the dormakaba Behaviors.

Below you can find the key results of our Learning and Development programs for FY 23/24:

- The average training hours per employee was 14.3 hours (versus 12.4 hours/FTE in FY 22/23). This is an improvement of 15% versus the previous year due in large part to an increase in blended, classroom training by over 30,000 hours.
- Over 12,500 employees have access to our Learning Management System (LMS). In total, 84% (10,568 employees) of the users who have access to the system completed at least one eLearning module in the past fiscal year, compared to 88% in FY 22/23.
- Combined, the compliance-related training activities (including those on the Code of Conduct, antitrust, anti-corruption, and information security) had over 9,731 participants, and over 67,597 training completions, making up 75.35% of all training completions. This is a slight increase (+4%) versus the previous financial year. Many of these topics were introduced in the past and continue to be assigned to new employees.

Outlook

In the coming financial year, we will focus our efforts on harmonizing the company's job architecture, an important initiative that will describe and structure the various roles within our organization. This project is essential for creating clear career pathways and ensuring alignment with our strategic objectives.

We also aim to improve our tools, such as the Learning Management System, to give our employees new features and expand their learning options. These opportunities are critical for adapting to the ever-evolving business landscape and for personal career development.

Another core focus will be our ongoing commitment to change management. As our organization undergoes transformations, continuous efforts in this area will support our team in navigating changes effectively and with resilience.

Diversity, Equity & Inclusion

We believe in the success of diverse teams and provide equal opportunities for our employees. We value the uniqueness of each of our colleagues and strive to create a culture where everyone can be their authentic selves.

Our approach

We aim to create a culture that encourages people to be their authentic selves and to share diverse thoughts and opinions, which lead to better decision-making and innovation. Our global presence and operations in various markets mirror our commitment to promoting a diverse and inclusive workforce. As our Code of Conduct states, we respect the equality of people and cultures and we believe in the positive impact that the inclusion of a diverse workforce can bring to the culture and success of our organization.

We are committed to further developing Diversity, Equity & Inclusion (DE&I) through three focus areas: building an inclusive culture where employees can thrive; building a succession pipeline that supports a diverse leadership team; and supporting employee resource groups and ensuring minorities are valued.

During FY 23/24 we published and implemented the **global Talent Acquisition Directive**, which includes a clause on Diversity, Equity & Inclusion, with the aim of ensuring that we select the best candidates from a diverse pool of applicants who represent different cultures, generations, ethnicities, gender identities and expressions, disabilities, family or marital status, languages, national origins, physical and mental abilities, political affiliations, race, religions, sexual orientations, socio-economic status, veteran status, underrepresented communities, and other characteristics. The DE&I clause guides us in attracting a diverse workforce and ensuring that the attraction, recruitment, and selection practices are free from bias and are fair to candidates, including those from diverse backgrounds.

We have several local policies and benefits worldwide that address inclusion and empower our employees to achieve a better work-life balance. These include policies on Equal Opportunity Employment, Equal Pay for Equal Work, Non-Harassment/Non-Discrimination, Flexible Working/Home Office, and benefits for maternity and paternity leave.

We have been a signatory of the [UN Women's Empowerment Principles \(WEPs\)](#) since 2022. The WEPs is a set of principles that guide businesses in fostering gender equality and women's empowerment. The principles include topics related to treating all women and men fairly at work and thereby respecting and supporting human rights and nondiscrimination. Being a signatory of the WEPs strengthens our commitment to contributing to the UN Sustainable Development Goals and to empowering our employees so that they can unlock their full potential, regardless of their gender.

dormakaba Statement on Diversity, Equity & Inclusion.

[Read](#)

Our activities

Our activities in FY 23/24 centered around building an inclusive culture and in supporting female talents with further development.

Building an inclusive culture

We help foster an inclusive culture in various ways, including through communication and training. Following the successful rollout of the DE&I training with an unconscious bias module for managers and HR business partners in the last financial year, in FY 23/24 we expanded access to the training and allocated 4,000 licenses for additional employees and new joiners across 30 countries.

We also aim to create a working environment where people with disabilities feel comfortable. In Vittorio Veneto (Italy), where 8% of the workforce has certified diverse abilities, several initiatives are in place to help the integration of employees, for example tailored workstations, processes and activities, transportation, and consulting solutions. Moreover, a certified Disability Manager from dormakaba ensures cooperation between the company and public institutions so that the employees with disabilities are aware of and can exercise their rights, and to secure enablement in the workplace through ergonomic adjustment, culture, dialogue, and specific consultancy. At our warehouse in Lima (Peru), employees are learning sign language to be able to communicate with a deaf colleague. Furthermore, our Taishan (China) facility is actively participating in the local government's initiative to support the employment of individuals with disabilities. In FY 23/24 an additional four people with disabilities joined the local team.

We are also building an inclusive culture by supporting voluntary Employee Resource Groups, in which our minority groups can connect and discuss concerns and opportunities. One of these groups is the "Diverse Shades of Excellence" in the USA, which celebrates and recognizes the diverse talents, achievements, and contributions of Black/African American and Hispanic/Latino(a) employees.

Cultivating gender diversity

As part of our sustainability framework, we set global targets to improve gender diversity within our organization. Our aim is for **one in three managers to be female** (19% in FY 20/21) and to **increase the ratio of women in succession planning for senior management positions to 25%** by 2027 (14% in FY 20/21).

To achieve these goals, it is crucial to develop a diverse internal talent base and to ensure that all employees receive the same access to development programs. And, since our industry is traditionally predominantly male, we provide additional development platforms specifically for women to help them grow.

At dormakaba we have several Women's Networks globally, for example in the Americas, China, Europe, and Africa. They aim to provide participants with support and information to promote development and career progression. They also provide a platform to network, share, and learn from each other. In FY 23/24, we also launched a German-speaking and an English-speaking Women's Network for everyone to join, regardless of their position or gender, with around 70 participants on the first sessions. The Talentia Female Leadership Mentoring Program was also launched in Spain and Portugal, designed to provide women with mentoring and networking opportunities, language training, advice, and appropriate working conditions to balance work and family life. Furthermore, the DE&I topic is part of our leadership programs, such as Leading for Success, in which we are aiming for a 60% male and 40% female gender ratio.

On International Women's Day, our employees around the world celebrated the achievements and contributions of women while highlighting the challenges they face. In France, for example, more than 180 people joined a digital event on topics such as the

gender equity index and empowerment. In the Americas, the focus was on burnout and creative solutions to combat it, and in India and Spain external speakers gave presentations on topics such as unconscious biases and career development. In China more than 120 female employees joined an online session with female leadership representatives, who shared their work and life experiences, and 50 women took part in activities related to physical and mental well-being. Lastly, in Vittorio Veneto (Italy), all 105 female employees participated in a full-day workshop on finding balance, with coaching and meditation sessions.

Supporting women in achieving their full potential – a success story from the Americas

In a male-dominated industry like ours, it can be challenging to attract women, especially those with STEM backgrounds. We have therefore introduced global initiatives that focus on selecting candidates from a diverse pool (read more in the Fair Employment chapter), increasing the possibility to engage with more female candidates. Our colleagues in the Americas are especially active in this area. For example, the regional Women's Network, in addition to making an impact internally by increasing the percentage of women in leadership roles and earning promotions, has an impact externally too by sharing their experiences at industry conferences. During FY 23/24, five women from dormakaba conducted panel discussions at DHI ConNEXTions in Boston and at PSA TEC in Dallas about the impact women are making in the industry and how organizations can do more to create cultures of belonging to attract and retain diverse talent. Furthermore, this financial year dormakaba sponsored four women to attend WE, an annual conference hosted by the Society of Women Engineers (SWE), the world's largest advocate and catalyst for change for women in engineering and technology.

As an active member of the Security Industry Association (SIA), dormakaba also sponsored several events for the Women in Security Forum (WISF), including the annual women's breakfast at ISC West where each year the Power 100 Women in Security are recognized. In 2024, two of our female employees received this recognition for their contributions to creating inclusion in the industry. This makes a total of nine dormakaba women receiving this award since its inception in 2022. For professional and personal development and networking opportunities, 27 women from dormakaba attended the Security LeadHER conference in June 2024. This conference is hosted by SIA and ASIS, and dormakaba was a premier sponsor. Furthermore, we became a corporate member of Women in Manufacturing (WiM), a global trade association dedicated to the advancement of women in manufacturing. Its members have access to online knowledge resources and monthly lunch and learns events, can participate in its annual summit, and local chapters offer manufacturing site tours and networking opportunities.

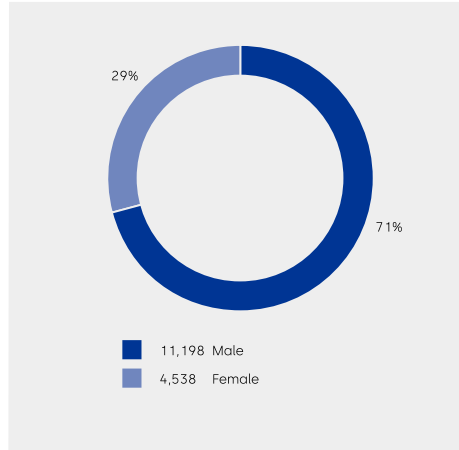
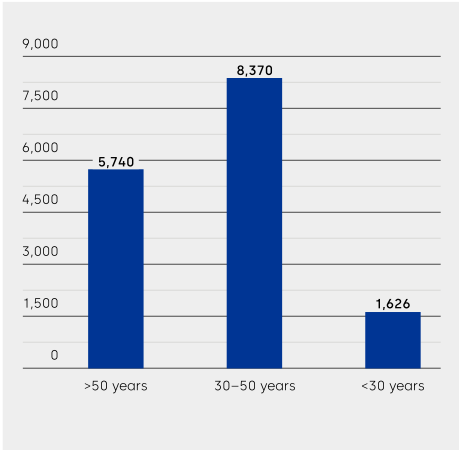


dormakaba employees attend the Security LeadHER conference in June 2024

Our performance

In FY 23/24, female employees represented 29% of the total workforce. Across all management levels, 22% were female (vs. 19% in FY 20/21). Employees aged between 30 and 50 make up the majority (53%) of employees represented in this report.

Employees



Outlook

In the next financial year, we will roll out 8,000 additional licenses for the unconscious bias eLearning in all countries. We will also convert the "Unbiasing the recruitment" webinar into an eLearning module and roll it out to hiring managers. We will keep expanding our Women's Networks and advocating for more women to participate in leadership development programs. We will develop concrete proposals for a global parental leave policy.

As an ongoing activity, we will continuously create awareness of DE&I through communication campaigns for special days like International Women's or Men's Day, Diversity Month, and important religious holidays.

Information on the **diversity of governance bodies** can be found in the ESG Performance table.

[ESG Performance Table](#)

Occupational Health & Safety

Throughout our business and most notably at our manufacturing sites worldwide, we respect the human right to safe workplaces. We recognize that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production, and worker retention and morale.

Our approach

All workers share the human right to safe and healthy working conditions, and as an employer we do our utmost to protect the physical and mental integrity and well-being of our employees. Accidents and work-related illnesses can be of a long-term nature and entail costs to society and the company. We can only be successful in the long term if we help ensure our employees remain healthy. Occupational Health & Safety (OHS) addresses not only the safe operation of machines, ergonomic workplaces, and the handling of hazardous substances, but also mental health issues including stress, depression, and emotional well-being. We strive to simultaneously create optimal working conditions for our employees and to ensure operational efficiency.

Our **Health & Safety Directive** was prepared in collaboration with our Environment, Health & Safety employees. It is based on recognized management systems such as ISO 45001 and the ILO Guidelines on Occupational Health & Safety. The Directive regulates the minimum business standards in regards to occupational health and safety management and processes at local levels, such as the safety of the working environments and the health of our employees, contractors, and visitors within our facilities. Furthermore, the Directive gives clear guidance on incident data management and on the effective control of facilities and equipment during high-risk activities. The Directive is applicable to all fully consolidated operations of dormakaba worldwide, including those of direct and indirect subsidiaries.

Our activities

Our Health & Safety Directive is the foundation for health and safety plans at the site level, and 32% of our facilities also have ISO 45001 certification. Despite our efforts to provide a safe workplace, injuries can still occur in and around our facilities, including cuts, stumbles, burns in smelting operations, injuries due to heavy lifting, or exposure to toxic fumes in galvanization processes. We have been using root cause analysis of injury incidents at our sites around the world to identify and implement the corrective actions necessary to prevent repeated incidents. Our goal is that **by the year 2027, we will decrease the recordable work-related injury rate by 33%** (baseline 1.4 in FY 20/21).

Successful implementation of the Health & Safety Directive

During FY 23/24 one of our main focuses was to successfully roll out and implement the Health & Safety Directive globally. This required active participation from all levels of the organization. After finishing the mandatory training sessions on the Directive, each location began a site applicability assessment. All facilities were asked to assess the maturity of the existing systems and health and safety requirements at their individual sites and whether there were any gaps in the Directive's requirements related to: Management Systems; Incident Data Management; Core Safety; and Core Health and Property Risk Management. Based on the assessment results and risk ratings for each Directive topic, we have identified the highest risk areas at each site so that the local colleagues can create a priority list of actions to ensure compliance with the Directive.

By the end of this financial year, sites were actively progressing through their individual action plans starting with the highest risk topics. Over 77% of sites have completed the applicability assessment and over 65% have developed their action plans, which they will continue to work through in the next fiscal year. Many of the sites are addressing similar topics with the highest risk scores, which include safe product storage, emergency preparedness, and adequate safeguards on all equipment.



Emergency response training at the manufacturing facility in Taishan (China)

Health and safety committees

dormakaba employs designated safety personnel and safety committees at several sites. With the implementation of the Health & Safety Directive, each site will have a health and safety committee, comprising a variety of employees from different departments and shifts, representing a cross-section of the facility operations. Their key responsibility is to ensure that workers comply with the site's Health and Safety Management Plan and government regulations. Further responsibilities include:

- Reporting unsafe observations and near misses.
- Attending all safety meetings.
- Reviewing accidents causing injury, illnesses, and investigations.
- Providing ideas and suggestions to improve the health and safety standards of the facility.
- Promoting safe working practices among all employees.
- Completing or assisting with safety inspections and audits.
- Evaluating the effectiveness of control measures being used to protect employees from workplace hazards.

In order to fulfill these responsibilities, the committee must conduct meetings at least twice a year.

Incident data management

During FY 23/24 we launched a new and improved safety reporting tool, designed to enhance proactive safety reporting across the organization and to bolster our overall safety performance. With this upgrade, employees now have the possibility to report both unsafe and safe observations they have identified and addressed. The tool allows us to track the status of corrective actions that must take place for incidents, dynamic and real-time reporting that allows us to make systemic improvements to our site's health and safety management systems, and automated notification of severe incidents to the responsible business leaders.

Employee engagement and training

Workplace safety training is essential to identifying and solving health and safety issues and to protecting our employees. Therefore, each facility must cover the following minimum training topics as part of weekly safety talks with employees:

- mechanical, electrical, chemical, fire, and physical hazards,
- the correct use of appropriate personal protective equipment,
- types of potential emergencies that may occur at their work location and what to do during an emergency, including internal and external meeting points,
- machine safety and the use of safeguards and emergency stops,
- reporting injuries and illnesses.

To identify and address our health and safety risks, employee engagement is crucial. Our employees are encouraged to report challenges and near misses in order to address these risks. This helps employees recognize hazards or unsafe acts and correct them immediately or ask for support to correct the issue. Near miss reports are given the same emphasis and attention as injury reports, and the respective supervisor follows up on the near miss to ensure it is corrected.

During FY 23/24 we focused on training related to the new incident reporting system to ensure that the end users are familiar with its functions. We have rolled out training sessions in three waves, starting with the train the trainer sessions, followed by training for all Health, Safety and Environment leaders, and finally we offered weekly open training sessions for all employees. All together **over 1,000 employees attended the training sessions.**

Further local health and safety training that took place during FY 23/24 included the following:

- At our production facility in Indianapolis (USA), ergonomics training sessions were provided for 28 of our managers, supervisors, engineers, and production team members. We also used the sessions to identify corrective actions for incidents that occurred recently. Since the training, we have practiced daily stretching before starting a shift and before manager and supervisor huddles, and we have held multiple safety talks informing team members about the benefits of stretching and biomechanics while working. In addition, ergonomic risk assessments were conducted on each of our workstations on the production floor. Based on this, a hierarchy list of improvements has been established that we are planning to implement during the next financial year.
- To enhance our employees' awareness and improve their ability to respond to emergencies at the manufacturing facility in Taishan (China), we organized emergency experience activities for 147 employees. This included practical operation of fire extinguishers and fire hydrants, escaping fires and earthquake training with auxiliary equipment. Thanks to these activities, employees learned how to use fire extinguishing equipment and how to escape the building in case of fire or an earthquake.
- In Montreal (Canada) an ergonomics training session was held for 40 office workers.
- In Chiayi (Taiwan), all employees (around 230 people) participated in a behavior-based safety (BBS) training session on hazard identification.

Investing in safety and ergonomics

Our Health & Safety Directive includes the minimum requirements of programs and procedures that establish the foundation of the safe operation of our facilities. These include requirements for machine guarding, personal protective equipment, safe walking and working surfaces, and the use of powered industrial vehicles, just to mention a few. Furthermore, all dormakaba facilities that work with hazardous materials must maintain a hazard communication and chemical management program, as well as a transportation compliance policy, if applicable. Our workers responsible for the storage, clean up, or disposal of chemical substances receive specialized training and equipment.

Due to the implementation of the Health & Safety Directive, several improvements took place to create safer and healthier working environments across our facilities during FY 23/24.

Below are just some examples of these improvements:

- At the production facility in Chino (USA), three new workstations were installed with ergonomics and safety in mind, providing optimal work surface height.
- At our site in Hallam (Australia), a new multi-directional forklift has been put into service to reduce safety risks when transporting long materials in and around the factory, such as sliding door operators and long aluminum extrusions, which can be up to nine meters long. Additionally, a new racking system has been built at the site to avoid blind spots, and fans and heaters were installed at the workstations to improve the comfort level of our employees.
- To improve safety on the circulation route at the production facility in Montreal (Canada), pedestrian walkways were defined and painted blue, safety mirrors and mandatory stop signs were installed, the number and speed of our powered industrial vehicles was reduced, and blue safety lights were installed. Furthermore, the use of protective safety shoes and visibility vests was made mandatory. Ergonomic improvements were also made to work cells and workstations, mostly by investing in equipment to avoid lifting of heavy items by our employees.
- As a result of unsafe observations reported by our workers at the Key & Wall Solutions plant in Vittorio Veneto (Italy), we improved the safe operation of a forklift by equipping it with a transponder, which automatically slows down the vehicle when entering a defined zone. When this happens, a traffic light turns red to alert employees walking by.

Employee well-being

It is important to have a holistic approach to well-being that goes beyond physical health and safety. To foster a healthy workplace, mental health must also be addressed. In the newly introduced reporting system, we can now record work-related illnesses, including mental health-related illnesses such as burnout. The same steps are followed for these incidents as for accidents, with an investigation being conducted by means of a root cause analysis and corrective actions subsequently being implemented.

During the FY 23/24 we further developed our offerings on our Well-being Info Hub to support our employees' well-being, stress management, and resilience. The internal website includes useful information, training courses, and inspiring initiatives and events from around the world. We also launched training sessions on stress management and resilience globally, which have been completed by 339 employees.

Additionally, we had some successful local initiatives. For example, to raise awareness of well-being for our approximately 900 employees in Australia and New Zealand, we launched the "One Pacific" well-being initiative. The program was developed by the staff and the roll out was supported by senior colleagues. The program focuses on mental health, respect at work, and social well-being, among other things. Furthermore, in the United States, 22 employees took part in a 10-hour training course to become leaders for the local "Mental Health First Aid Kit". Now, these leaders have the skills to recognize and respond to signs and symptoms of mental health and substance use challenges, as well as to provide someone with initial support until they are connected with appropriate professional help. Additionally, our colleagues in the USA rolled out a wellness program that includes financial incentives for

employees to take part in preventative medical checks and to participate in fitness challenges, like walking events.

Our performance

Across all our reporting sites – including offices – 32% have a health and safety management system certified according to ISO 45001, and 65% maintain a health and safety management system.

In FY 23/24, 164 occupational injury cases were registered, compared to 210 in the previous reporting year. This represents a recordable injury rate of 1.19, which is 21% lower than in the previous reporting year (1.5)¹. The rate of high-consequence work-related injuries was 0.01². The severity rate was 16.47³. There were no work-related fatalities⁴. Additionally, ten recordable incidents affecting contract or leased workers occurred. Lacerations were the most common type of injury, and most injuries were sustained to the arms and hands. Most accidents occurred in production plants, with the second-highest number occurring during installation or servicing at customer sites. The most common root cause has been reported as incidents due to ergonomic factors. Through our new global injury incident reporting tool, since February 2024, we have logged the implementation of 473 corrective actions.

¹ Recordable work-related injury rate = number of recordable work-related injuries / number of hours worked x 200,000

² Rate of high-consequence work-related injuries = number of high-consequence work-related injuries (excluding fatalities) / number of hours worked x 200,000, with injuries requiring over six months' recovery time defined as high-consequence

³ Severity rate = number of lost working days / number of hours worked x 200,000

⁴ Fatality rate = number of fatalities as a result of work-related injury / number of hours worked x 200,000

65% of our locations in scope maintain a health and safety management system.

ESG Performance Table

Outlook

In the next financial year we will continue implementing measures so that all locations meet the minimum requirements of the Health & Safety Directive, with each site continuing with their own action plan based on identified gaps and risks. We will support global standards for five key programs through our HSE Roadmap: Stored Energy Safety, Machine Guarding, PIV Safety, PPE, and Walking and Working Surfaces. Furthermore, we are planning to develop and implement our Service Health & Safety Directive, addressing our service business.



Planet

We open the doors wide to a
low-carbon and circular economy

Energy & Emissions

We are demonstrating leadership in the transition to a low-carbon economy within the industry and beyond.

Our approach

The emission of greenhouse gases (GHG), which are generated through the burning of fossil fuels, is one of today's biggest challenges. Every business, government, and individual has a role to play in meeting the goals of the Paris Agreement. We understand the risks posed by climate change, and we are taking action to reduce our energy consumption and related emissions to strive for a low-carbon economy. We use the latest scientific knowledge to guide a sound management approach, and our emission reduction targets have been validated by the [Science Based Targets initiative \(SBTi\)](#).

Our energy consumption and GHG emission reduction program is part of our global [Environment Directive](#). Furthermore, our Environment, Health & Safety, and Sustainable Products Expert Groups are developing and implementing initiatives to achieve the related targets. One such target is the establishment of [energy management systems](#) at our manufacturing sites that account for 85% of all on-site energy consumption. As of 30 June 2024, 61% of our sites in scope (18 sites) have established energy management systems.

Our contribution to the fight against climate change

In 2021, the SBTi approved our targets for operational and value chain emissions. We aim to **reduce operational (Scope 1+2) emissions by at least 42% in line with a 1.5°C future by 2030, without the use of carbon offsets** (baseline 74,770 tCO₂e in FY 19/20). We are currently on track with our annual reduction targets and have reduced emissions by 17% versus our baseline. Any residual emissions will be voluntarily compensated through Gold Standard offsets to achieve our target of **becoming carbon neutral by 2030**. Progress against the operational emissions target is being tracked as part of our [sustainability-linked credit facility](#).

Many components used to create our products are manufactured in-house through processes including melting, aluminum and zinc die casting, machining, purchased parts processing, and final assembly. The aforementioned processes also require controlled, HVAC-conditioned space for process control, labor efficiency, and maintenance of a healthy working environment. Together, these processes drive our total energy demand. As a result, we are focusing many of our energy-saving initiatives in this area. In line with our science-based emission reduction targets, we aim to **reduce the energy intensity of our operations by 25% by 2030** (baseline 100.5 MWh/mCHF in FY 19/20).

We also aim to **reduce our value chain emissions (Scope 3) from purchased goods and services, and the use of sold products by 25% by 2030** (baseline 734,850 tCO₂e in FY 19/20).

To achieve our ambitious targets, we are focusing on the following activities:

- Investing in energy efficiency projects
- Increasing on-site production of solar power
- Purchasing electricity from renewable sources
- Electrifying our fleet
- Improving the energy efficiency of our products in the use phase

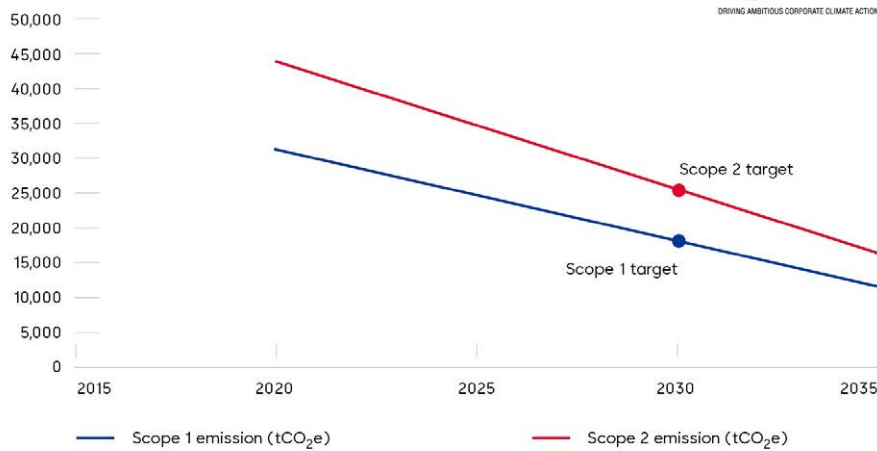
Our climate transition plan

We are opening the doors wide to a low-carbon economy. In fact, we aim to be net zero by 2050 at the latest. Let's look closer at our near-term Scope 1+2 targets.

Absolute emissions targets: Scope 1+2

As approved by the Science Based Targets initiative (SBTi), our target is to reduce absolute Scope 1+2 greenhouse gas (GHG) emissions by 42% by 2030. This means total emissions savings of 31,403 tCO₂e versus the baseline.

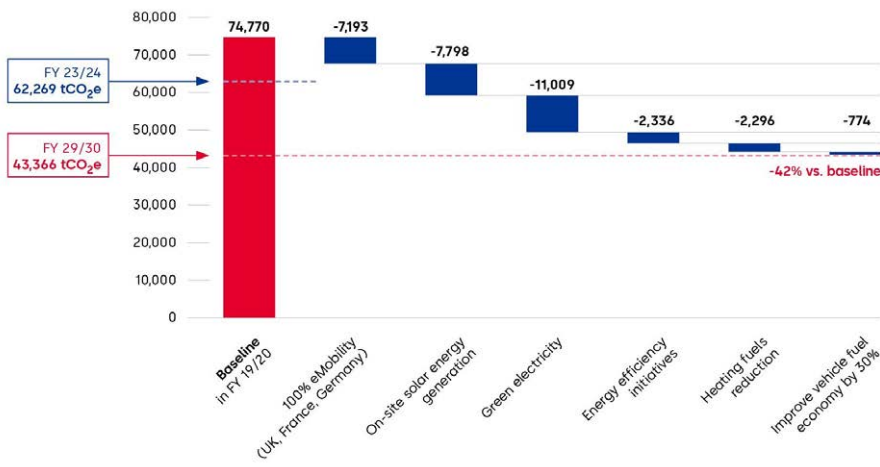
Absolute emissions targets | 1.5°C



Our strategy

To achieve the 42% reduction (31,403 tCO₂e), we have set Must-Have initiatives along six levers, that must be completed by 2030. These initiatives are executed at dormakaba sites, where we can have the largest impact on reducing our CO₂ emissions. We are on track with our climate action plan and already achieved a 17% reduction since the baseline in FY 19/20.

CO₂ reduction by action (tCO₂e)



dormakaba locations around the world with Must-Have initiatives





We welcome stakeholder feedback, questions, or suggestions related to our climate transition plan. Should you like to share your opinion, kindly send an email to sustainability@dormakaba.com.

Our performance

Greenhouse gas emissions

In FY 23/24, our total greenhouse gas (GHG) emissions (Scope 1+2) amounted to around 62,300 tCO₂e. More than 52% were emitted as a consequence of electricity consumption, followed by vehicle and heating fuel consumption, volatile and process gas emissions. Climate-related initiatives implemented during the reporting year resulted in total annual savings of approximately 21,500 tCO₂e (over a third of our total footprint from own operations).

Thanks to the implementation of the energy-saving initiatives outlined in the next section, we expect to reduce our annual GHG emissions by approximately 400 tCO₂e. We have worked diligently to source renewable electricity or generate our own renewable energy where feasible, leading to annual emissions avoidance of approximately 21,100 tCO₂e. In addition, we have expanded the production of on-site solar energy by more than five times.

63,715 MWh (53%) of the electricity that we consumed or generated came from renewable sources. 31% of the locations covered in this report, purchased 100% green electricity in FY 23/24.

dormakaba locations purchasing 100% green electricity



Solar panels on the rooftop of dormakaba's manufacturing facility in Melaka, Malaysia

Commissioning of 21,000 solar panels at three production sites

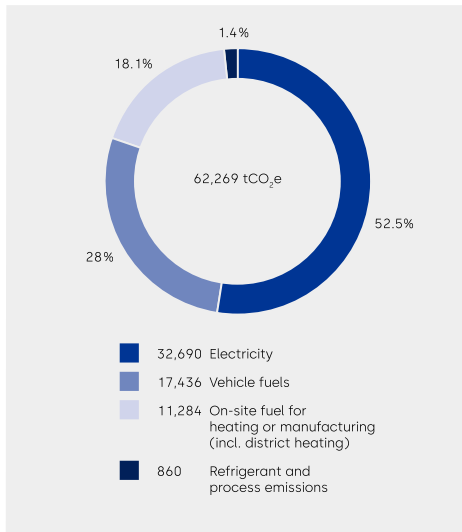
During FY 23/24 we significantly increased the generation of solar energy at our sites. We started operating three photovoltaic power plants with a total of 21,000 solar panels on the roofs of our production sites in Melaka (Malaysia), Suzhou (China), and Taishan (China). The solar installations are expected to produce more than 11,000 megawatt hours (MWh) of electricity and to save almost 7,000 tons of CO₂e annually.

Key data of the solar energy projects:

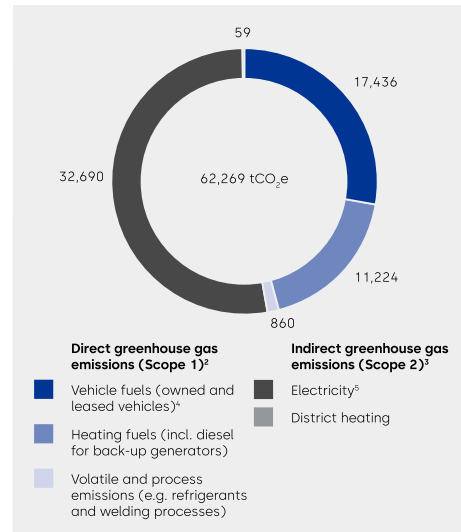
- Melaka (Malaysia): 1,020 solar panels, expected annual production of 826 MWh, and savings of 540 tCO₂e
- Suzhou (China): 2,258 solar panels, expected annual production of 1,216 MWh, and savings of 762 tCO₂e
- Taishan (China): 17,675 solar panels, expected annual production of 9,050 MWh, and savings of 5,671 tCO₂e

The commissioning of the solar panels is a significant step towards achieving our CO₂ emission reduction target and contributing to the transition to a low-carbon economy. This measure is both ecologically beneficial and makes economic sense due to the expected high carbon price in the future. These on-site solar panel installations contribute to 25% of the total savings planned in our climate transition plan.

Greenhouse gas emissions by source (tCO₂e)



Scope 1 and Scope 2 greenhouse gas emissions (tCO₂e)¹

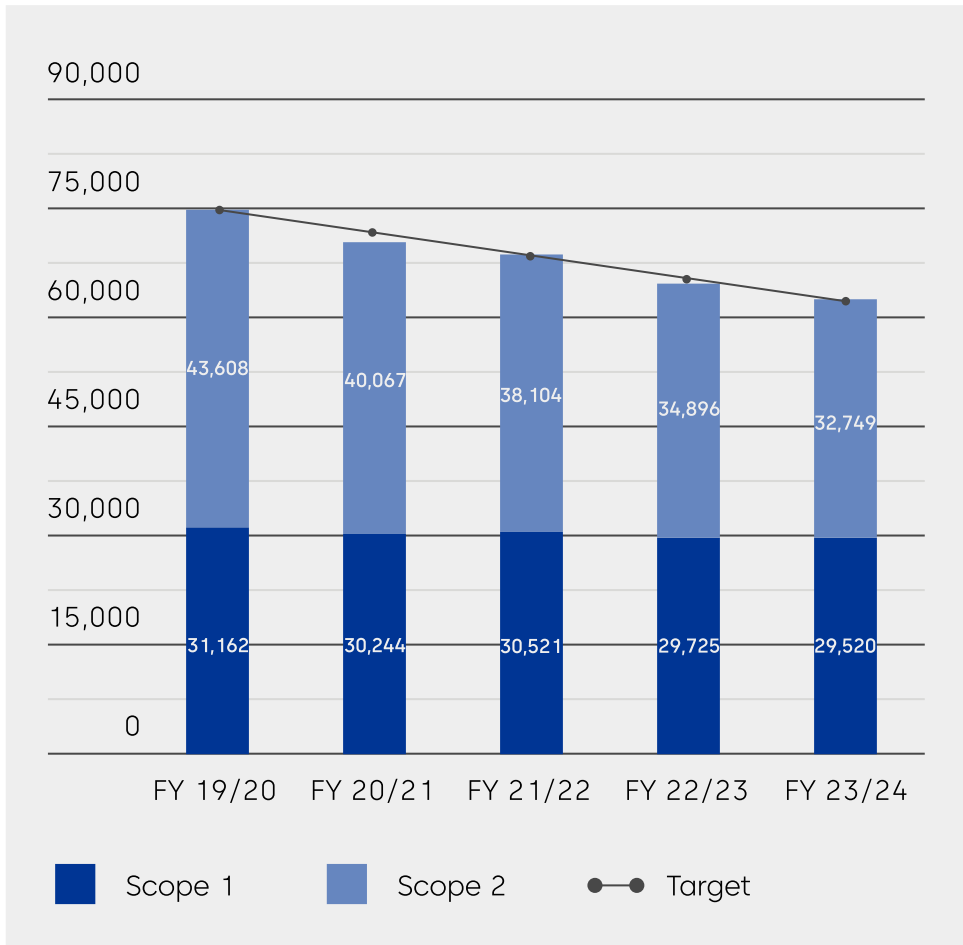


- 1 Greenhouse gas inventory calculated in accordance with the WRI/WBCSD Greenhouse Gas Protocol. Emission factor sources: UK Defra (2019), US EPA eGRID (2018), IEA (2019), AIB (2018).
- 2 Scope 1: direct greenhouse gas emissions from sources owned or controlled by dormakaba.
- 3 Scope 2: indirect greenhouse gas emissions from sources owned or controlled by another entity, as a consequence of the company's activities.
- 4 Biogenic emissions associated with the combustion of biofuel amount to 74 tCO₂e. These are called "outside of scopes" emissions and reflect the impact of burning biomass and biofuels. The fuel source itself absorbs an equivalent amount of CO₂ during the growth phase to that released through combustion.
- 5 The greenhouse gas emissions associated with electricity consumption are reported according to the "market-based approach", as defined in the Greenhouse Gas Protocol Scope 2 Guidance.

For historical and more detailed emissions data, view the ESG Performance table.

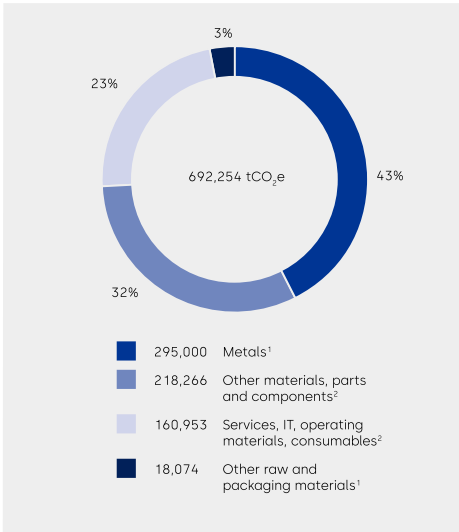
[ESG Performance Table](#)

Year-on-year absolute Scope 1+2 emissions (tCO₂e)

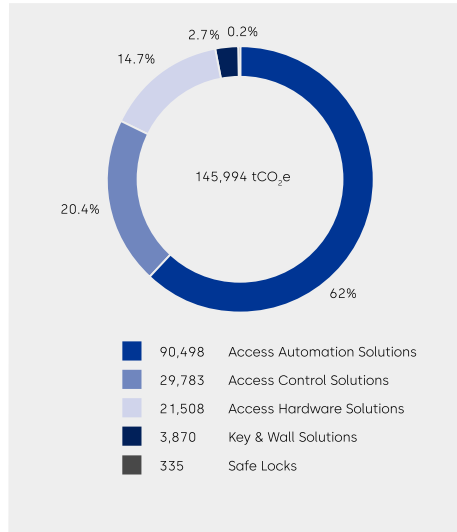


Scope 3 emissions constitute around 90% of our combined Scope 1, 2, and 3 carbon emissions, highlighting the importance of Scope 3 emissions for our climate strategy. While setting our baselines, we carried out screening across all relevant Scope 3 emissions categories, which showed that the largest sources of Scope 3 emissions are purchased goods and services (75%) and the use phase of sold products (11%). This is why we have set our SBTi targets based on these two categories.

Scope 3 emissions: purchased goods and services (tCO₂e)^{1, 2}



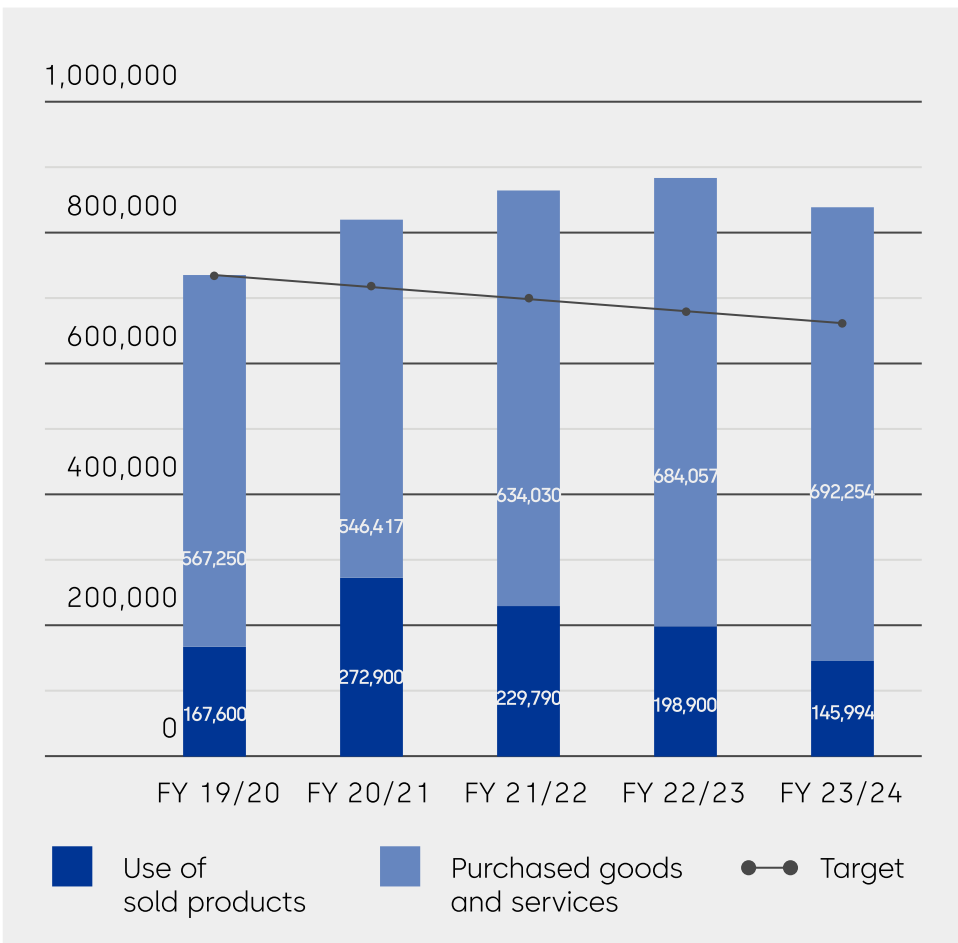
Scope 3 emissions: use phase of products (tCO₂e)³



¹ Calculated via direct material weight. Emission factor sources: UK Defra (2019), US EPA eGRID (2018), IEA (2019), AIB (2018). ² Calculated via spend volume.

³ Calculated via energy consumption during the use phase. Emission factor sources: UK Defra (2019), US EPA eGRID (2018), IEA (2019), AIB (2018).

Year-on-year absolute Scope 3 emissions (tCO₂e)



For the second year in a row, we saw reductions in emissions stemming from the use of sold products. However, emissions from purchased goods and services continued to increase. Currently, data is collected on a material type basis, rather than disaggregating to an individual supplier level. This means we have little leverage to encourage suppliers to decarbonize. To address this, in FY 24/25 we will start to collect primary CO₂ data from our most carbon intensive suppliers and collaborate with them on their reduction strategies.

In FY 23/24 we improved our Scope 3 reporting processes and included five new categories in our ESG Performance table for the first time.

ESG Performance Table

Innovation for a low-carbon economy

When it comes to primary energy consumption, the building sector is one of the largest energy users in the world – as a result, its influence on climate change is enormous. We have therefore set a target of **having best in class energy efficiency for new products**, which we have achieved last year. Our digital Product CO₂ Inventory Tool has been supporting us in this as it provides information on the carbon emissions of energy-consuming products during their use phase (the calculation method is in line with the GHG Protocol). The tool includes the footprint of around 350 products that consume energy after installation, including those that are battery-operated or connected to the electricity grid. This supports product development and optimization activities to create more energy-efficient products and also contributes to our target of decreasing Scope 3 emissions from the use phase of sold products.

We also offer two further sustainable solutions: our Motion IQ, which is an intelligent sensor system for automatic doors, and our Door Efficiency Calculator, which is a tool that helps customers choose the most energy-efficient entrance solution for their building.

Our MotionIQ system ensures that automatic doors only open when they really need to and for no longer than necessary. This means the doors move less frequently, therefore reducing air exchange with the outside and minimizing the amount of energy needed for heating or cooling indoor air. Using the MotionIQ system together with swing door operators typically saves 50% of energy versus without. Additionally, the service life of the drive technology is extended, as unnecessary openings are avoided.

Our Door Efficiency Calculator makes it possible to compare and analyze different automatic doors in terms of their impact on a building's airflow, energy use, and CO₂ emissions, depending on factors such as building type, usage, and typical weather conditions for the site. This tool provides our customers with a valuable decision-making aid for selecting the best solution that also meets the requirements of the building in question.

Energy consumption

Our total energy consumption for FY 23/24 was over 240,700 MWh. Electricity and fuels for heating or manufacturing constitute nearly 73% of total energy consumption and play a crucial role in our production processes. Fuel consumption of our vehicle fleet makes up the remaining energy consumption.

Energy-saving initiatives were implemented at various sites. This work included upgrading equipment such as air compressors, the optimization of heating and cooling systems, and improving fuel efficiency.

Below are some specific examples of activities from our facilities across the world in FY 23/24:

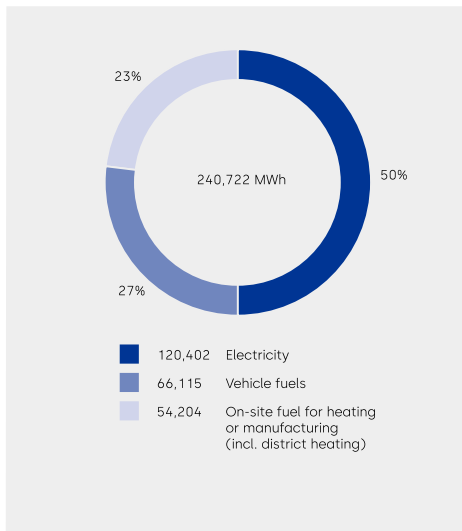
- In Indianapolis (USA) we have replaced two old HVAC units that contributed to a large portion of the CO₂ emissions of the facility. Additionally, new replacement energy recovery units were installed that help recover waste heat generated by the air-conditioning units. Monitoring of savings is still ongoing.
- In addition to the solar panel installations in Suzhou (China) and Melaka (Malaysia), the optimization of the air compressors led to further energy savings. In Suzhou the compressed air usage of a thinner recycling machine was reduced, resulting in an estimated annual saving of 107 MWh or 67 tCO₂e. And in Melaka, we expect annual

savings of 318 MWh or 207 tCO₂e after replacing an inverter air compressor, installing an optimizer controller to efficiently run the three compressors, installing an additional air receiver tank, and resizing the piping system.

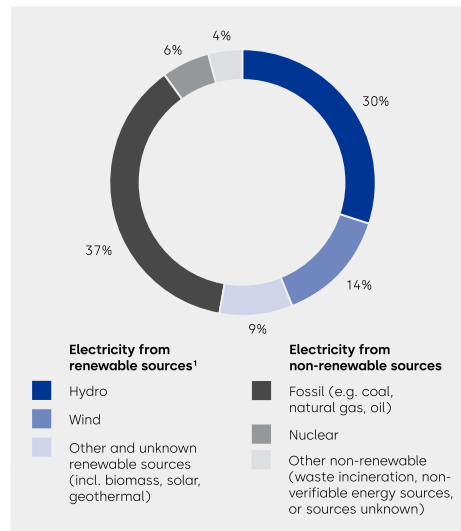
- To improve the heating fuel efficiency, in Villingen-Schwenningen (Germany) we have monthly workshops where we look at the consumption values and optimize the heating phases accordingly in order to operate the heating as efficiently as possible. At 773 MWh we have stayed well below our target consumption of 1,000 MWh.
- To reduce the use of vehicle fuels, we have trained 30 of our drivers in Columbia on fuel-efficient driving methods. Furthermore, with four new electric vehicles purchased in FY 23/24, the Austrian fleet now has 30 electric vehicles, making up about the 30% its total fleet.

As a result of these and other activities, we realized total quantifiable annual energy savings of more than 700 MWh for the sites covered within the scope of this report.

Energy use (in MWh)



Electricity by source (in %)



¹ Including own generation

EU Taxonomy

EU taxonomy for sustainable activities

The EU taxonomy allows financial and non-financial companies to share a common definition of economic activities that can be considered environmentally sustainable, in recognition of the fact that the shift of capital flows towards more sustainable activities has to be underpinned by a shared, holistic understanding of the environmental sustainability of activities and investments.

Based on the EU taxonomy technical screening criteria, a company's internal economic activities can be classified according to their environmental sustainability. The classification system is broken down into six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Transition to a circular economy
- Pollution prevention and control

- Protection and restoration of biodiversity and ecosystems
- Sustainable use and protection of water and marine resources

Economic activities that have the potential to contribute to one of the environmental objectives are referred to as taxonomy-eligible. Those taxonomy-eligible activities that are actually environmentally sustainable are referred to as taxonomy-aligned. Taxonomy alignment requires fulfillment of the following three criteria sets:

- Substantial contribution to one of the six environmental objectives
- No significant harm regarding the other five environmental objectives (Do No Significant Harm, DNSH)
- Compliance with minimum social and governance requirements (minimum safeguards)

Articles 3 and 9 of Taxonomy Regulation (EU) 2020/852 (Taxonomy) require dormakaba to disclose sales, capital expenditure (CapEx), and operating expenditure (OpEx) related to environmentally sustainable economic activities. In this reporting year, taxonomy eligibility must be reported for all six objectives. Additionally, as in the last financial year, we also meet our requirements to report on both taxonomy eligibility and alignment for the first two environmental objectives, climate change mitigation and climate change adaptation.

Approach and methodology

After thorough examination of Technical Annex 1 of the Taxonomy Regulation (EU) 2020/852, and the Commission Delegated Regulation (EU) 2023/2486, we have found that only a few of our revenue-generating activities are taxonomy-eligible regarding climate change adaptation and mitigation. We conducted this review against the full scope of our products and solutions together with the Product Sustainability department and Product Managers. It was found that the EU taxonomy classification is largely not applicable to the majority of our revenue-generating activities – nor to that of the access solutions industry in general. On the other hand, greater alignment on eligibility can be seen in the area of the circular economy. There was no eligibility found at this time regarding the environmental objectives of pollution prevention and control, protection and restoration of biodiversity and ecosystems, and sustainable use and protection of water and marine resources. However, we will reevaluate this on a regular basis.

You can find the company's eligible activities related to revenue listed in the table below.

Objective	Economic activity	Taxonomy-eligible activities
Climate Change Adaptation and Mitigation	3.5. Manufacture of energy efficiency equipment for buildings	Manufacture of doors that could be installed as external doors with U-value lower than or equal to 1.2 W/m ² K*
Substantial contribution to the transition to a circular economy	1.2. Manufacture of electrical and electronic equipment	All new electrical products include the circularity approach
	4.1. Provision of IT/OT data-driven solutions	We develop, install, deploy, maintain, repair, and provide professional services related to operational technologies for some of our products.
	5.2. Sale of spare parts	We sell spare parts to maintain the functionality of the product.

* Taxonomy Report 2020/852 Technical Annex 1, section 3.5. Manufacture of energy efficiency equipment for buildings; relating to "doors with U-value lower or equal to 1.2 W/m²K". Revenues from all doors that could be installed as external doors were therefore defined as eligible. Product management then reported the U-values for all such doors to determine taxonomy alignment.

Cross-cutting activities to which only capital and operating expenditures are attributed were also considered, such as solar PV projects, electric vehicle charging installations, and energy efficiency initiatives. Eligible activities can be found below.

Objective	Economic activity	Taxonomy-eligible activities
Climate Change Adaptation and Mitigation	4.1 Electricity generation using solar photovoltaic technology	Installation and operation of solar panels on the rooftops of our manufacturing sites, such as in Melaka (Malaysia), Suzhou (China), and Taishan (China) in FY 23/24
	7.3 Installation, maintenance, and repair of energy efficiency equipment	Installation of new air compressors or other energy-consuming equipment
	7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Construction and maintenance of EV charging stations

Calculation

A summary of the results for FY 23/24 can be found below. The investment and spend values related to CapEx and OpEx were taken into account only for those initiatives that are eligible and/or aligned and that are tracked and controlled in our global Sustainability Initiatives tracker tool to ensure against double counting. A due diligence assessment against the minimum safeguards and DNSH criteria was undertaken by our Human Rights function. The detailed breakdown by environmental objective related to turnover and CapEx can be found in the [Indices](#) section of this report.

	Taxonomy-aligned	Taxonomy-eligible but not aligned	Taxonomy-eligible	Taxonomy non-eligible
Turnover ¹	0.2%	36.14%	36.3%	63.7%
CapEx ²	1.2%	0.0%	1.2%	98.8%
OpEx ³	0.0%	0.0%	0.2%	100.0%

¹ Turnover (eligible): Net sales from external doors, software, spare parts, electronic products. For the latter three, alignment was not assessed and therefore categorized as not aligned. Turnover (aligned): Net sales from doors with a thermal efficiency U-value of less than or equal to 1.2 W/m²K

² CapEx includes: CapEx for generation of renewable energy (e.g., solar power installations); CapEx for energy efficiency initiatives; CapEx for electric vehicle charging points, plug-in hybrids, and full-electric vehicles in the fleet

³ OpEx includes: OpEx for energy efficiency projects

Outlook

In FY 24/25, the top 85% of our most energy-intensive manufacturing sites will continue to set up energy management systems. We will also continue facility improvement measures to reduce our operational carbon emissions in eight plants, primarily in the Americas and APAC. For example, we will install more efficient air conditioners, chillers, compressors, and heat recovery technologies. And are also installing 66 EV charging stations in Germany and upgrading a large portion of our fleet in Australia to hybrid. In total, we expect to save around 2,300 tCO₂e through these investments.

Circular Economy & Materials

We are accelerating circular solutions to develop material-efficient, energy-efficient, high-quality products that reduce our customers' environmental impact and meet the needs of a sustainable built environment.

Our approach

We live in and depend on an interconnected world, with complex environmental, social, economic, and cultural systems. Damaging one element may have an unexpected impact elsewhere. We recognize the limits of our planet and that we must act more sustainably in order to meet increasing social and economic demands. As a leading manufacturer, dormakaba is committed to incorporating the latest product life cycle approaches and environmental technologies to continuously advance our product development and improve our own and our customers' sustainability performance. This not only provides new opportunities for our design and manufacturing processes; it also addresses our customers' expectations regarding environmentally friendly products.

We are aware that the sustainability of our products is essential for our success. The Product Sustainability department, under the Global Innovations function, acts as a competence center for all product clusters globally. It provides the right resources, skills, and expertise, and is responsible for shaping a state-of-the-art development environment for product sustainability. This includes, for example, developing Environmental Product Declarations, incorporating sustainability criteria into all product development-related processes, and elaborating guidelines.

Our global [Environment Directive](#) regulates minimum business standards on environmental management in manufacturing practices. It also regulates mandatory requirements on product circularity and eco design, including minimum energy efficiency and recycled content benchmarks for each product class. These have also been integrated into our global product development process.

The dormakaba sustainability commitment and life cycle approach are also integrated into our Product Design Manual.

Our activities

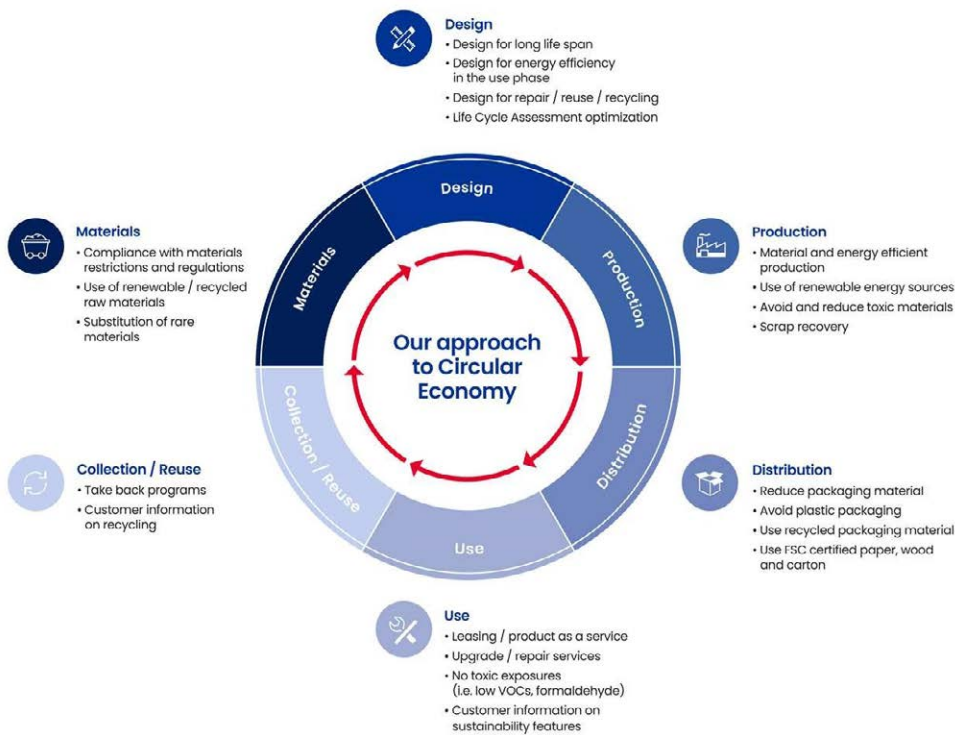
Product design with the circular approach

With an average lifespan of 40 to 50 years, buildings should ideally be constructed in a way that allows the required materials and natural resources to be used efficiently. We are dedicated to producing high-quality and reliable products and solutions, while also integrating our customers' desire for environmentally friendly options. As a result, product design remains a core focus of our sustainability strategy, with an emphasis on energy consumption and carbon emissions during the product's use phase, waste management, and recyclability at its end of life.

During FY 22/23 we achieved our target of covering all new product developments and optimizations using our circularity approach. We achieved this aim by developing an EcoDesign Specification Template, which has been mandatory for all new product developments since FY 23/24. The template is used as a single source of truth for sustainability criteria for every product development-related process within the dormakaba

Group. Therefore, its use is mandated and described in our global product development guideline, the Adaptive Innovation Methodology (AIM) Directive. All local product development processes need to adhere to the AIM Directive. The EcoDesign criteria include guidelines on energy use, materials selection, longevity/durability, reparability, adaptability, and disassembly. The template also defines minimum values for the use of recycled content and how to design and select the product packaging. Further guidance and explanations for the implementation of the different EcoDesign criteria are provided in the Environment Directive.

In FY 23/24, we worked together with Key & Wall Solutions teams to include additional requirements based on their unique product portfolios as well.



Environmentally friendly packaging

For the packaging of our products, we mostly use paper, cardboard, wood and plastic. It is our aim to substitute packaging materials with more sustainable alternatives. **By 2027 we want to use zero fossil fuel-based plastic in our packaging (baseline 223 tons in FY 20/21). We also aim to obtain 100% of the paper, wood, and carton from sources that are Forest Stewardship Council (FSC)-certified or similarly certified by other accepted responsible forestry schemes.**

We collaborate with our suppliers to highlight the need for them to become certified under a responsible forestry scheme. In order to support our suppliers, we organize meetings together with FSC representatives to raise awareness and clarify questions related to the certification process.

In addition to FSC, we also accept the following standards for forest-based products: Sustainable Forestry Initiative (SFI), American Tree Farm System (ATFS), and the Programme for the Endorsement of Forest Certification (PEFC), as these are also accepted by the green building standard LEED (Leadership in Energy and Environmental Design). In FY 23/24, we were able to confirm that about 25% of our total paper, wood, and cardboard purchases are FSC (or similarly) certified.

We have included the above requirements in an updated Corporate Design Packaging Guideline. Additional new requirements include that preference must be given to water-based inks and adhesives and that plastic packaging should be recyclable and biodegradable. If plastic packaging is currently used, it must contain a minimum of 30%

recycled plastic material. Plastic materials such as polystyrene, PVC, or fossil fuel-based plastics should be avoided, and fossil fuel-based plastics must be eliminated by the end of FY 26/27. The Corporate Design Packaging Guideline also includes minimum requirements on material declarations, such as how recycling codes should appear on the packaging.

Due to the ever-changing regulatory landscape, we are constantly adding new requirements to our Corporate Design Packaging Guideline to make sure we are compliant with all global and local laws. We welcome regulations that foster the use of environmentally friendly packaging. For example, since 2022, all packaging imported to Italy has had to carry a material declaration and recycling information. Also in 2022, France introduced a regulation to ban aromatic mineral oil hydrocarbons (MOAH) and saturated petroleum hydrocarbons (MOSH) in packaging and printing inks in two steps starting in 2023. A review with our main packaging suppliers from Germany and Asia confirms that we are compliant with the French law.

In 2024 the European Parliament adopted the Packaging and Packaging Waste Regulation (PPWR), which aims to contribute to a circular economy. The regulations touches on topics such as packaging take-back obligations and the reduction of packaging in landfills. Internally, we have already been working to support this latter requirement through our zero waste to landfill initiative in collaboration with [Beyondly](#), which aims to eliminate waste to landfill by optimizing waste segregation and following the waste hierarchy, as well as finding partners that see a value in our residual materials.

Providing transparent information about our products

By providing transparency for our products regarding their sustainability performance, we secure our market position and offer added value to customers seeking green building certifications.

Material compliance

Since early 2021, components imported or sold in the European Union containing with Substances of Very High Concern (SVHCs) in a concentration higher than 0.1% have had to be reported in the SCIP Database created by the European Chemicals Agency. To be compliant with European regulations, we are continually uploading the required data on SVHCs to the [SCIP Database](#). Furthermore, we adhere to the requirements of the [RoHS Directive 2011/65/EU](#), which restricts the use of certain hazardous substances in electrical and electronic equipment.

In addition to adhering to the EU RoHS and REACH regulations and the Waste Framework Directive, we comply with California Proposition 65, TSCA (Toxic Substances Control Act of 1976), and PFAS regulations for products imported into and/or sold in the USA. The California Proposition 65 requires businesses to provide warnings to Californians about significant exposures to specified chemicals that cause cancer, birth defects, or other reproductive harm. The TSCA addresses the production, importation, use, and disposal of specific chemicals.

PFAS (Per- and Polyfluorinated Substances) chemicals are increasingly regulated due to their link to harmful health effects in humans and animals. Whereas the EU just started the process to further regulate the use of PFAS, several states in the USA have already enacted regulations restricting the use of PFAS in products sold in their markets, and increased restrictions and reporting are on the horizon.

Product declarations and green building certifications

We quantify and disclose a product's environmental impact across its entire life cycle in our [Environmental Product Declarations \(EPDs\)](#), which are based on the international standards ISO 14025, 14040, and 14044. Our EPDs meet all mentioned standards to ensure that our environmental information is transparent, reliable, and credible.

dormakaba also offers various health-related product declarations, which transparently account for the materials found in our products. These take the form of [Health Product Declarations \(HPDs\)](#) or [Building Product Declarations \(BPDs\)](#), depending on local market requirements.

By 2027, we aim to double our sustainability-related product declarations/certifications, including Cradle to Cradle and for recycled content (baseline 170 in FY 20/21). We currently provide our customers with 322 such declarations and certifications, and we are well on track to meet this target.

Our product declarations are based on Life Cycle Assessments (LCA), which provide a reliable calculation of the environmental performance of a product. This includes the systematic assessment of the environmental impacts arising during the extraction of raw materials and all the way through the production, distribution, use, and end of life phases, which are quantified based on materials, energy consumption, transport routes, emissions, across the life span of the products.

There are two LCA approaches: cradle-to-gate and cradle-to-grave. The first approach considers all production stage modules: raw material supply, transport, and manufacturing. The latter covers all life cycle modules, which means that in addition to the cradle-to-gate stages, cradle-to-grave analyzes the building construction process, the product use stage, and end of life (i.e., the upstream value chain). We mainly use cradle-to-gate "with options" so that we can select the relevant upstream life cycle module(s).

Product information from environmental or health-related product declarations can help our customers attain the highest green building certifications, such as Leadership in Energy and Environmental Design (LEED). dormakaba publishes the product information on internationally recognized sustainability platforms such as the [Sustainable Product Information Module \(SuPIM\)](#) by the Institut Bauen und Umwelt (IBU, Institute for Construction and Environment). SuPIM provides all product-related sustainability data from the manufacturers for various building certification systems such as LEED, the German Sustainable Building Council (DGNB), "Bewertungssystem Nachhaltiges Bauen" (BNB, Evaluation System for Sustainable Construction), and the Building Research Establishment Environmental Assessment Method (BREEAM).

These are compiled in a data sheet and supplemented with the corresponding verification documents. For quality assurance purposes, IBU reviews the data uploaded on their platform. Such platforms provide transparent environmental and health information for users and ensure easy access to specific product data. By providing this level of product information, we seek to lower market entry barriers in the green building industry, enabling our inclusion in related bidding processes.

In FY 23/24, we became members of [madaster](#), a platform that records and documents all materials and products used in buildings and infrastructures to create a comprehensive material database and that promotes a circular economy in the construction industry. Various information about our products is recorded on the platform, for example, material composition, material origin, recyclability and reusability, life cycle data, and information on product certifications and/or declarations. This material database acts as a digital identity card for every building, enabling seamless material traceability and creating a transparent picture of the resource consumption and environmental impact of a building. By no longer viewing buildings as finite resources but as sources of reusable or recyclable materials, we can significantly contribute to climate protection and the conservation of our natural resources.

Production with lower environmental impact

At dormakaba, we recognize that environmental responsibility is integral to producing world-class products. Besides adhering to environmental laws and regulations, we focus on improving our management of environmentally relevant processes and on monitoring and reducing our energy consumption, carbon emissions, water consumption, and effluents, as well as monitoring our waste disposal and recycling rates.

Take a look at our sustainability-related product declarations and certifications on our website.

[Go to page](#)

Activities and key results regarding carbon emissions (Scope 1 & 2) and energy consumption during production.

[Energy & Emissions](#)

Responsible use of materials

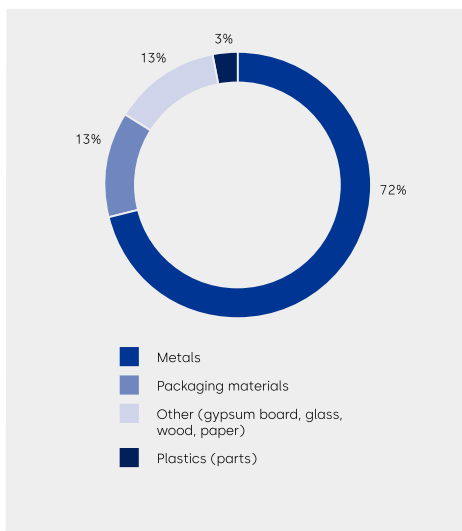
Among the raw materials we use for our products, there are metals such as steel, brass, aluminum, nickel silver, and zinc, as well as gypsum board, glass, and plastics. Other important materials are wood, paper, and cardboard, which are made from renewable resources.

Since the primary extraction of metals from ore and the subsequent refining processes are resource-intensive, one key focus is to increase the use of metals with a high level of recycled content. As mentioned, our Environment Directive sets a minimum amount of recycled content for each material, including these metals. We also work with suppliers to help us obtain certifications on the recycled content of our products. In FY 23/24 we received 23 new recycled content certifications, issued by GreenCircle Certified, for all door closers manufactured in Singapore. This is in addition to the 16 certifications we have for door hardware manufactured in the USA.

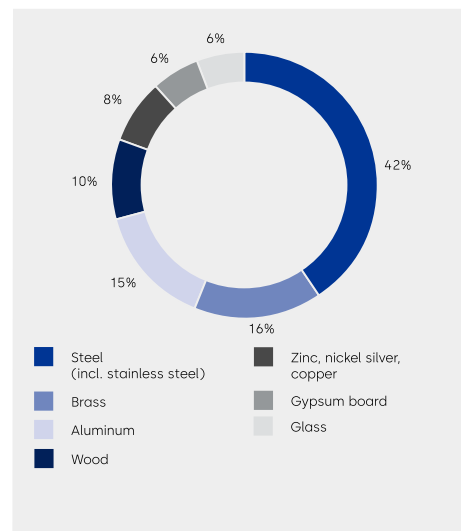
Historical information on material use.

[ESG Performance Table](#)

Material use (in %)



Raw material use (in %)



Closed-loop processes

Several production sites focus on closed-loop systems in their material use. Manufacturing facilities recycle most internal scrap metal, either by reintroducing the material in their own processes or by selling it to a local recycler. Scrap material is also sent back to the original supplier, who then uses it to make our purchased materials, resulting in a closed-loop system. As an example, our manufacturing plant in Nogales (Mexico) is working on an initiative to return non-recyclable packaging to a vendor for reuse. Analysis of the amount of packaging to be sent back, setting up the collection points at the plant, and defining inspection and shipping processes are being carried out. Additionally, the facility is also separating scrap metal according to alloy. This methodology ensures a more efficient recycling process, and at the same time increases the purchase value paid by our recycling companies.

Waste management

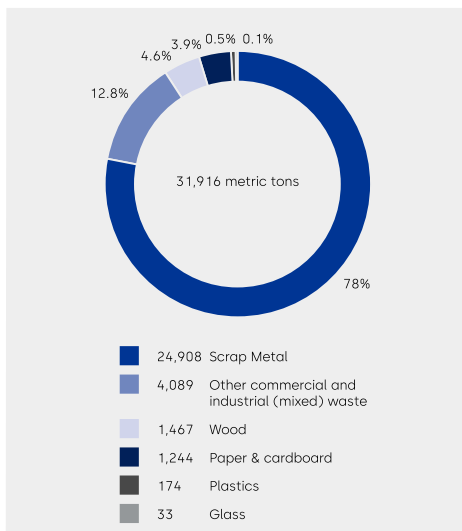
In addition to water consumption and effluents, waste management is of key importance during the electroplating, surface finishing, and painting processes. We work to minimize the volume and toxicity of waste from these operations through continuous improvement projects. Our filter systems ensure that potentially hazardous substances are not released externally. Toxic waste arising from painting and electroplating is disposed of as special waste. Certified disposal companies are commissioned to dispose of industrial waste and chemicals, and to recycle materials.

We monitor our waste by treatment method and waste type. At 73% by weight, the largest proportion of waste is scrap metal. In FY 23/24, approximately 89% of the waste stream was recycled, reused, recovered (including raw materials and energy recovery), or stored on-site.

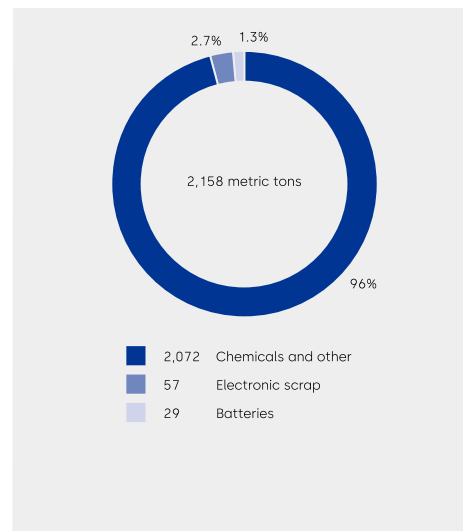
We respect the universal human right to safe and clean drinking water and sanitation. Learn about our activities and key results regarding water and effluents management.

Human Rights

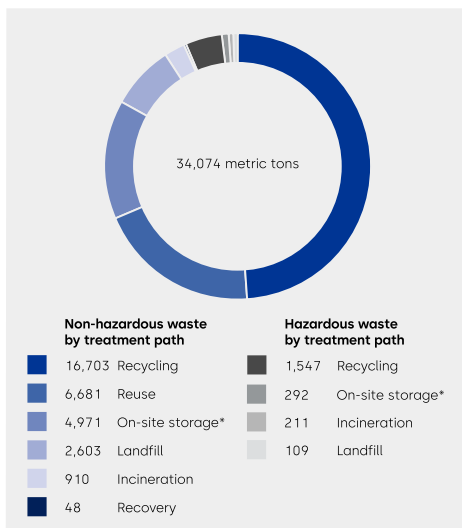
Non-hazardous waste by type
(in metric tons)



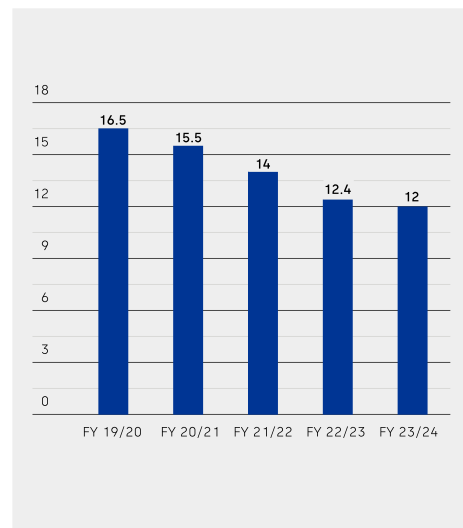
Hazardous waste by type
(in metric tons)



Waste by treatment path
(in metric tons)



Waste intensity
(t/mCHF net sales)



*On-site storage includes waste that is temporarily stored at the premises before being directed to treatment/disposal

The generation of different waste streams is an inevitable consequence of our operations, although by implementing the circular economy approach, **we aim to send zero waste to landfill in our operations by 2027 (baseline 3,443 tons in FY 20/21).**

In order to reach our zero waste to landfill goal, 33 manufacturing sites have been tasked with developing road maps for sustainable waste management. Additionally, six sites that account for a combined 67% of our waste to landfill baseline received one-on-one support, including an on-site waste audit and specific waste optimization action plan in collaboration with our external experts from [Beyondly](#). The local management is provided with training, guidance, and advice, and they can share best practices with each other as part of regular meetings.

The zero waste to landfill initiative is aligned with SDG (Sustainable Development Goals) principles by minimizing waste generation and maximizing resource efficiency. The specific action plans include waste stream characterization, segregation to find waste value, diverting key materials from landfill waste, and identifying potential local partners and users of waste streams. Ultimately, this brings economic benefits as well, from cost savings on disposal fees to new revenue streams from recycling.

Local actions to reduce the amount of waste going to landfill were also taken place.

Examples in FY 23/24 included:

- In our Chino (USA) plant, we established a policy where throwing out paper waste is banned. Together with an external shredding company, we installed four containers strategically located throughout the facility to increase paper recycling rates. Consequently, landfill waste was reduced by 57% compared to the previous financial year in our Chino plant.
- Our São Paulo (Brazil) site implemented a program for waste recycling and organic waste composting. Our waste is sent to certified recycling plants (paper and plastics), to qualified composting plants (gardening waste), and only a small amount will remain for landfill disposal. In comparison with the previous FY, this location reduced the amount of waste sent to landfill by 82%.
- In Australia, our facility in Hallam has optimized recycling and reduced landfill waste. Individual desk bins were eliminated and instead bulk recycling and waste bins are provided to increase recycling rates. Additionally, hand dryers were installed in rest rooms to eliminate the use of paper towels. Finally, filler packaging materials – such as air-filled plastic pillows and foam – were replaced with perforated cardboard waste. The cardboard waste was derived from incoming materials packaging, thereby finding a good way to reuse what would otherwise have been treated as waste. As a result, landfill waste was reduced by a whopping 75%.
- In Fougères (France), we are extending our storage area for waste recycling bins. For our scheme to implement a successful waste management system, recycling needed to be made as convenient as possible. The waste sent to landfill was reduced by 36% compared to the prior financial year.
- Our team in Singapore is conducting a recycling program to reduce waste in plant operations. This initiative is primarily focused on identifying the waste data sources in order to categorize the recyclable material. This strategy will allow dormakaba Singapore to increase its current recycling rate of 96.2%.

Take-back programs

Most of our products have a long life span of up to 20 years, but their purpose should not end after being uninstalled. Some of the components of our products can be reused, repaired, or reintroduced as raw materials back into the manufacturing cycle.

Collecting products and components from customers and partners requires collaboration between various dormakaba departments. Logistics, quality management, product development, and production are all important functions that should be involved. A take-back program is an extended product responsibility scheme, meaning that whoever introduces a product into a country's market remains responsible for that product after the end of its life. Take-back programs have multiple benefits, such as stronger customer

relationships, development of an alternative supply of critical raw materials, mitigated risks associated with hazardous materials handling, reduced environmental impact, and cost savings.

By 2027, we plan to offer extended producer responsibility take-back schemes for all products and packaging in the top ten sales countries.

Closing the loop – solutions for a product take-back program in Germany

In FY 22/23, we accompanied Master's students from the KEDGE Business School's "Business Transformation Program for Sustainability" program in France in developing a concept for take-back programs for nine countries, focusing on one top-selling product per country. Due to the complexity and the market immaturity for such programs, this financial year we established a strategic partnership with [Resourcify](#), a waste management and recycling expert, to jointly develop product take-back programs in Germany, Switzerland, Austria, and the UK in the current and upcoming financial year.

As a kick-off for the program development with Resourcify, we have organized a workshop in Germany where dormakaba representatives shared their valuable insights from various departments including Product Development, Sales, Quality, and from our European Logistics Center (ELC), where there is already a take-back program in place. New products that are returned by our customers or brought back by our service technicians due to errors in delivery or over-ordering, go through a quality control at the ELC to determine if any of the components or the whole product can be reused.

Furthermore, we invited an important customer, Lindner, to share their experiences with their own product take-back scheme called LinLoop. The program is geared toward the take-back of ceiling and floor tiles and offers flexible return and rental options. At the workshop several great best practices were shared on logistics at construction sites, dealing with recycling firms and refurbishment and remanufacturing processes, and the contractual setup with customers including discount rates, as well as processes to resell these products on the market.

In Germany, door closers were chosen for initial assessment during the workshop, and the potential for reparability, refurbishment, and then recycling was analyzed. The next step for the project team is to analyze similar scenarios for other product groups, such as swing door operators, where there might be more opportunities for reparability and refurbishment due to their electronic chips and components.



Take-back project team during the workshop in Germany in May 2024.

Outlook

During the next financial year, we will implement a Product Scoring Model for sustainability, with the aim of assessing the environmental and social performance of our products against five overarching criteria and benchmark data in an objective manner. We will also continue developing sustainability-related product declarations and certifications, with the aim of

developing at least 28 new ones, and we will further develop our Door Efficiency Calculator to meet our customers' needs. Of course, we will continue to pilot product take-back solutions in several markets, including Germany, Switzerland, and the UK.

In terms of Material Compliance, we will implement a compliance and supplier engagement process in Germany to gain more information from our suppliers on hazardous materials and supply chain due diligence for materials in our products.

Another focal point will be to continue developing sustainable packaging concepts – particularly for specific products that are popular in Scandinavia, where the demand for such concepts is very high.

Partnerships

We collaborate to promote sustainable development beyond our own doors

Supplier Sustainable Development

To further develop partnerships in the supply chain based on responsible business behavior, we are engaging our suppliers and trading partners in our endeavor to foster sustainable development.

Our approach

We believe sustainable supply chains ensure the well-being of the people and environments we procure from, as we seek to grow our business through ethical and legal business practices. We are therefore committed to leveraging our purchasing power to benefit those partners whose values align most closely with ours. Furthermore, the rise of supply chain transparency legislation points to the increasing mandate that a company must be aware of the economic, environmental, and social dimensions of its supply chain, and that it must proactively monitor and manage those dimensions.

The dormakaba [Supplier Code of Conduct \(SCoC\)](#) outlines our requirements with regard to human rights, fair working conditions, environmental responsibility, and business ethics, among others things. It is integrated into our online bidding system and is also part of our standard supplier contracts.

Our Sustainable Procurement Directive includes basic regulations on contractual sustainability agreements, sustainable purchasing factors and criteria, requests for sustainability information, life cycle costing, supplier categorization for sustainability assessments, and procedures in the event of non-participation or non-compliance.

Our activities

Our global supply chain is large and complex, which poses a challenge in terms of sustainability management. Global procurement volumes with external vendors, excluding inventory, correspond to approximately 41% of total sales, making the company's procurement strategy highly relevant to achieving our financial and sustainability targets. The number of active suppliers for goods and services is approximately 16,800, with spend focused in Europe (40%), Asia (23%), and the Americas (14%).

Supplier Sustainable Development is one of the strategic topics in our Sustainability Framework 2021–2027, for which we have set ambitious targets. By 2027, we aim to:

- assess all high-risk suppliers for their sustainability management via a third party or off-board them for lack of participation.
- have at least 45% of our high-risk suppliers participate in our sustainability engagement program.
- close at least 80% of high-priority corrective actions via assessed suppliers.
- have 90% of assessed suppliers with priority findings complete a sustainability training.
- provide information regarding conflict minerals for high-risk suppliers.

Download the dormakaba Supplier Code of Conduct.

[Download](#)

We are setting higher standards for our suppliers to foster circular solutions. Learn more about how we are increasingly sourcing recycled materials and goods harvested through responsible forestry practices.

[Circular economy](#)

To ensure our suppliers contribute to social and environmental well-being, dormakaba focuses on five areas:

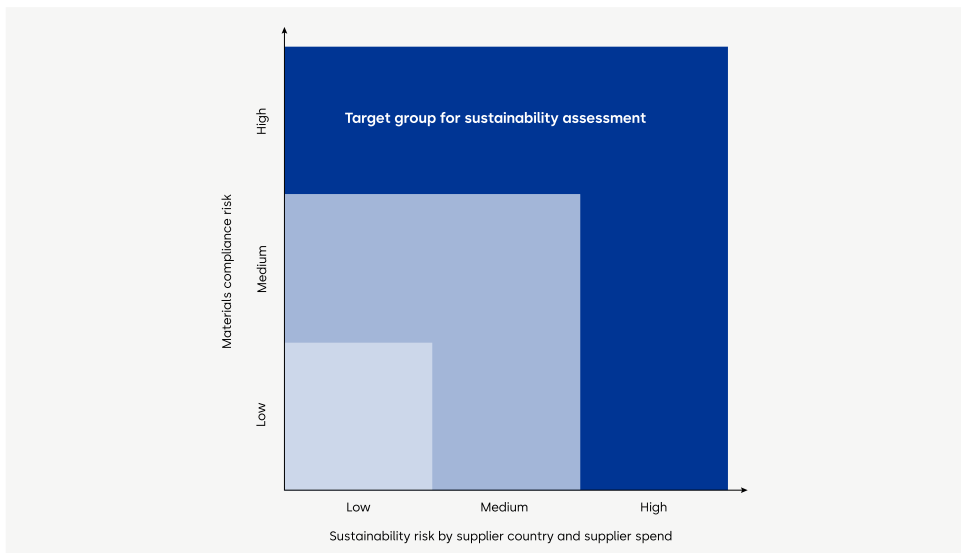
- 1 Identifying supply chain risks
- 2 Supplier off-site assessments
- 3 Supplier on-site audits
- 4 Training of internal and external stakeholders
- 5 Procedures in the event of non-participation or non-compliance

Identifying supply chain risks

dormakaba has defined a target group for sustainability assessments based on identified sustainability risk factors – such as origin country and the material content of the goods procured or potential labor risks for outsourced services. A material content risk assessment is focused on potential hazardous materials outlined by the European Union's REACH regulations and RoHS Directive or conflict minerals. Suppliers over a certain procurement threshold were taken into consideration as part of the categorization work.

To determine sustainability risk factors on a country level, an impact assessment and hotspot analysis were used as a baseline. The hotspot analysis identified the following sustainability topics as being of the greatest relevance in the supply chain: (1) Energy and Emissions; (2) Human Rights; (3) Child Labor and Forced Labor; (4) Materials; (5) Responsible Tax Practices; (6) Freedom of Association; and (7) Circular Economy. For these high-impact topics, any supplier from countries listed as high-risk was included in the sustainability target group for assessment. The high-risk group includes 1,972 suppliers from our Tier 1 base, both for direct (e.g., material goods) and indirect (e.g., services) spend. The target group was updated at the end of FY 22/23 based on the latest available full-year data from the procurement information systems at the time the re-evaluation took place (FY 21/22).

Supplier categorization for sustainability assessment



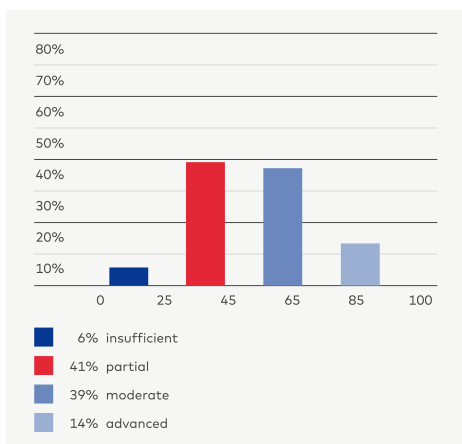
Supplier off-site assessments

Since 2019, we have been working together with EcoVadis, a leading provider monitoring sustainability in global supply chains, to reduce supplier risk and support supplier development. The assessment covers 21 sustainability criteria across four areas (environment, labor and human rights, ethics, sustainable procurement).

Since the launch of our collaboration with EcoVadis, 31.7% of our high-risk suppliers have been assessed. 825 high-priority corrective actions have been requested and 9% of these have been closed. Furthermore, in FY 23/24 a total of six business relationships were terminated and five suppliers were blocked from new business.

In FY 23/24, we engaged 544 high-risk suppliers and asked them to participate in the EcoVadis assessment (versus the 500 targeted suppliers). The positive participation rate was 30%. Of all suppliers with a completed rating as at 30 June 2024, 60% landed in the score band of "good" or above. However, 34% had only partial performance, with scores lower than 45. And an additional 6% were considered to have insufficient performance.

Overall score distribution*

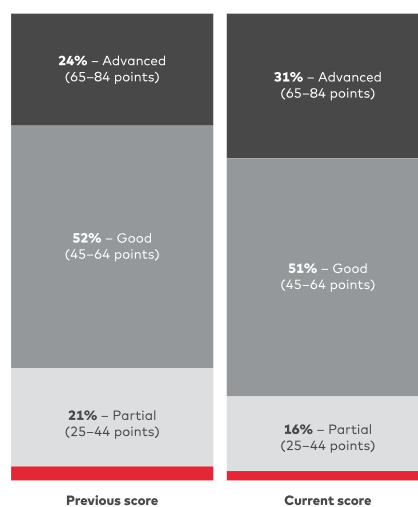


* All EcoVadis-rated dormakaba suppliers since 2019

Since the start of our cooperation with EcoVadis, 43% of assessed suppliers have undergone a follow-up reassessment. We found that 64% of the reassessed suppliers in FY 23/24 improved their score, with an overall improvement of 4.2 score points. Among those that improved, the average supplier improvements per pillar were:

- Environment: +5.2 points
- Labor and Human Rights: +4.3 points
- Ethics: +3.1 points
- Sustainable Procurement: +3.9 points

The majority of reassessed suppliers (51%) exhibited good performance, with an additional 31% considered to have advanced performance. The proportion of suppliers with partial performance decreased from 21% to 16%. We will continue to support our business partners to improve their rating in the future.



Improvement in performance through EcoVadis reassessment

Robotic process automation as a game changer in our supplier outreach

Artificial Intelligence (AI) and robotic technologies are dominating conversations across industries. For the procurement function in particular, robotic process automation is predicted to take processes to the next level by streamlining more administrative tasks and leveraging big data.

We sat down with Karola Steputat, our Senior Procurement Sustainability Expert who has been driving sustainable procurement strategies at dormakaba since 2017, to hear more about how dormakaba is applying these technologies.

Please tell us about your experiences with robotic process automation so far.

As dormakaba has a large supplier base, process automation is essential to achieve better results, while saving time and resources. In FY 23/24, we introduced a robotic process automation tool named EVA to automate communication processes with our suppliers. For example, EVA asks our suppliers to sign documents, sends them invitations and reminders for participating in EcoVadis assessments, and it also shares feedback based on their scores. Since the launch of EVA, 181 Supplier Code of Conducts and 189 Sustainability Agreements have been signed by our suppliers. In addition, we began using an AI-based risk management tool to close gaps and to find, understand, and categorize risks that affect our supply chain. With this tool, we will monitor our suppliers' sustainability risks based on AI assessments of public statements and (social) media reports. The alerts we receive allow us to react more quickly to critical issues.

From your perspective, what is the significance of AI and robotic processes in sustainable procurement?

In Sustainable Procurement in particular, there are many repetitive processes, and the demands are increasing exponentially with every new regulation coming into force. Laws and regulations are changing so rapidly – it is a veritable flood, and it does not seem that it will let up any time soon. The only way a company like ours with thousands of suppliers can be compliant is to rely on digital tools. They are essential tools that will allow us the necessary speed while remaining flexible to change and new regulatory challenges. By eliminating repetitive tasks, there is more time for strategic work and on building lasting partnerships with like-minded suppliers rather than focusing purely on administrative tasks.

What are the biggest challenges in their implementation?

Despite their transformative potential, challenges such as ensuring data accuracy, addressing privacy concerns, and achieving customization and scalability remain pivotal hurdles to their adoption. Also, data preparation and mistrust of these technologies by colleagues are big topics. As these kinds of processes are new, errors can occur during planning and setup if, for example, important parameters are forgotten. Supply chain data security can also pose a risk. In order to mitigate these risks, we will continue to monitor the tool's performance and continuously validate and adjust any algorithms. At the end of the FY 23/24, we will review again our learnings so far and adjust for next year's supplier assessment campaigns accordingly.

In summary: is robotic process automation good or not?

Definitely, good. The benefits far outweigh the risks. It:

- 1 Is faster
- 2 Enables better data-based decision-making
- 3 Is less error prone
- 4 Allows employees to focus on designing strategic solutions instead of on administrative, repetitive work and
- 5 Can be used as an early warning.

However, at the end of the day, they can only take you so far. There will never be a substitute for picking up the phone and having a real conversation with a supplier.

Supplier on-site audits

To examine our suppliers' situation on-site, we developed a standard audit questionnaire that covers topics related to quality management. It includes checks on, sustainability topics such as internal Code of Conduct (CoC), the dormakaba Supplier Code of Conduct, labor, health and safety, and environmental standards. Auditors are asked to check documentation on-site related to:

- Workers' ages and identity records
- Receipt of wages
- Training and communication on internal CoCs
- Signing of the dormakaba SCoC
- Hazardous materials storage and worker training on safe handling
- Injury rates
- Development of water, energy, and waste metrics over recent years

As on-site audits require immense effort and cost, we have introduced a risk assessment process that takes into account the potential risk of specific locations, products, and performance. This risk assessment results in a score ranking, indicating the frequency of auditing required for the relevant supplier.

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

We pay particular attention to suppliers performing subcontracted work, as we have noted that there is a higher risk of human rights impacts and poor labor conditions. We therefore organize on-site audits for such subcontractors that are conducted by a neutral third party, ELEVATE. These on-site audits include a workers' sentiment survey that enables the supplier's workforce to voice their concerns and communicate their sentiments towards the management of specific topics, such as working hours, health and safety, and discrimination. Any concerns voiced in the survey or during the interviews are taken into consideration in the design of remedial actions.

During FY 23/24, we conducted six audits on subcontractors: three initial audits in Taiwan, two closure audits in China, and one initial audit in Malaysia. Major findings at some of the subcontractors undergoing an initial audit included retention of passports, workers not being allowed to be interviewed by the auditor, wages being retained, excessive working hours, and health and safety hazards. For those with Zero Tolerance findings, all orders were stopped until the finding was corrected. For example, in the case of passport retention, we stopped business immediately until the passports were released back to the workers and safe storage was provided. Thereafter, our local team worked together with the subcontractor and ELEVATE to agree on a set of additional corrective measures. Depending on the severity of the other findings, a closure audit will take place within three to twelve months to verify the remediation of the violations and the continued improvement.

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

With a view to safeguarding the interests and well-being of workers, we refrain from immediately exiting business relationships with suppliers where non-conformances have been found, with the exception of Zero Tolerance findings. Instead, we take the time and the effort to work with suppliers to close the findings. We believe that this course of action ensures better protection of the interests and well-being of workers, vulnerable groups, and local communities than an immediate exit from the business relationship.

Procedures in the event of non-participation or non-compliance

We have procedures and process flows in place for auditing and corrective action plans in terms of the sustainability performance of suppliers. We integrate a sustainable development clause into contracts for new suppliers and for existing suppliers when it is time for contract renewals. Our sustainability contractual clause establishes and describes the suppliers' obligation to participate in and pay for off-site assessments and/or on-site audits, and to commit to and implement an improvement plan if performance is below our defined benchmarks.

In addition, at the beginning of the supplier relationship, the supplier is presented with the dormakaba SCoC for signing. Suppliers refusing to sign the SCoC or who do not have their own of equal quality are blocked.

If a supplier is invited to participate in the EcoVadis off-site assessment, further actions are determined by their assessment score. For suppliers with bronze, silver, gold, or platinum level, reassessments are required in two to five years. For suppliers with partial performance, an annual reassessment is required, and an improvement plan is defined within the EcoVadis system.

Refusal to participate in an off-site assessment qualifies a supplier for an on-site audit. Likewise, suppliers whose off-site assessment score is insufficient are shortlisted for an on-site audit. These on-site audits are conducted by a third-party company called ELEVATE. A corrective action plan is defined in the course of the on-site audit, with a one-year

implementation deadline. Suppliers are blocked or placed in active elimination for lack of implementation.

A Responsible Procurement Steering Committee meets regularly to take decisions on a case-by-case basis for special circumstances, such as when dealing with monopoly suppliers, quality checks of suppliers' internal Code of Conduct, acceptance of sustainability assessments provided by companies other than EcoVadis, and monitoring and evaluation of suppliers listed as blocked or in active elimination due to inadequate sustainability performance.

Sustainability trainings for suppliers and employees

Our procurement employees play a critical role in achieving our goals related to Supplier Sustainable Development. Their understanding of sustainability and our processes related to EcoVadis and other sustainability-related information requests is vital. For this reason, employees working together with suppliers participate in training programs that prepare them for sustainability- and assessment-related conversations with partners. In FY 23/24, 142 colleagues from procurement completed trainings on the Responsible Minerals Sourcing and on the Sustainability Procurement Directive. This represents 58% of the procurement function.

Furthermore, to contribute to sustainable development, we want to help our suppliers to improve their own sustainability performance. Therefore, we set a target to engage **90% of our assessed suppliers with priority findings in sustainability trainings by 2027**. We launched the program in FY 23/24 and sent out invitations to 221 suppliers with high-priority corrective actions to complete training on sustainability topics. This supplier training program includes four learning plans: environment, climate change and greenhouse gas emissions, labor, and health and safety. Suppliers are recommended specific training based on gaps in their sustainability performance. They are also able to access the whole suite of training modules available on the platform at no cost.

Due diligence on conflict minerals

As part of our goal to provide customers with information related to conflict minerals in our supply chain, we have continued to request Conflict Mineral Reporting Templates (CMRTs) from suppliers via Assent Compliance. By the end of FY 23/24, in the USA we had contacted more than 1,000 suppliers (excluding non-production suppliers and services). Of these, 61% submitted Conflict Mineral Statements, representing around 89% of the procured parts. Approximately 36% of the supplier responses indicated that no 3TGs (tungsten, tantalum, tin, and gold) were intentionally used in the delivered goods, 16% have a strong compliance program, and around 6% have weak conflict mineral procedures.

For more information on the topic, please view our Statement of Commitment on Responsible Minerals Sourcing.

[Download](#)

Outlook

During the next financial year, a key element of our supply chain due diligence will be the continued integration of sustainability requirements in supplier qualification processes. Furthermore, we will continue to invite at least 500 suppliers to complete our supplier assessments via EcoVadis throughout the year.

Additionally, in FY 24/25, further suppliers assessed by EcoVadis with high-priority findings will be invited to participate in our sustainability training sessions.

We will also continue to focus on the sourcing of materials with sustainable, certified alternatives. Our aim is to ensure that at least 50% of our paper, cardboard, and wood purchases come from responsibly managed forests based on the Forest Stewardship Council or a similar standard. Additionally, we will start switching plastic packaging to biological alternatives with the aim of transforming 33% of the purchasing base in FY 24/25.

What's more, we will extend our collaboration with Assent Compliance and begin requesting Conflict Minerals Reporting Templates and Extended Minerals Reporting Templates for suppliers delivering to Germany to increase transparency and data quality.

Finally, we will continue to engage our metal suppliers in order to increase the recycled content in their products to the targeted thresholds.

Human Rights

dormakaba acknowledges its responsibility to respect human rights as outlined in the UN Guiding Principles on Business and Human Rights (UNGPs).

Our approach

At dormakaba, we want to lead by example and engage with our partners to drive more eco-friendly practices and support the protection of human rights. In today's ever more interconnected and globalized world, there is increasing public focus on how companies are respecting human rights in their operations and across their business relationships within value chains. This means they have to demonstrate that they are not harming the fundamental dignity and welfare of people as they go about their legitimate work and generate the jobs, wealth, and growth that benefit all communities. Human rights are rights that apply to all human beings, irrespective of nationality, place of residence, sex, national or ethnic origin, color, religion, language, or any other characteristic. Above all, human rights are interrelated, interdependent, and indivisible.

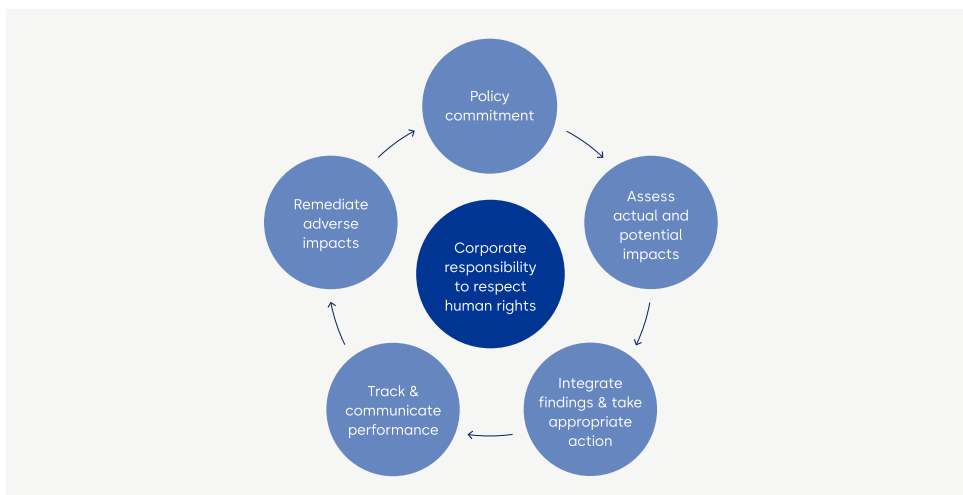
As a company with global supply chains, dormakaba is exposed to increased risks of being directly or indirectly linked with human rights violations. We therefore treat the respect of human rights as a top priority and require our business partners to do the same.

Human Rights Due Diligence (HRDD)

Our aim is to conduct Human Rights Due Diligence (HRDD) throughout our business to proactively assess, identify, prevent, and mitigate actual and potential adverse human rights impacts on potentially affected rightsholders across the value chain. We also use HRDD to identify where we can better support and promote individuals' ability to live by and exercise their fundamental human rights.

We have defined the following HRDD process and outlined it in our [Statement of Commitment on Human Rights](#) to ensure dormakaba will be able to effectively implement our commitment to respecting human rights:

Human Rights Due Diligence (HRDD) process



Policy commitment

Our human rights commitment established in the [dormakaba Statement of Commitment on Human Rights](#) extends to all individuals throughout the value chain. It was developed based on a gap assessment, stakeholder consultations, and approved by our then Chairman. Through this work, we also identified our most salient issues (see details in the following section). In prioritizing these salient issues, we recognize that some groups may be at greater risk of negative human rights impacts due to their vulnerability or marginalization. We also recognize that the evaluation of the severity of potential impacts may change and that other issues may grow in importance over time. We therefore reassess salient issues and human rights risks annually based on internal and external stakeholder feedback and expert judgments.

In addition to our Statement of Commitment on Human Rights, our Responsible Labor Directive and the Zero Recruitment Fees Directive lay out our policy commitments on human rights-relevant topics of labor conditions for our workforce. These Directives give more concrete guidance and set minimum standards on topics such as freely chosen employment, working hours, workers' accommodation, and responsible recruitment on a global level.

The commitment to human rights is further enforced by the human rights related sections in both the dormakaba [Code of Conduct](#) and the [Supplier Code of Conduct](#), which establish the company's expectations regarding human rights for employees and suppliers.

We are guided by international human rights frameworks, which include but are not limited to the "Protect, Respect, Remedy" framework of the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#), the [Universal Declaration of Human Rights \(UDHR\)](#), the [International Covenant on Civil and Political Rights](#), the [International Covenant on Economic, Social, and Cultural Rights](#), the [Core Labor Conventions of the International Labor Organization \(ILO\)](#), and the [OECD Guidelines for Multinational Enterprises](#).

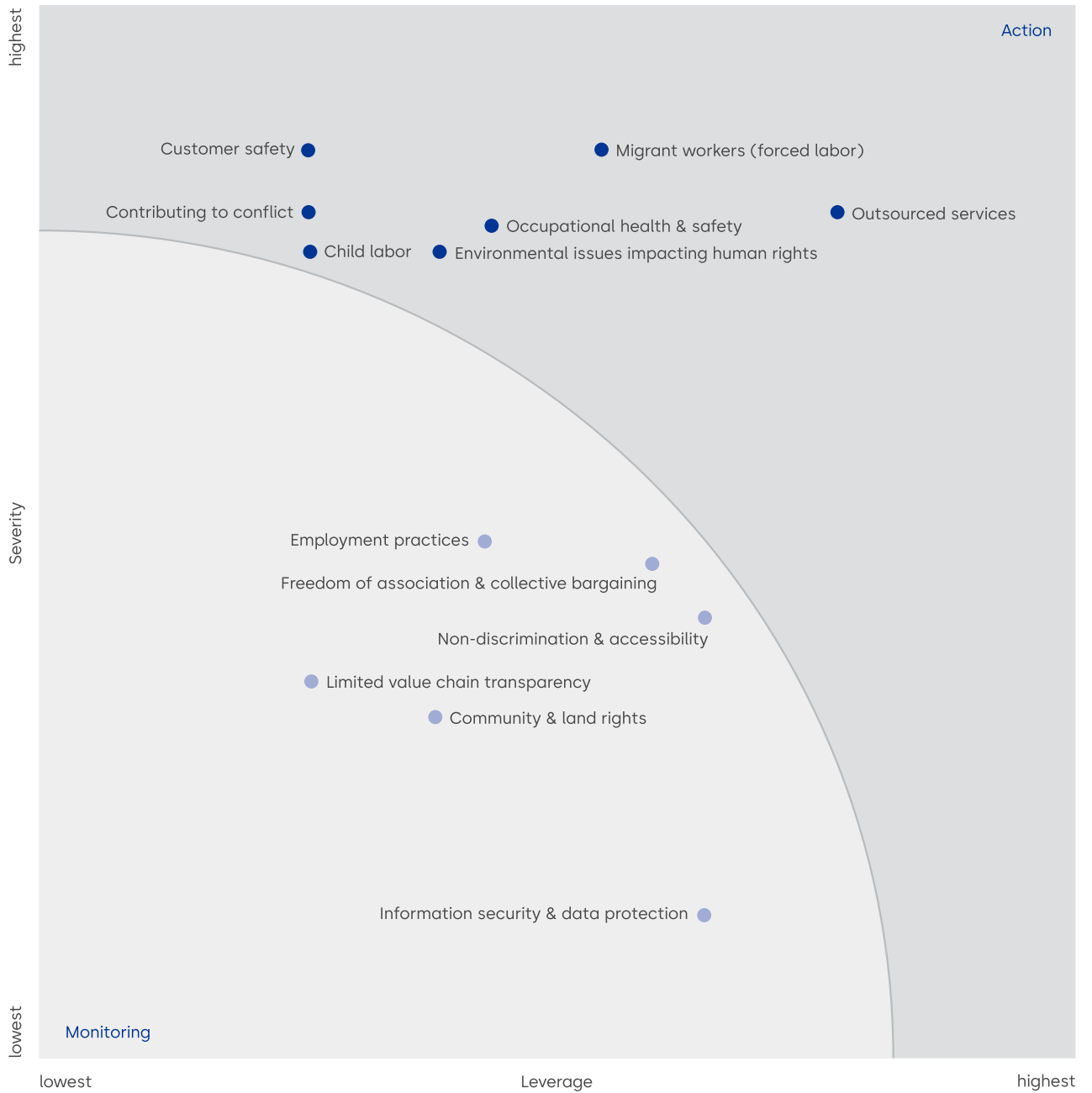
Assessing actual and potential impacts to define salient issues

dormakaba does not attribute more importance to one human right over another. However, for the implementation of our human rights commitment, dormakaba prioritizes human rights issues that are most salient to the business – identified via a formal human rights saliency assessment conducted in accordance with the UNGPs.

This included consultations with 20 key internal and external stakeholders, such as human rights experts, customers, and suppliers, which generated a focused list of salient human rights issues for dormakaba and formed the basis of the company's [Statement of Commitment on Human Rights](#).

Saliency was defined based on the inherent human rights risk, without reference to how well our company manages the topic already. Thirteen issues appeared as most relevant, and these were further analyzed in terms of the company's leverage and the potential severity of impact. Severity here is defined as the scale, scope, and remediability of the potential human rights impacts on people.

dormakaba Human Rights Saliency Matrix



- not currently salient
- salient issue

Among the broader human rights issues identified, we commit to focusing on the salient human rights issues defined below (in alphabetical order):

Salient issue	Potential human rights impacts	Illustrative example in our value chain (not exhaustive)
Child labor	Rights on the protection of the child; Right to a family life; Right to an education	Child labor used for cobalt and mica mining.
Contributing to conflict	Right to the security of the person; Freedom from cruel, inhumane, and degrading treatment	Sourcing raw materials from conflict zones and therefore indirectly financing armed conflicts.
Customer safety	Right to health	Door not stopping during operation and injuring someone, or not opening in the event of fire and leading to a fatality.
Environmental issues impacting human rights	Right to safe and clean drinking water and sanitation; Right to health; Right to an adequate standard of living	Bauxite mine polluting water used by local communities for drinking, washing, and cooking.
Migrant workers (forced labor)	Right not to be subjected to slavery, servitude, or forced labor; Right to freedom of movement	Migrant workers in plants hired through recruitment agencies at risk of modern slavery/bonded labor.
Outsourced services	Right to health; Right to enjoy just and favorable conditions of work	Outsourced/subcontracted employees in plants facing health and safety risks (e.g., cleaning and security staff).
Occupational health & safety	Right to health; Right to enjoy just and favorable conditions of work; Right to social security, including social insurance	Staff installing products on behalf of dormakaba facing injury risks: lifting heavy equipment, unsafe construction sites, road accidents, etc.

Given the challenges of limited transparency in the value chain, our salient issues are regularly analyzed in more detail through human rights impact assessments or social audits in high-risk areas in order to develop appropriate measures. In doing so, we have developed a Human Rights Risk Management System and we **have committed to conducting at least one social audit per financial year in our own operations.**

Human Rights Risk Management System

In FY 22/23 we distributed a self-assessment questionnaire to local HR management for locations in scope of this Sustainability Report to assess their level of compliance with our Responsible Labor Directive and Zero Recruitment Fee Directive. We achieved a 100% participation rate, gaining valuable insights into the situation on the ground.

Each location received a social risk score depending on their compliance level, and this information was used to inform and develop a Human Rights Risk Management System. Additional internal and external social Key Performance Indicators (KPIs) were also used, ranging from country risk indexes provided by Verisk Maplecroft to working hours records, whistleblowing reports, and injury incident rates.

Each KPI was weighted based on the likelihood, scope, severity, and remediability of the associated human rights risks, and a final risk score was derived for each site. Sites were then classified according to a four-level risk scale between extreme, high, medium and low risk. This classification, in turn, serves as the basis for prioritizing sites for additional due diligence measures, such as on-site auditing cycles, mandatory training tailored to the risks identified, and one-to-one support. The risk scores and self-assessment questionnaire are now updated on an annual basis with a special focus on sites with medium, high, or extreme risk.

A similar risk management approach is applied to supply chain risks. Further information found in the Supplier Sustainable Development chapter.

Supplier Sustainable Development

Integrate findings and take appropriate action

In FY 23/24, we conducted six audits to identify actual or potential human rights risks or abuses in those facilities identified through our Human Rights Risk Management System as having high or extreme risk. We engaged ELEVATE, an industry leader in Environmental, Social and Governance (ESG), and supply chain services to conduct the on-site audits. We conducted closure audits in our facilities in Singapore, Senai (Malaysia), Melaka (Malaysia), and Taishan (China) and initial audits in the Nogales (Mexico) and Chiayi (Taiwan) plants. These were conducted according to the ERSA 3.0 standard, which is in line with local law in addition to International Labour Organization (ILO) Conventions and industry protocols including RBA, ETI, BSCI, SEDEX SMETA, and IETP.

Of these, our Singapore and Nogales plants achieved good results (B level). The closure audit in Taishan showed an improvement versus previous findings but further corrective actions continue to be necessary. During the initial audit in Taiwan, it was discovered that migrant workers had paid recruitment fees, in violation of the company's Employer Pays Principle. A reimbursement plan is being developed.

In Senai (Malaysia) all major findings from the initial audit had been resolved – however, a new Zero Tolerance finding was discovered related to forced labor risks faced by agency workers managed by an external security firm. Local management acted quickly to address the issue directly with the security company. The results from the closure audit in Melaka (Malaysia) were not yet available at the close of the financial year.

Each audit is followed by the development of a comprehensive corrective action plan that addresses the findings and builds the capacity of the different stakeholders to prevent the same human rights issues from reoccurring. To ensure complete objectivity and best practice in the development of the corrective actions, our external auditing partner guides the identification of root causes and the development of the corrective action plans for all social audits conducted in our own operations and those of our suppliers.

Furthermore, based on gaps in conformity with the Responsible Labor Directive and Zero Recruitment Fee Directive revealed as part of the global self-assessment questionnaire, 12 training modules to build the capacity of the local HR managers and plant managers were developed. These training modules are also a fundamental part of our Human Rights Good Practices Hub, which was also developed in FY 23/24. It serves as a "one-stop shop" for local managers, where they can find information about the Group human rights standards and applicable regulations, lessons learned from their peers, and readily available assets to communicate and fulfill the obligations.

This year we commissioned on-site audits for seven subcontractors near our factories in China, Malaysia, and Taiwan. Read more about the results in the Supplier Sustainable Development chapter.

Supplier Sustainable
Development

Tracking and communicating performance

We are committed to transparently reporting on the progress of our efforts in our annual sustainability report and publicly accounting for how human rights issues are addressed.

We track the effectiveness of our actions and influence to ensure human rights are respected in the value chain. We do this through a management system with concrete targets and KPIs, monitoring the implementation of the human rights road map.

We also issue an annual [Modern Slavery and Child Labor Statement](#) that sets out what we are doing to ensure that slavery, human trafficking, and child labor are not taking place in our supply chains or any part of the business. The Statement lays out the strategy and actions that outline our compliance with the ILO Conventions 138 and 182, the ILO-IOE Child Labor Guidance Tool for Business, and the UN Guiding Principles on Business and Human Rights. In line with our adherence to these international standards – which are referenced in Annex 2 of the Swiss Ordinance on Due Diligence and Reporting Obligations in relation to Child Labor – dormakaba falls under the exemption rule of any further requirements stipulated in Article 9.

Remediating adverse impacts

When adverse human rights impacts caused by our business activities or linked to our operations are uncovered, we are committed to taking timely and transparent action to remediate them in a fair and equitable manner in line with the UNGPs. Where we find impacts linked to our business relationships, we will use our influence to encourage suppliers and business partners to respect human rights.

After having conducted the initial social audits in Malaysia and Singapore in previous financial years, we were confronted with the fact that an especially vulnerable group, migrant workers, frequently pays fees to agencies, i.e., for the recruitment itself, travel, passport, and visa processing. To remediate these impacts, we have developed improvement actions and the Zero Recruitment Fees Directive, which now regulates the minimum business standards regarding fees and costs associated with recruitment, including travel. Under this Directive, the company is committed to bearing the associated costs under the Employer Pays Principle.

As mentioned above, during the on-site audit at our plant in Taiwan in FY 23/24, it was found that migrant workers had paid recruitment fees to their labor agent. As a remediation measure, these migrant workers will be reimbursed for these fees retroactively.



@Jonathan Hyams / Save the Children

Remediating child labor victims in the small-scale mining communities of the Democratic Republic of Congo

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

dormakaba recognizes that any company sourcing electronic components cannot be sure that the cobalt in its products does not come from the DRC, where 70% of the cobalt mined worldwide originates and which is well-known for a high prevalence of child labor.

The project supports affected children and young people in mining centers in the DRC and provides long-term remediation. Children and young people working in cobalt mines are reintegrated into school or vocational training programs to afford them new opportunities. The project offers monthly living stipends, covers all educational and possible medical costs up to the age of 16, and provides each child with a case manager who supports the family and looks after the child's interests.

Each child is provided with a unique plan tailored to their specific needs, ensuring a holistic approach to their remediation. For some children, adequate remediation means reintegration into the schooling system, while for others it also requires extensive psychological support. This individualized care is critical in helping these children overcome the challenging circumstances they live in. By collaborating closely with local organizations and practitioners, our partners – Save the Children and The Centre – ensure that the interventions are culturally sensitive and more likely to succeed. This community approach leverages local knowledge and expertise while fostering the creation of a network of support that assists current victims, but also prevents future children from falling into the same circumstances. Over a period of ten years, dormakaba will invest around CHF 1 million in total to support the project's objectives.

We are committed to furthering the impact of this initiative by encouraging other companies that utilize cobalt in their products to join us on the ground. Together, we aim to amplify the reach of the initiative, driving broader change and contributing to the fight against child labor in cobalt supply chains on a larger scale.

Access to grievance

We provide both internal and external stakeholders with the opportunity to communicate their grievances in an open manner. Our whistleblowing system ensures anonymity and data protection. The tool is available in nine languages.

Before it was launched, we collected feedback from various stakeholder groups and their representatives. For example, the German Works Council was consulted in the design phase and before implementing the whistleblowing tool. They agreed to its implementation, being satisfied that it provides effective feedback and ensures the protection of whistleblowers from retaliation. Furthermore, representatives from the Human Resources organization of various countries also gave their feedback on the design of the tool before it went live.

An external party has evaluated the [dormakaba whistleblowing tool](#) against the effectiveness criteria set out in the UN Guiding Principles on Business and Human Rights, which were mostly met, and the Global Compliance department reviewed the tool against the requirements of the newly adopted German Supply Chain Due Diligence Act during a recent update.

Take a look at our
whistleblowing tool.

[Visit page](#)

Global Compliance launched a communication campaign to familiarize our employees with the tool and its usage. The campaign included print media (poster campaign) for local implementation to reach production workers. Our Code of Conduct and the pre-departure phase training package for foreign migrant workers also include a detailed description of our reporting channels.

Lastly, we ask whistleblowers for their feedback on the design of the whistleblowing tool, e.g., accessibility and ease of use. All feedback is consolidated and considered in the regular system updates. The Global Compliance department tracks the implementation of the agreed remediation measures.

Further activities

During the current strategic cycle (2021–2027), we are also focusing our efforts regarding the protection of human rights on the following activities:

- Ethical recruitment training
- Due diligence on cobalt and conflict minerals
- Respecting the right to water

Ethical recruitment training

Using the tools and training modules developed by the Responsible Labor Initiative, **by 2027 we commit to providing ethical recruitment training for our labor agents in sending and receiving countries where we recruit foreign workers.** This includes but is not limited to migration corridors between Nepal, Myanmar, and Malaysia, and between Taiwan and the Philippines.

In FY 23/24 we developed an eLearning module that lays out our requirements on ethical recruitment processes, which include freely chosen employment, zero recruitment fees, and mandatory pre-departure information. The aim of the training is to protect prospective migrant workers and reduce their risk of being trapped into situations of forced labor. The training will launch in early FY 24/25.

Due diligence on cobalt and conflict minerals

As a company procuring electronic components, we must take action to increase transparency in our supply chain regarding human rights violations during the mining of high-risk minerals. However, we are far away from the extraction of minerals in the value chain, and we do not directly import or purchase raw ore or unrefined minerals. However, they can be found in small quantities in some of our products' components. Therefore, collaboration with actors in mineral extraction, processing, or transport is crucial to identify and manage the risk associated with potential links to conflict-affected or high-risk areas.

To increase our leverage, we collaborate with others through our membership of the Responsible Minerals Initiative (RMI), one of the most utilized and respected resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chains. By applying their tools and building our due diligence strategy accordingly, we are working toward **our goal of ensuring supply chain traceability for minerals with a high risk of child labor by 2027.**

An important step in achieving this goal was the publication of our [Statement of Commitment on Responsible Minerals Sourcing](#), which helps our suppliers understand our expectations when it comes to tackling the human rights risks in our minerals supply chains. The Statement lays out the strategy and actions that we take in alignment with the OECD

Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas.

Furthermore, we have been consulting directly with suppliers since 2022 to gain greater visibility and a deeper understanding of the upstream parts of our cobalt supply chain. The goal of these dialogues is to assess the maturity of the supplier’s management system on conflict minerals and cobalt, assisting them in making improvements and finding ways to collaborate further.

Suppliers are selected on the basis of their responses to Conflict Minerals Reporting Templates provided by the RMI. Through these, we are able to identify high-risk smelters in our Tier 2+ supply chains, as well as the Tier 1 suppliers linked to them. Out of the suppliers evaluated in FY 23/24, ten have been prioritized for further action and five invited to engage in discussions. The dialogues are planned for FY 24/25. Ultimately, our aim is to galvanize support among our supply chain partners so we can increase the pressure at the “choke points” of the supply chain (e.g., metal smelters or refiners).

We have continued to request Conflict Mineral Reporting Templates (CMRTs) from suppliers. Read about this financial year’s results in the Supplier Sustainable Development chapter.

Supplier Sustainable Development

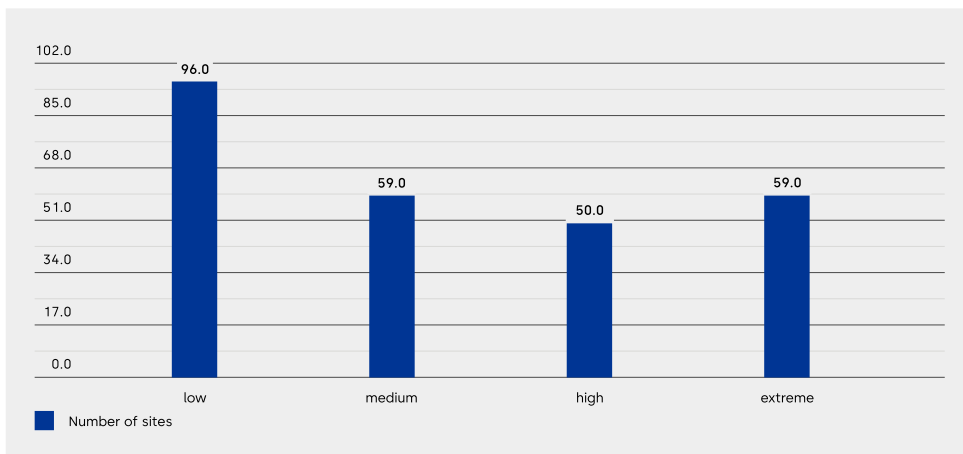
Respecting the right to water

We recognize that the human right to water entitles everyone to have physical and financial access to sufficient, safe, and acceptable water for personal and domestic use. As part of our obligation to respect this right, we assess the level of water scarcity in areas where we operate. The latest analysis revealed that approximately 40% of our sites have the potential for high to extreme water stress, defined as a “water demand to supply ratio of 40% or greater for the respective municipality”. The water stress analysis is based on the two databases Aqueduct Water Risk Atlas by the World Resources Institute and AQUASTAT by the Food and Agriculture Organization. Seven manufacturing sites have been found to have (1) high or extreme water stress, and (2) high water consumption relative to other sites.

Water consumption data for all locations within the scope of our reporting are available in our ESG Performance table.

ESG Performance Table

Water stress level by sites*



*Based on all locations, including those beyond the regular scope of this report.

As part of our Sustainability Framework, **we committed to establishing water stewardship programs in areas of high water scarcity, with no absolute increase in water consumption and reducing water intensity by 28% by 2027 (baseline 5,086 m³ absolute consumption and 25.5 L/hours worked in FY 19/20)**. We have reached this target ahead of schedule in a previous year and remained on track in FY 23/24. We will continue to monitor the status to ensure that the level remains within the target threshold until 2027.

Below are some examples from FY 23/24 of the water consumption reduction initiatives implemented to achieve this target:

- At our production plant in Singapore, our colleagues increased the cycles of concentration for the cooling tower, which is a sustainable engineering solution to

reduce water consumption in cooling towers operation. So far, a 5% improvement has been achieved in water intensity.

- At our plant in Chiayi (Taiwan), we introduced the use of reclaimed water for our grass. Additionally, water meters have been installed to check for potential leaks. As a result, about 8,760 L per annum has been saved. In parallel, we launched activities to raise employees' awareness of water preservation.
- In Tocancipa (Colombia), we implemented operational controls during the nickel plating process in order to reduce wastewater generation.
- Our manufacturing site in Chennai (India) introduced water saving measures by installing sensors for handwashing and lowering the water flow for the toilet facilities.

Outlook

During the upcoming financial year, we will continue to focus on our salient issues, evaluating the effectiveness of our projects and further refining our human rights due diligence processes. Our human rights risk management system will be updated to include new risk scores for our locations and new sites will undergo on-site audits. Corrective actions will continue to be implemented based on findings from the FY 23/24 auditing cycle.

Regarding our capacity building efforts, we will continue the rollout of our 12 training modules on our fair labor and human rights Directives for HR managers and site leads, and launch the ethical recruitment training for suppliers.

We will also continue working with our partners — Save the Children and The Center for Child Rights and Business — to contribute to the remediation of victims of child labor in small-scale mines in the Democratic Republic of Congo and to host dialogues with business partners in the cobalt supply chain.

Customer Health & Safety

Our vision is to make access safe, secure, and sustainable for our customers. End user health and safety is therefore a top priority and an inherent part of our business plans.

Our approach

As one of the top three global access control and security solutions companies, customer health and safety is fundamental to our sense of product responsibility. By identifying and minimizing all possible risks relating to our products – including those arising from harmful materials or potentially dangerous functional features – we ensure the safety of our customers and end users.

Our activities

Public buildings must meet high standards of public health and safety – this also applies to our built-in products and solutions. dormakaba meets these product and customer requirements with product certifications that comply with internationally recognized standards such as the European Standard (EN), American National Standards Institute (ANSI), and the Deutsches Institut für Normung (DIN, German Institute of Standardization). We pay particular attention to the DIN 18040 standards, which apply to barrier-free construction in public buildings. Furthermore, ISO 9001 processes ensure that quality management requirements are continuously monitored and improved. No product can be installed in the field or released for production without the appropriate certification or technical product safety instructions.

Product safety processes are also embedded within local ISO 9001 management systems, and the global Quality, Health, Safety, and Environment (QHSE) function works together with local QHSE managers to drive transparency regarding potential product safety issues. This includes root cause analysis, read-across, corrective actions, and training.

We have also established a global definition for quality escalations, based on whether there could be significant impact on the customer in terms of safety, quality, reliability, or delivery. Elements that factor into a quality escalation include failed re-certification tests, notice of non-compliance from a regulating agency, or quality issues that could lead to product recalls, among others.

Whenever a quality escalation occurs, we follow a harmonized global process, which includes containment actions, root cause analysis, corrective action, and definition of preventative action.

To ensure product- and solution-specific customer health and safety, our Access Solutions and Key & Wall Solutions businesses are developing adequate action plans.

Access Solutions

Our Access Solutions (AS) business provides products such as escape routes, entrance systems, and hotel access systems. We work to address fire safety and electromagnetic interference, and to reduce hazardous substances, as well as ensuring that emergency exits open following a power failure.

Our Information Security Management System helps safeguard our customers' rights to data protection and privacy.

ISO 27001

Fire testing: an example of a fire test requires the door assembly with locks to be placed in a door leaf and subjected to a temperature determined in the door leaf specification for a period of three hours. Requirements are met if no flaming occurs on the unexposed surface of a door assembly during the first 30 minutes of the testing period, among other prerequisites; the fire test fails if flames penetrate the door leaf at any point in the test time.

We comply with the UL10C Standard for Positive Pressure Fire Tests of Door Assemblies. Furthermore, we follow the requirements set out by the Office of the State Fire Marshal's (SFM) Building Materials Listing Program, which stipulates that fire doors must be approved and listed by the SFM prior to sale or marketing within the state.

Hazardous substances: products are designed to comply with the EU Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS Directive 2011/65/EU and its enforced amendments, especially 2015/863/EU). All components and materials in electronic products sold in the EU market must be RoHS-compliant before any product manufacturing begins.

In addition, in the USA we also adhere to California's Proposition 65, which requires businesses to provide warnings to Californians about significant exposures to more than 900 specific chemicals known to cause cancer or reproductive toxicity.

Electrostatic discharges: all Electronic Access & Data products come with a CE self-declaration, which is based on various mandatory test standards such as ESD (electrostatic discharge EN 61000-4-2), EMC (electromagnetic compatibility EN 55032/EN 55035) and product safety (IEC 62368) to ensure safe operation. Products equipped with radio-frequency identification are tested based on the RED (Radio Equipment Directive) EU regulation.

Electrified locking devices sold in the USA comply with the ANSI/ BHMA A156.25 standard, which checks for reliable operation under slam cycle tests, durability, and strength, and includes electrical tests for protection against corrosion and overcurrent, among other test factors.

Emergency exits and escape routes: all our automatic doors are subject to the toughest safety demands in accordance with EN 16005 (Power operated pedestrian doorsets – Safety in use – Requirements and test methods). For example, the ES PROLINE FST is equipped with a redundant operator, an additional control unit for safety purposes, and a self-monitoring motion detector. Additionally, the combination of burglary protection and escape route is possible with the ES PROLINE thanks to the magnetic locking system (FIA). This means all persons can safely leave buildings in an emergency, and the door offers protection from uninvited guests at the same time. In the USA, we conform to the authorization requirements for unintentional radiators as stipulated in the Code of Federal Regulations (FCC Part 15 Sub Part B).

Key & Wall Solutions

Our Key & Wall Solutions business manufactures automated solutions, keys, and space-dividing solutions. Our Key Systems and Movable Walls business units each have individual approaches to customer health and safety that are product-specific.

The Key Systems business unit approaches customer health and safety as an element of its ISO 9001 certification and ensures compliance with both mandatory (such as the European CE Declaration of Conformity) and voluntary safety standards. It has over 16 product certifications. Each Key Systems product features: proper documentation, such as a user manual; a Declaration of Compliance; contact details for the manufacturer; quick guides and tutorials available online; and training on demand or during product installation to provide the customer with all the information relevant for proper product use and safety features. Regional distributors are periodically trained on the same topics.

Raising awareness of the safe use and installation of our products

Besides certifications and maintaining our exacting processes, we also believe that it is important to efficiently communicate with our partners and customers about the safe installation, operation, and use of our products. We have set the following targets to further minimize any health and safety risks related to our products. By 2027, we aim to:

- collaborate on health and safety trainings with subcontractors and installation partners;
- collaborate on training and provide information materials on the safe operation of our products to all end users; and
- have at least one corrective action and/or one awareness training session for each product-related injury.

To support the tracking of corrective actions, we have developed of a workflow for product safety risk identification in our global incident management tool.

Our performance

We internally and externally verify customer health and safety through various certification programs including ISO 9001, testing, and stakeholder feedback. In FY 23/24, 49% of reporting sites achieved ISO 9001 certification. During the reporting period under review, there were no incidents of non-compliance with health and safety requirements of products and services resulting in a final court decision to pay a fine or penalty and no warnings issued by a competent public authority against a dormakaba entity.

53% of our sites have achieved ISO 9001 certification.

[ESG Performance Table](#)

Outlook

We will roll out the workflow for product safety risk identification that we integrated into our global incident management tool. This will allow us to collaborate across the globe on driving effective corrective actions for escalated issues and incidents to ensure product safety.

Outro

About this report

This is the dormakaba Holding AG (“dormakaba”) Sustainability Report 2023/24, which highlights our sustainability commitments, strategic approach, and progress, and is geared towards all stakeholders. This is the company’s ninth sustainability report. This report has been prepared in accordance with the GRI Standards. The report covers the financial year 2023/24, from 1 July 2023 to 30 June 2024, and it was published on 3 September 2024. dormakaba reports on an annual cycle and published the previous report in August 2023.

The compensation of the Board of Directors and the Executive Committee, as well as the financial statements found in the Annual Report, were audited by an external auditor. Select KPIs from the Sustainability Report have also been [assured](#).

Due to improved data analysis and calculation procedures, we have better granularity on our Scope 3 emissions figures. We are better able to differentiate between different categories, leading to a restatement of Scope 3 Category 1: Purchased goods and services, as some emissions attributed to this category are now reflected under categories 2, 4, 5, 6, or 9. The restated figures are available in our [ESG Performance table](#).

Significant changes to the organization and its supply chain

The Board of Directors of dormakaba appointed Till Reuter as the new CEO effective 1 January 2024. Till Reuter has the broad industrial expertise and proven leadership skills to further develop dormakaba on its growth path and effectively execute its strategy and transformation program. He step down from the Board of Directors of dormakaba at the same time, having been a member since October 2023.

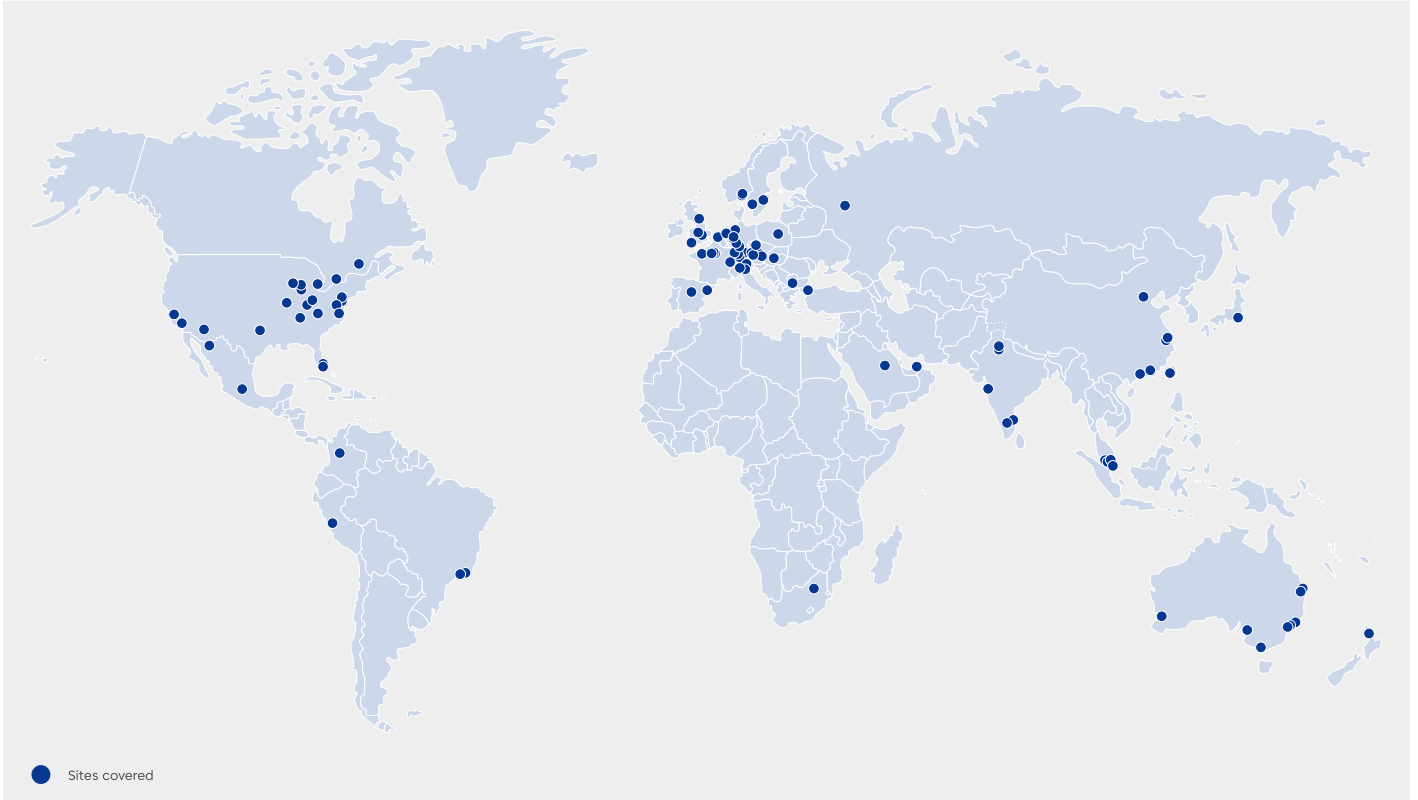
Alex Housten, Chief Operations Officer (COO) and member of the Executive Committee (EC), left the company at the end of March 2024. The Board of Directors has appointed Carsten Franke to take over the role effective 1 August 2024. He possesses an extensive track record in driving companies towards operational excellence through optimizing their manufacturing footprint and supply chain, as well as enhancing plant and procurement performance.

Reporting coverage and processes

The data presented covers 95% of dormakaba employees in 111 locations worldwide, as represented by the blue dots on the map below. These are locations with more than 20 employees and include all manufacturing facilities. Environmental data, including that on energy, water, waste, and materials consumption, is collected via an internal business intelligence reporting platform. Each location has a dedicated reporter. For everything except materials use, internal reporting deadlines are set for the 6th, 10th, and 12th month of the financial year. Materials use is reported at the end of the financial year. Human Resources data pertaining to GRI 100, such as fluctuation and workforce composition, is gathered through the Group-wide human resources information platform SAP SuccessFactors. Figures on corruption cases, collective bargaining, and working and training hours are gathered on an annual basis by HR for all reporting units in scope via an internal business intelligence reporting platform. Injury rates, injury and accident types, corrective actions, and root cause analysis data is collected in a web-based health and safety tool. Data quality controls and consolidation for all data are provided after the end of the financial year by an external consultant.

The Sustainability Report review process has several phases, including the review of the dedicated chapters (both qualitative and quantitative content) and relevant parts of the ESG Performance table and the Strategic Targets table by topic owners in the Executive Committee and direct reports of the CEO. Furthermore, the CFO and the CEO review abstracts of the chapters, the ESG Performance table, and the Strategic Targets table. The Audit Committee is responsible for contributing to the integrity of the Sustainability Report and monitoring the assurance of it, and the Board of Directors reviews and approves it.

Sites covered



Transparency and compliance

We are committed to being a socially responsible corporate citizen and to upholding the principles of international conventions and laws and internal rules and regulations. We also expect our suppliers and business partners to adhere to similar standards and rules. We emphasize integrity, governance, and responsible business practices, and regard fair competition as the soundest basis for our growth and corporate success. As a member of the UN Global Compact, we are committed not only to avoiding bribery, extortion, and other forms of corruption, but also to developing related policies and specific programs, both internally and within our supply chain.

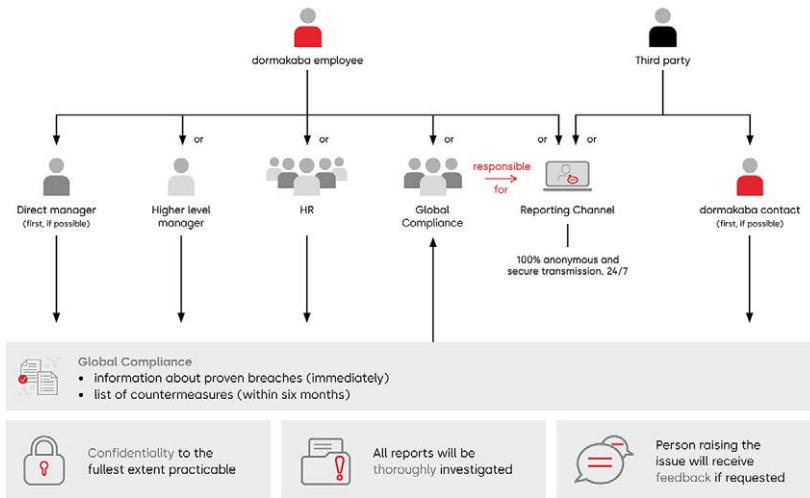
We set a clear tone from the top regarding compliance by providing guiding documents and training to all employees. Principles of antitrust regulations, anti-corruption, and ethical business dealings, for example, are part of our Code of Conduct (CoC). The dormakaba CoC is binding for all our employees. It is each employee's responsibility to comply with laws and internal regulations as per the CoC. The respective manager is responsible for ensuring that employees are familiar with the regulations and understand expectations. In the course of the recruitment and onboarding process, new employees receive and acknowledge the dormakaba CoC. Global Compliance publishes new directives and supports internal communication of any related publications and topics. Functional owners of the directives must ensure appropriate communication and training for the respective addressees. The Group Anti-Corruption and Bribery Directive and the Group Antitrust Directive provide guidance for our employees to ensure compliance with relevant laws and to minimize any related risks.

Specifically, the Group Anti-Corruption and Bribery Directive defines clear requirements in terms of documentation and approval for granting and accepting benefits in the public and private sectors depending on certain thresholds and the mandatory consideration of additional principles to prevent even the mere appearance of corruption. Employees affected, e.g., in sales or procurement, receive training on these requirements. To simplify compliance with the documentation and approval requirements, we have established an electronic workflow. Other anti-corruption measures include – among others – the Global Compliance department providing anti-corruption advice and communication measures, e.g. regarding business benefits before Christmas. Furthermore, employees that are part of our international Compliance Organization are especially trained in anti-corruption and serve as a regional or local contact for related questions. Finally, donation and sponsoring activities are monitored annually to avoid the circumvention of our anti-corruption provisions.

Reporting misconduct and grievances

The CoC outlines the standard procedure for reporting grievances and/or breaches of law. The dormakaba whistleblowing tool is available globally 24/7 and is offered in nine languages. Whistleblowers using the online tool receive a first response within two to three days and are provided with regular updates on their case, if a mailbox allowing anonymous communication has been set up. We strive to create a culture in which employees speak up and are encouraged to address concerns as outlined in the abovementioned process.

Global Compliance carefully considers all notifications received and, depending on the nature of the matter, creates an action plan or sets up a project to solve any potential issues. Remediation progress is tracked by Global Compliance and may include direct legal advice, the involvement of external experts, internal investigations, or the development of workshops or customized training. If necessary, Global Legal and Global Compliance will involve the CEO and/or other relevant members of the Executive Committee. Furthermore, Global Compliance regularly reports on compliance cases on an aggregated level to the Executive Committee.



Information security

Safeguarding our customers' rights to data protection and privacy includes obtaining data by lawful and fair means, protecting the personal data of customers by adequate information security safeguards, and using customer data responsibly. We have an Information Security Management System (ISMS) in place, which is based on the ISO/IEC 27001:2022 standard. The scope of the certification covers Global IT and digital-based product development in Europe and North America. The Group Information Security Directives and the Data Protection Management System Directive provide guidance for our employees to ensure compliance with relevant laws and to minimize any related risks.

Materiality process in detail

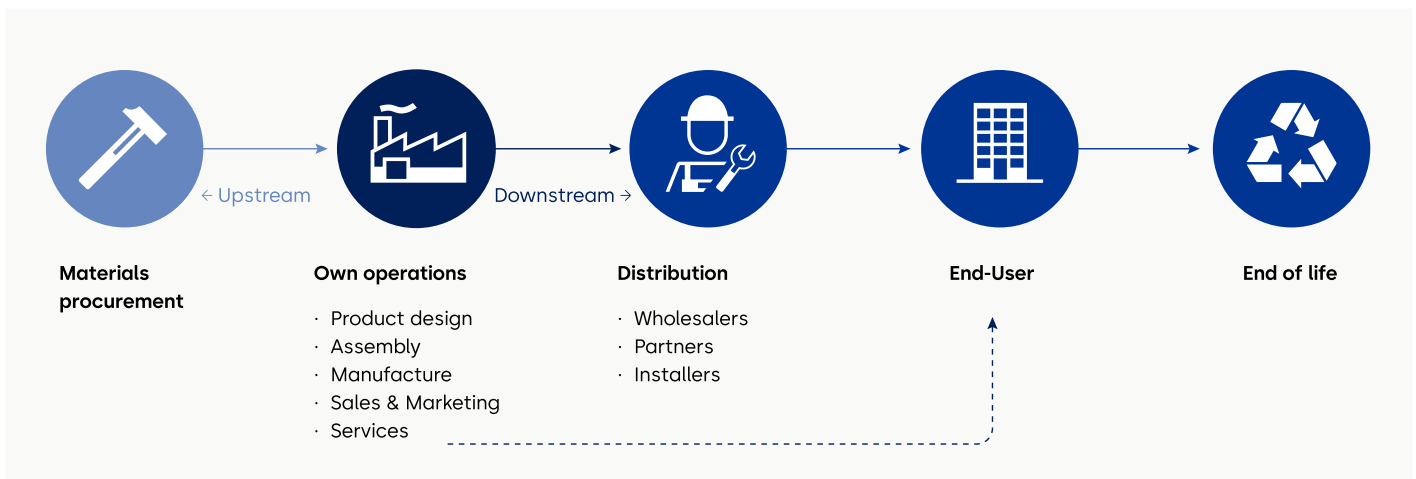
In FY 20/21, dormakaba carried out a comprehensive materiality reassessment as part of the development of a new sustainability strategy for 2021–2027. We assess any emerging global issues or risks for future consideration on an annual basis.

Impact assessment

As part of the materiality process, we focused our efforts on a study-based impact assessment of sustainability topics along our value chain. The aim was to focus efforts where dormakaba can have the most impact on sustainable development. The analysis included dormakaba data from procurement, sales, production, and human resources. This was overlaid with over 50 risk indicators from social hotspot databases, the World Bank, and the Organisation for Economic Co-operation and Development (OECD).

The approach provided a structured qualitative analysis of environmental, social, and economic indicators for the countries and industries dormakaba is involved in throughout the value chain.

dormakaba value chain



For ease of modelling, the company’s value chain was simplified into four steps in the sustainability impact assessment: 1 Raw materials and sourced goods; 2 Transportation; 3 Own activities; and 4 Distribution, use, and end of life.

The basis for the long-list of 27 topics taken up into the assessment were:

- the material and non-material topics under consideration in the 2017/18 materiality assessment, updated based on recent risk assessments and due diligence processes (particularly on human rights);
- circular economy, as an additional topic based on the sustainability context of the industries in our value chain; and
- the topic of Responsible Tax Practices.

Overall, the assessment process has not only helped to identify hotspots along the value chain, it has also generated internal momentum and deepened the understanding of these impacts. It serves as a basis for informed decision-making as the company manages its sustainability efforts going forward.

Stakeholder dialogue for materiality

The second dimension in the materiality reassessment focused on the relevance of sustainability topics for our stakeholders, both internal and external. The stakeholder

dialogue was thorough and validated in a robust, multi-stage process. This included an online survey of over 2,000 employees around the world, around 100 senior managers, including members of the Executive Committee, and a separate survey for the members of the Sustainability Working Group and other employees who regularly deal with sustainability matters in their day-to-day work. Additionally, bilateral discussions with members of the Group Sustainability Council and external representatives such as investors, banks, customers, suppliers, partners, and local government were conducted.

Threshold-setting and validation

The results of the impact assessment and stakeholder dialogue were quantified in the dormakaba Materiality Matrix. A recommendation to the Group Sustainability Council on the proposed threshold for material topics was developed in a workshop with the Sustainability Working Group. Stakeholders included representatives from a range of global and regional functions within the Procurement, Human Resources, Compliance, Operations, EHS, and Product Development departments.

The majority of topics where dormakaba was shown to have a medium to high impact on sustainable development were taken up as material. These were topics where dormakaba either makes a positive contribution to sustainable development – for example through job creation or training – or topics whereby our own operations or those of business partners and suppliers could have a negative impact, for example energy consumption and greenhouse gas emissions resulting from the manufacturing process. Most topics with a medium to high relevance to our stakeholders were defined as material as well.

In a final step, the proposed material topics were discussed with the Group Sustainability Council and the Executive Committee, which then approved them. In addition, the Executive Committee defined the topic of Diversity as material due to its relevance to the business (double materiality).

Reporting Frameworks

This report has been prepared in accordance with the GRI Standards. dormakaba also reports to the Carbon Disclosure Project annually. This financial year, dormakaba achieved a B score for the report. dormakaba is a member of the UN Global Compact and publishes an annual Communication on Progress on the UN Global Compact website.

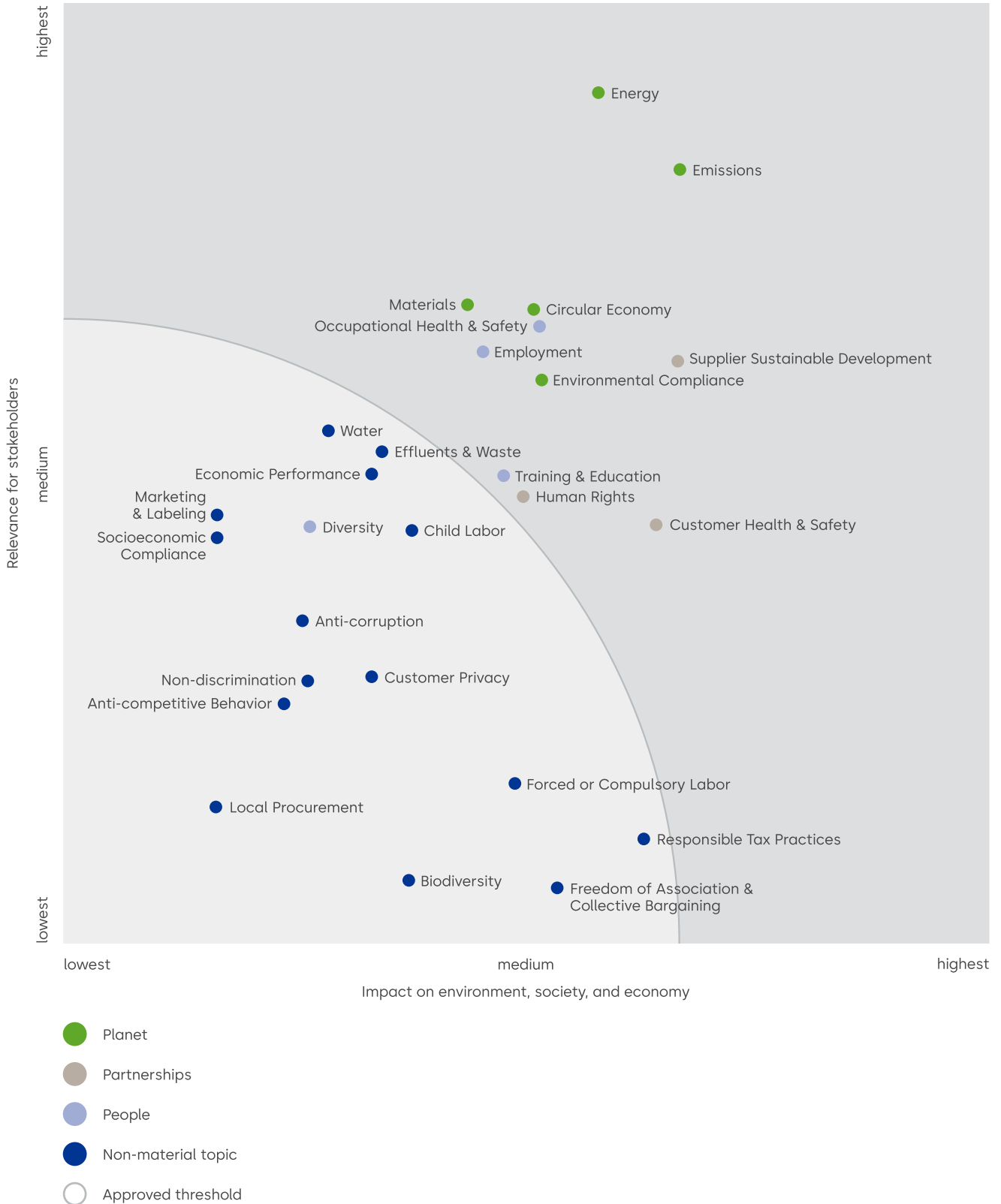
Changes in material topics

Many topics that had been previously defined as material were reconfirmed during the assessment process. In addition, two new topics were added as material, as seen in the table below. Some topics that had been previously defined as material were shown to be less relevant to stakeholders or the company was deemed to have a reduced potential impact on sustainable development. While these topics are less material within the sustainability framework and targets, we have elected to continue reporting key performance indicators on the topics of anti-corruption, water, and waste in our ESG Performance table. Our commitment to the principles related to anti-corruption continues as we are a member of the UN Global Compact.

New material topics	Previously defined as material
Circular Economy	Anti-competitive Behavior
Diversity	Anti-corruption
	Freedom of Association & Collective Bargaining
	Water
	Waste

dormakaba Materiality Matrix 2021–2027

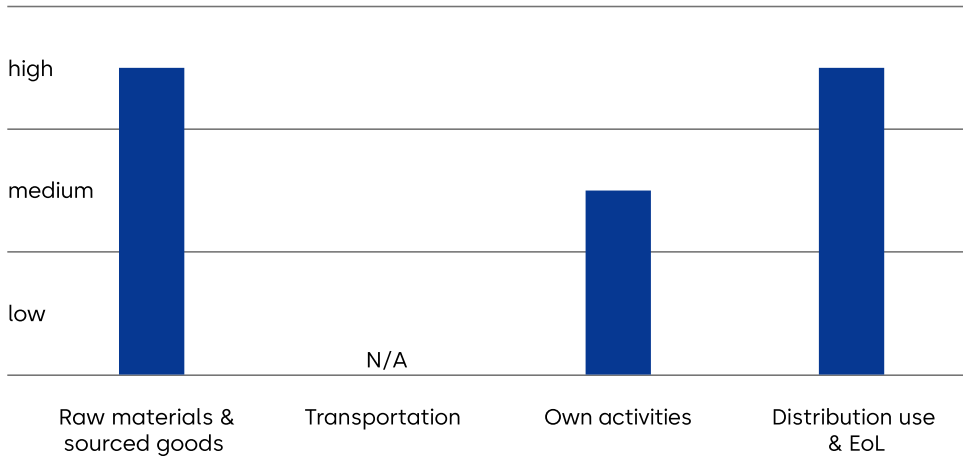
The dormakaba Materiality Matrix below highlights the material topics we have set strategic targets for, and will monitor and report on through to 2027, while tracking any emerging global issues or risks for future consideration. For each topic, the topic boundaries are defined based on the potential impacts along the dormakaba value chain and prioritized accordingly.



Circular economy

Definition: enhancement of a circular economy approach in operations and product design, e.g., improvement of recyclability, retrofitability, and reparability of products; modular design with reusable and/or replaceable parts; take-back and repair programs; development of product leasing models as an alternative to common buying models; improvement of material efficiency; use of recyclable, biologically degradable, or bio-based plastics and packaging; increased amount of recycled goods purchased.

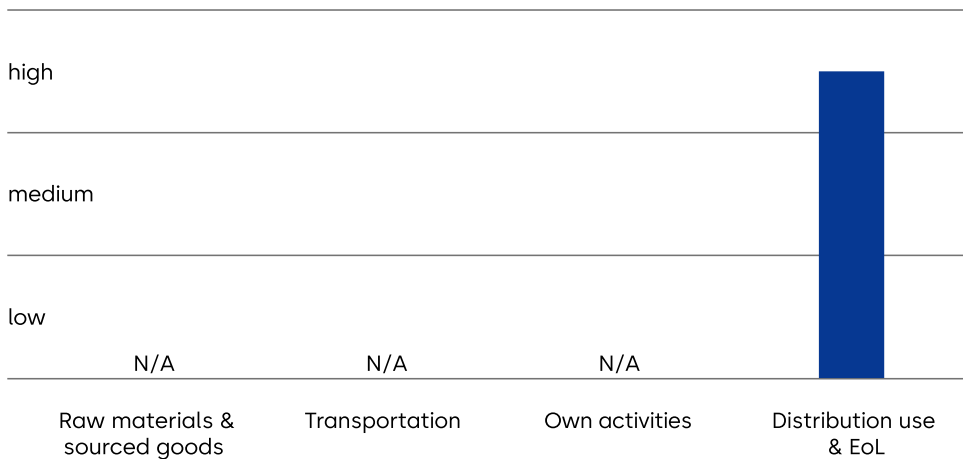
Potential Impact per Value Chain Step



Customer Health and Safety

Definition: assurance of the health and safety of customers, consumers, and other users.

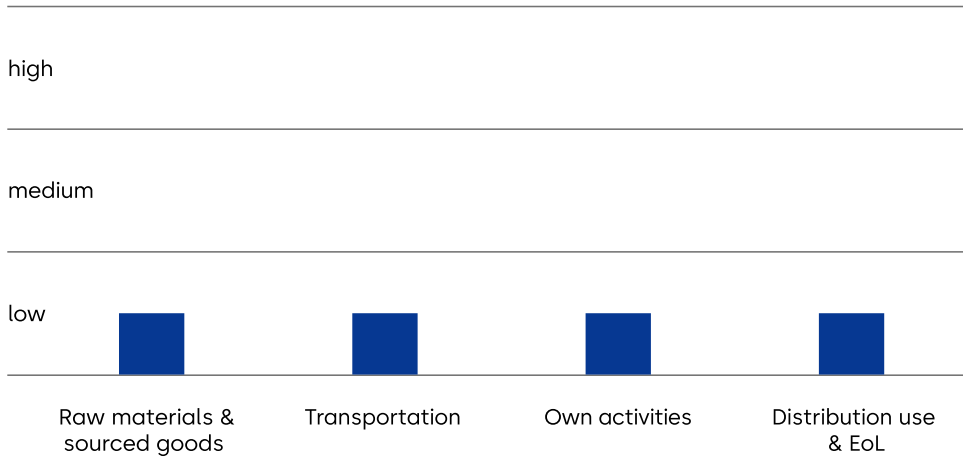
Potential Impact per Value Chain Step



Diversity

Definition: enhancement of diversity, equal opportunity, and prevention of discrimination along the value chain, e.g. women in leadership positions; integration of people with disabilities, different cultural backgrounds, and nationalities; adaptation to an aging workforce; equal pay; proactive diversity management; prevention of harassment and discrimination on any grounds such as gender, sexual orientation, age, ethnic origin, race, culture, religion, political opinion, or social origin.

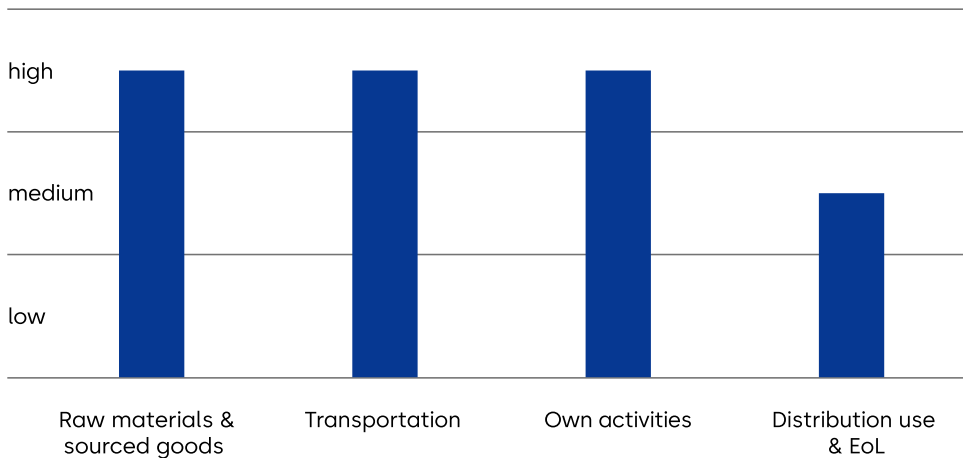
Potential Impact per Value Chain Step



Emissions

Definition: greenhouse gas (GHG) emissions and air pollutants in the supply chain, logistics, and operations, e.g., CO₂, NO_x, SO_x, volatile organic compounds (VOCs), fine dust emissions, ozone-depleting substances; reduction of the risk to human health.

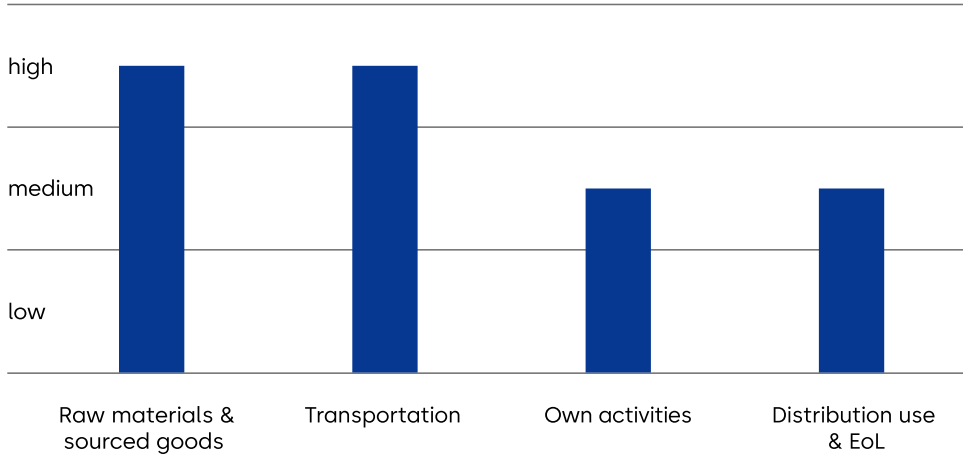
Potential Impact per Value Chain Step



Employment

Definition: employment and job creation by the organization and along the value chain, e.g., employment practices, wages, working conditions, hiring and retention of employees, social dialogue, employee-management relations.

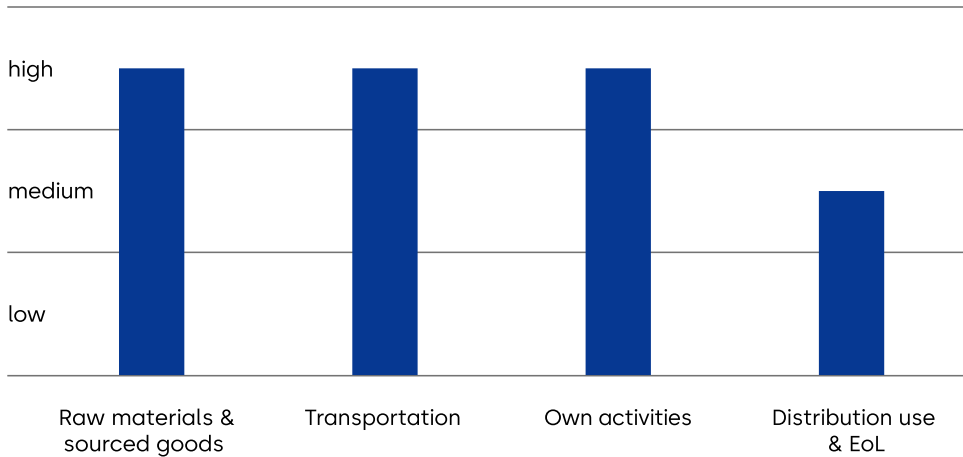
Potential Impact per Value Chain Step



Energy

Definition: energy consumption and use of renewable energy in the supply chain, logistics, operations, and products, e.g., energy efficiency, use of local and renewable energy, energy efficiency of products.

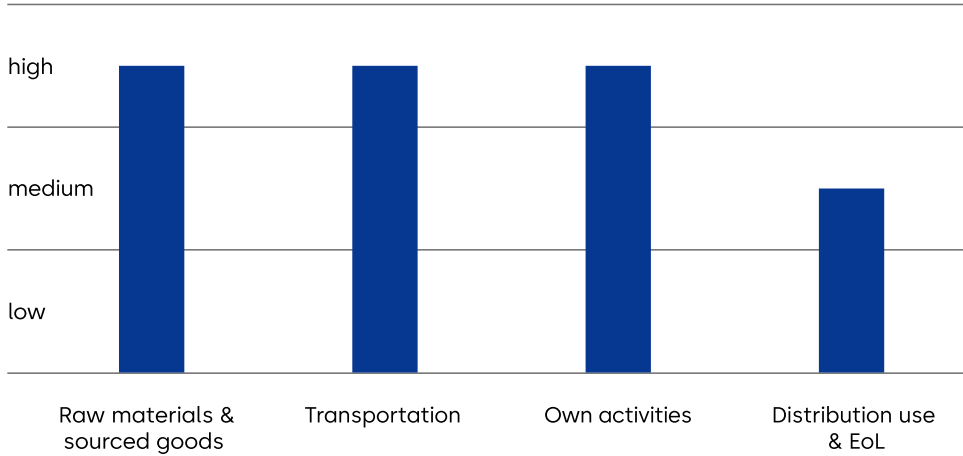
Potential Impact per Value Chain Step



Environmental Compliance

Definition: compliance with environmental laws and regulations along the value chain, e.g., reduction of financial risks through fines and negative impacts on reputation, avoidance of clean-up obligations, or other costly environmental liabilities.

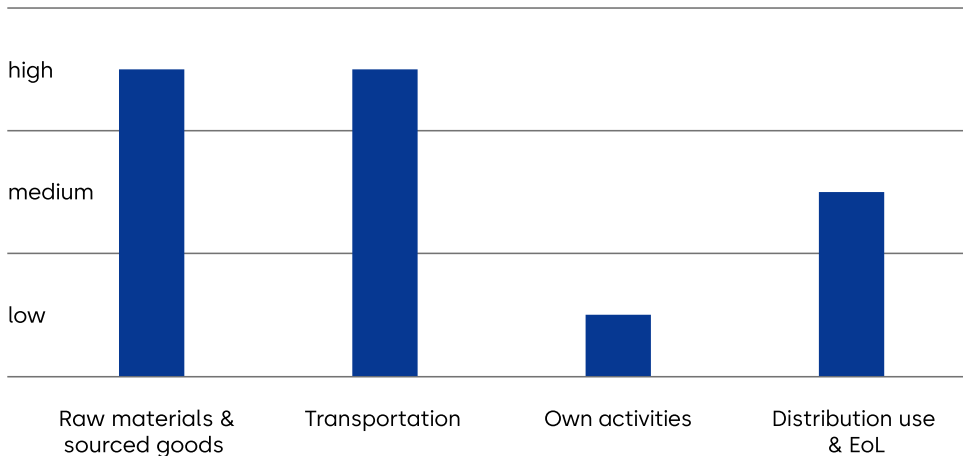
Potential Impact per Value Chain Step



Human Rights

Definition: respecting human rights along the value chain, obligation and training of employees and business partners to adhere to human rights, provision of grievance mechanisms, human rights due diligence. Human rights include but are not limited to freedom of religion, the right to life, protection from discrimination, freedom from slavery and forced labor.

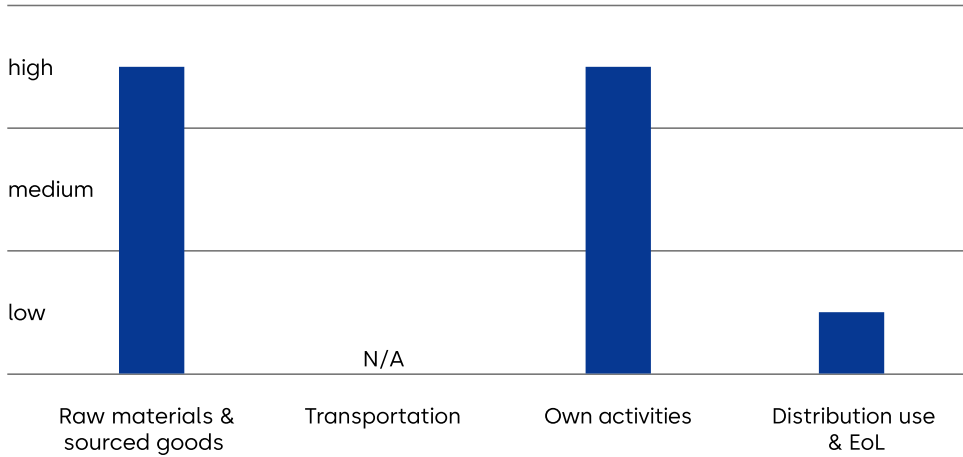
Potential Impact per Value Chain Step



Materials

Definition: efficient use of materials in production and in the supply chain, e.g., optimization of the production process, responsible sourcing of conflict minerals and wood, ensuring material traceability, responsible use, recycling, and reuse of materials and product recovery, responsible use of scarce materials.

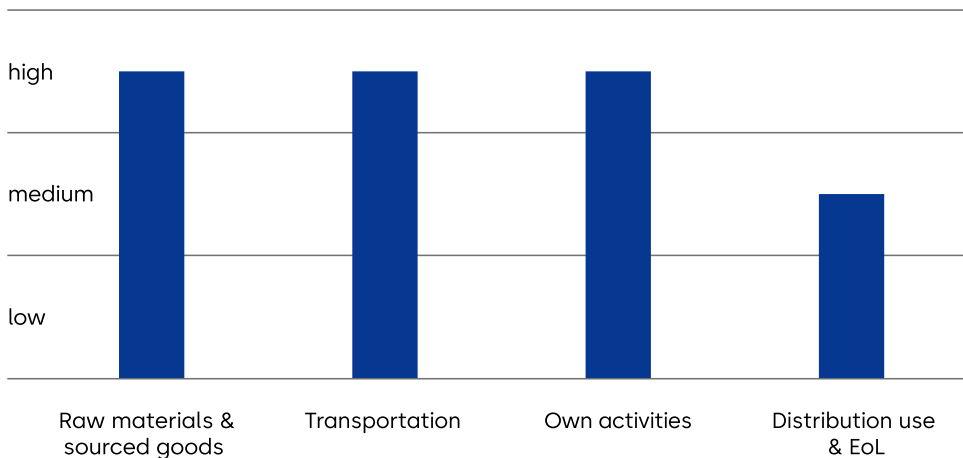
Potential Impact per Value Chain Step



Occupational Health and Safety

Definition: accidents, injuries, and well-being of people involved in activities along the value chain, e.g., workers' exposure to risks and hazardous substances, (personal) protective equipment, health and safety training, health checks, case management, ergonomic workspaces.

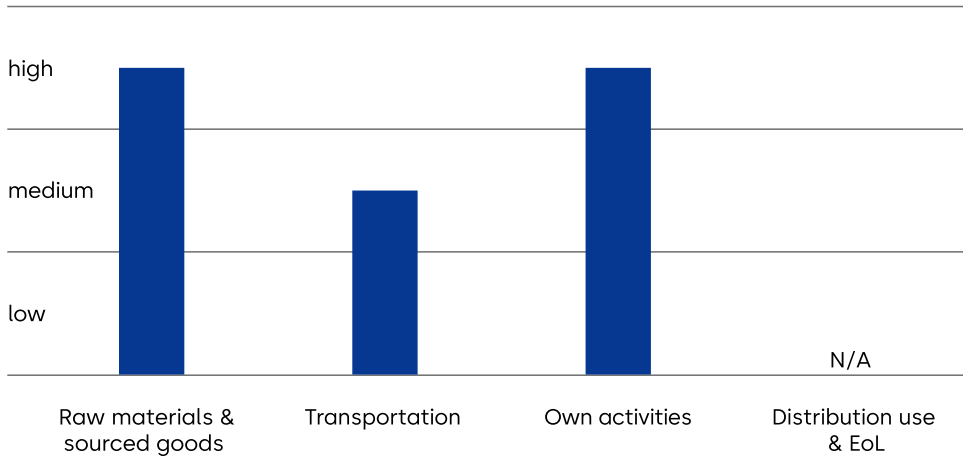
Potential Impact per Value Chain Step



Supplier Sustainable Development

Definition: reduction of negative environmental and social impacts in the supply chain and of business partners, e.g., supplier screening, due diligence processes, prevention, mitigation, and remediation of negative impacts. Requirement of social standards for suppliers and business partners, e.g., code of conduct, certifications, audits in the supply chain. Sustainable sourcing of raw materials, e.g., impacts of extraction (including conflict minerals), procurement from politically unstable regions.

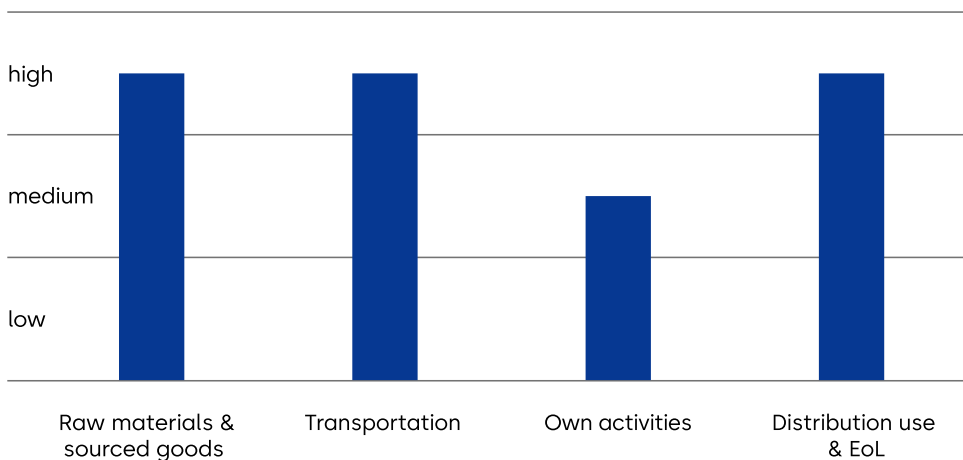
Potential Impact per Value Chain Step



Training and Education

Definition: enhancement of employee and talent development along the value chain, e.g., vocational training, development planning, performance evaluation, promotion of skills, employee training and education, promotion of lifelong learning opportunities, facilitation of continued employability.

Potential Impact per Value Chain Step



Task Force on Climate-related Financial Disclosures

Introduction

Facilitating the transition to a low-carbon economy is high on the agenda at dormakaba. Having been named one of Europe's Climate Leaders by the Financial Times, our task is to address the risks associated with climate change while harnessing the opportunities available to us in our industry. Our commitment is evident from the annual report that we submit to the Carbon Disclosure Report (CDP), a not-for-profit charity that provides a global disclosure system for investors, companies, cities, states, and regions to disclose their environmental impact. We received a 'B' rating in our last report, indicating that while we are on the right track, there is room for improvement when it comes to tackling both risks and opportunities.

This section looks into these areas in more detail, taking as its basis a gap analysis that we conducted of our latest report to the CDP. The analysis was performed based on the recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD) and the approach proposed by leading global risk intelligence company Verisk Maplecroft, which uses geospatial data and analytics to acquire insights into sustainability and ESG. Ultimately, this analysis will enable us to refine and expand on our governance, assessment and management measures at dormakaba for the future.

Governance

a. Board's oversight of climate-related risks and opportunities

The Board of Directors (BoD) at dormakaba holds the highest decision-making authority and establishes the strategic, organizational, financial planning, and accounting rules for the Group. The BoD delegates the management of day-to-day operations to the Chief Executive Officer (CEO), who is supported by the Executive Committee. The Sustainability Governance structure, with clearly defined roles and responsibilities, extends to climate-related matters at both the BoD and top management levels.

The Board ensures that climate-related risks and opportunities are integrated into the Group's risk management framework, the company's overall strategy Shape4Growth, and decision-making processes. As specified in the company's Sustainability Charter, the Board provides guidance for dormakaba's [sustainability framework](#) and is responsible for its governance, reviewing and approving it.

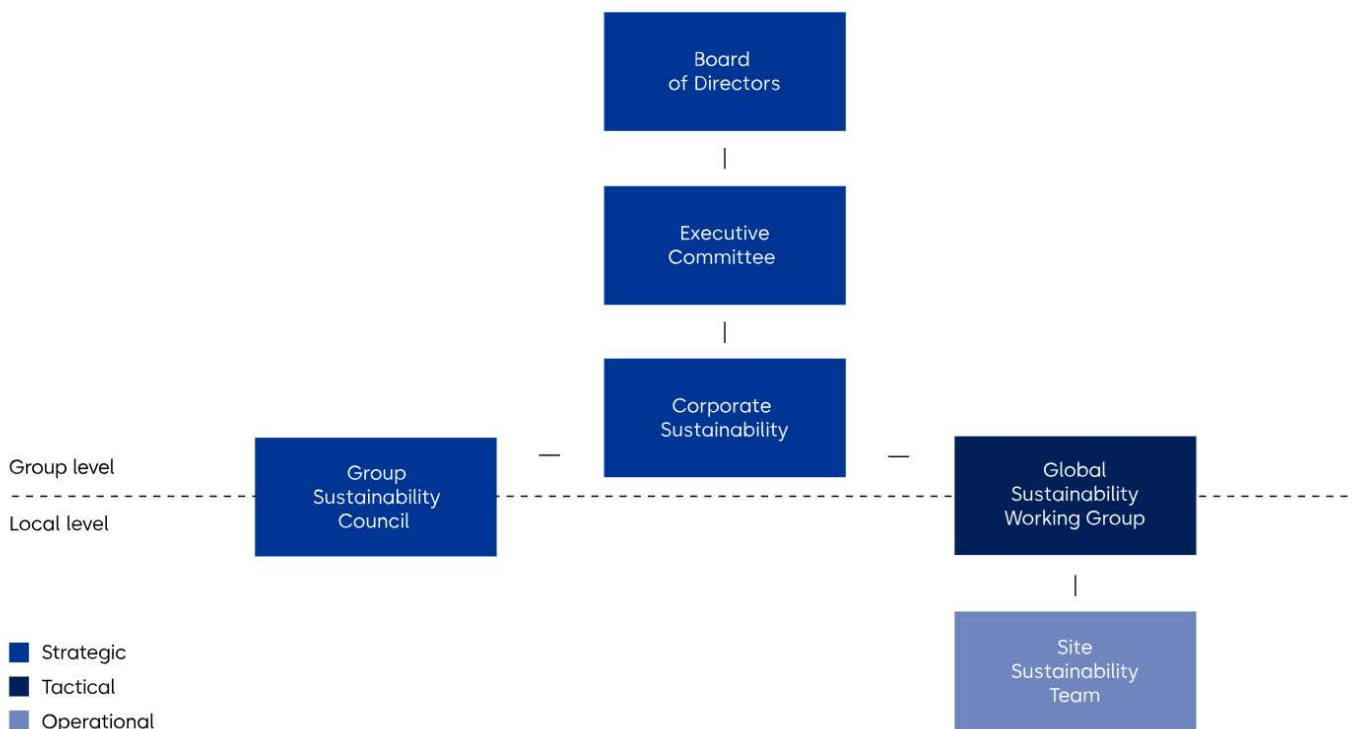
The Chairman of the Board monitors the progress of sustainability strategy implementation against targets and evaluates sustainability risks and opportunities. The Audit Committee ensures the integrity of the Sustainability Report including carbon inventory data, monitoring its assurance and the effectiveness of risk management vis a vis the Sustainability Report. The Nomination and Compensation Committee approves ESG-related targets included in our management incentive plans.

Climate-related considerations are factored into all major corporate decisions, including strategy, annual budgets, capital expenditures, corporate targets, mergers and acquisitions, employee incentives, innovation, R&D priorities, value chain oversight, and the development and implementation of a transition plan.

At least once per year, the Board receives updates from the Group Sustainability Officer on ESG strategy implementation, including climate-related performance, risks, and opportunities. Additionally, the Chairman of the Board is informed on quarterly basis about strategy implementation by the Group Sustainability Officer, as representative of the Group Sustainability Council. This council is chaired by the CEO and oversees the implementation of the sustainability framework, manages climate-related risks and opportunities, and regularly reports on sustainability performance and progress to the Board. The BoD provides guidance and oversight to the Executive Committee, ensuring comprehensive governance of climate-related management. This mechanism provides a well-balanced approach to the Board's oversight of all sustainability and climate-related matters.

b. Management's role in assessing and managing climate-related risks and opportunities

Sustainability performance and risk assessment at dormakaba is continuously monitored, and data thereon are regularly provided to top decision-makers to help shape corporate strategy and policies and improve overall business and operational performance. Our Sustainability Charter defines the overall sustainability management system, which covers – among other elements – the sustainability governance and organizational bodies. The organizational chart shows that dormakaba has consistently assigned climate-related responsibilities throughout the company – from management-level positions or committees to the operational level of the business units.



Members and groups within the organisation responsible for assessing and managing climate-related risks and opportunities are the following:

- Chief Executive Officer (CEO)
- Group Sustainability Council
- Global Sustainability Working Group consisting of four Expert Groups: Sustainable Products, Environment and Health & Safety, Supplier Sustainable Development, and People

- Management in the respective global functions and regions: Environmental Sustainability Managers and Business Unit Managers (assessing risks only)

The Group Sustainability Council (GSC), chaired by the CEO, is responsible for recommending sustainability strategies, priorities, and objectives to the Executive Committee. The GSC includes cross-functional members of top management in particular from operations, procurement and product development, which are best placed to reduce sources of Scope 1, 2 and 3 emissions. The council's mandate is based on the results of the formal materiality assessment, which includes strategic priorities addressing climate change.

The cross-functional and cross-regional Global Sustainability Working Group receives its mandate from the GSC. It consists of four Expert Groups defined by their functional expertise as well as the Corporate Sustainability team and representatives from Compliance. The Global Sustainability Working Group has over 50 members and is responsible for implementing the sustainability strategy. Each sustainability target is allocated to an Expert Group with the most relevant job functions and business know-how. These are:

- Expert Group Health, Safety and Environment – Operations
- Expert Group People – Human Resources
- Expert Group Supplier Sustainable Development – Procurement
- Expert Group Sustainable Products – Product Management, Product Development, Marketing

The contribution of the Expert Group members is key to ensuring the successful implementation and development of strategic initiatives to achieve our sustainability targets. dormakaba attaches great importance to the evaluation of activities and projects to fulfil these objectives. For this reason, the company has developed an initiative tracker that records and recognizes the climate-related impact of projects. Sustainability and climate are regularly on the agenda at both the GSC and Global Sustainability Working Group. The former meet twice a year and the latter every two months. Additionally, each Expert Groups meets once a month.

At an operational level, it is the responsibility of Quality, Health & Safety and Environment (QHSE) managers or Plant Managers of each manufacturing site to establish additional measures and initiatives aimed at climate change adaptation and mitigation, as well as to oversee their implementation. Meanwhile, the Business Unit Managers, who are designated as risk coordinators under the dormakaba Risk Directive, are required to report on climate-related risks twice a year as part of the regular risk assessment framework of dormakaba. The rationale behind this structure is that climate-related issues impact all areas of dormakaba's business, and therefore require oversight and management at all levels of the organization. Outside of these processes the Group Sustainability Officer has a direct reporting line to the CEO and can therefore alert on highly relevant climate-related issues as well.

Strategy

At dormakaba, we see two ways to make a significant contribution to facilitating the transition to a low-carbon economy: one, by directly ensuring the efficiency of our own operations; two, by indirectly helping to reduce the carbon footprint of the buildings and projects to which we supply our products. The measures we have derived from our scenario analysis approach incorporate both the financial side of our business and our operational strategy. The idea is to integrate climate-related and risk management initiatives into all our solutions and processes, as this will allow us to become more resilient as a company in the long term – and help our customers become more sustainable, too.

a./b. Climate-related risks and opportunities identified in the short, medium, and long term along with their

impact on business, strategic and financial planning at dormakaba

As stated in the introduction, dormakaba is dedicated to integrating climate-related risks and opportunities into our company-wide strategic decision-making processes. Not only will this allow us to maintain our competitive edge and ensure we are ready for the future, but it serves as a clear signal that we are committed to addressing the needs and expectations of stakeholders and society. In short, doing the right thing for the planet can only serve to benefit everyone.

As part of our broader risk management framework, which enables us to mitigate and eliminate risks across all aspects of our business, we have identified significant risks and opportunities, not least those related to climate change (see [Risk Management section](#) of the Annual Report).

A turning point in our desire to reduce our carbon footprint came in 2023, when we conducted an in-depth scenario analysis of our business with a focus on climate change mitigation. We mapped this analysis on to business decisions, financial plans and capital allocation as a means of identifying climate-related risks and feasible opportunities.

We can break down the scenario analysis into three primary activities:

- 1 Identifying current and future risks and opportunities relating to the transition to more environmentally friendly material flows (in alignment with our risk assessment framework)
- 2 Calculating the financial impact that these risks and opportunities could have and how they may influence dormakaba's financial planning and operational strategy
- 3 Evaluating the main transition risks and opportunities based on two distinct emissions scenarios across three time frames: short term (0–1 years), medium term (1–3 years) and long-term (3–15 years). The long-term time frame currently deviates from our broader risk management process, which formally looks at short-term and medium-term time frames. The two scenarios mentioned are based on frameworks from the Network of Central Banks and Supervisors for Greening the Financial System (NGFS):
 - The **Nationally Determined Contributions (NDCs)** assumes that the conditional NDC commitments are implemented in full and that the energy and emissions targets will be reached in every country in 2025 and again in 2030, leading to a global warming rate of approx. 2.6°C.
 - **Divergent Net Zero** assumes that the world will reach net-zero emissions by around 2050, albeit with higher costs due to divergent policies introduced across sectors, leading to a quicker phase-out of oil. Under this scenario, global warming will be limited to 1.5°C, in line with the Paris Agreement.

We are already comparing the findings to our current operations, supply chains and customer operations in order to evaluate the financial impacts of both physical risks and transition risks. Our initial focus is on assessing the financial implications of our highest risk, namely increasing carbon prices (see below for initial estimates). dormakaba aims to quantify the financial impact of climate risks with reliable estimates or ranges within the next two years, providing a foundation to guide our business strategy and financial planning.

Transition Risks and Opportunities

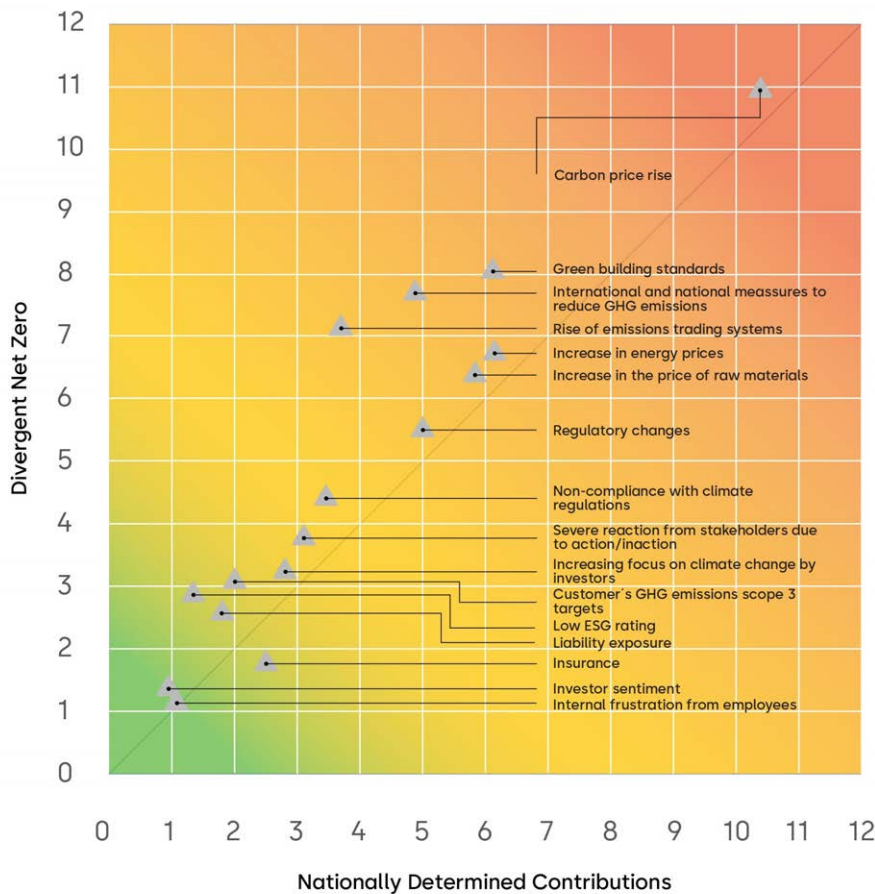
As the world shifts towards a low-carbon, climate-friendly future, our business will need to overcome a range of societal and economic challenges. With this in mind, we conducted a literature review as well as several interviews and workshops with colleagues from our risk, strategy, operations and sustainability teams to identify key climate transition risks and opportunities. After drawing up a longlist of related risks, we settled on six transition risk clusters and assessed their individual impacts:

- **Financial and investment:** The transition to a low-carbon economy will require significant investment in research and development. Having sufficient access to financing and investment will likely accelerate the pace of this transition (with reduced financing having the opposite effect).

- **Markets:** Volatile energy and raw material prices projected based on both emissions scenarios stand to have a significant impact on dormakaba's suppliers and our own production costs.
- **Technology:** As well as presenting various opportunities for our business, technological advancements may enhance cost efficiency, performance, sustainability, energy efficiency and reliability, leading to greater competition in our industry.
- **Legal:** dormakaba may face legal challenges from regulators or other parties who claim that our operations do not comply fully with environmental laws and regulations.
- **Reputation:** Our reputation may suffer in the public eye (customers, investors, other stakeholders, etc.) if we fail to address climate change or meet our climate-related targets. This can lead to a loss of trust, credibility and financial buoyancy.
- **Regulatory:** Some policy measures or uncertainty regarding how or when to implement them could have a negative impact on production costs and potentially affect our market growth.

Sixteen transition risks and three opportunities were identified in these six risk clusters:

Overall transition risks rating



Long-term risks tend to have a higher significance and likelihood that they will occur. This is especially the case under the Divergent Net Zero scenario, where climate-related challenges are expected to be more severe. The exception is the "insurance" risk, which refers to disaster and catastrophe insurance premiums; they may be lower in a world where global warming has increased by only 1.5°C. To calculate the overall risk ratings across various time horizons, we applied the following weightings: 50% for short-term risks (0–1 years), 30% for medium-term risks (1–3 years), and 20% for long-term risks (3–15 years). These weightings reflect a lower level of certainty when it comes to long-term projections.

Of the 16 risks identified, six come with a high impact and likelihood of occurrence in either or both climate scenarios. The most significant is rising carbon prices due to national and international carbon schemes. This, combined with the increasing cost of globally sourced

goods, could lead both to higher operating costs and a fall in demand due to escalating product prices.

This is especially important to consider when looking at future mergers and acquisitions and the procurement of machinery (due to their energy consumption). By 2025, the annual carbon costs for our own Scope 1+2 emissions could range from 5 to 50 million USD (this would be lower under the NDC scenario and higher under the Divergent Net Zero scenario). According to our estimates, this could escalate to anywhere from USD 12 to 89 million per annum by 2030.

Another factor to consider is the unquestionable increase in the price of raw materials. For instance, European enterprises importing aluminum and steel from outside the EU will face higher costs due to the Carbon Border Adjustment Mechanism (CBAM) and associated Scope 3 emissions.

Most Significant Transition Risks and Impacts

Risk title	Description	Business element impact	Financial impact	Financial impact pathway	Potential mitigation method
Carbon price rise	Higher price of carbon through national and international schemes	Operations, markets	Cost	Higher operating costs, reduced demand due to rising product prices	Shadow carbon tax of USD 40, i.e. the cost of CO ₂ -equivalent emissions
Rise of emissions trading systems	Higher price of carbon or taxes if cap is exceeded	Operations, markets	Cost, capital investment	Potential increase in cost of legal compliance	Investment in greener technologies to reduce emissions ahead of rising carbon prices, alignment of GHG with Paris Agreement and commitment to SBTi
International and national measures to reduce GHG emissions	Regulation requiring significant equipment modifications, operational changes or the purchase of emissions credits to reduce GHG emissions from operations	Operations, markets, legal and compliance	Capital investment, preparations, cost	Increased capital costs, higher compliance, operating and remediation costs	Investment in greener technologies, reduction of ODS in refrigeration and air conditioning systems, reduction of fossil fuels in production process, efficiency-boosting measures
Green building standards	Changes to building codes and standards for more energy efficiency and sustainability could impact demand for dormakaba's products, particularly those related to access control and security in green buildings.	Product, market	Revenue, investment	Failure to adapt to new standards could result in reputational and financial damage	Invest in research and development and engage with policy makers to ensure products are compliant
Increase in energy prices	Energy prices impacted by price of oil, gas and renewable energies	Markets	Revenue, operating costs	Higher operating costs, reduced demand due to rising product prices	Diversification of energy supply sources, negotiation of long-term contracts, productivity improvements, cost reduction
Increase in the price of raw materials	More volatility in supply and demand as well as wider commodity price resulting in higher prices for raw materials	Markets	Revenue, operating costs	Higher operating costs, reduced demand due to rising product prices	Diversification of sources for the supply of key raw materials, negotiation of long-term contracts with minimum purchase obligations, productivity improvements, cost reduction, diversification of energy sources

Most Significant Transition Opportunities and Impacts

Type	Risk title	Description	Business element impacted	Financial impact	Financial impact pathway	Potential leveraging method
Market	More demand for products aiding climate adaptation and resilience	Heat pumps and other low carbon technologies will likely be in higher demand	Markets, sales	Revenue	Increased revenue from higher sales of new products	Investment in product development and plans for stronger market growth
Regulation	Commitment to development of public policies to reduce GHG emissions and the transition to a low-carbon economy	Improving regulatory certainty can help to guide investment decisions and drive growth in demand for energy-efficient products	Legal and compliance, markets	Revenue	New regulations may increase demand for low-carbon technology	Investment in product development to meet anticipated future demand
Technology	Reduction of GHG emissions through product enhancements	Harnessing breakthrough technologies to enhance products and reduce company/downstream GHG emissions	Product, assets, markets	Capital, financing, revenue	Capital investment in technology is required, increased revenue from higher sales, lower fines/taxes for high GHG emissions	Evaluation of breakthrough technologies and product-specific LCA, target for % of innovation pipeline to undergo sustainability assessment

Physical Risks and Impacts

Physical climate-related risks have the potential to affect various sectors, ecosystems, and human quality of life. This is why it is essential to take effective risk management, adaptation and mitigation measures now at both the economic and political levels if we are to build resilience and reduce our vulnerability to these climate-related hazards in the future.

Against this backdrop, we have adopted a data-driven approach to identify and analyze those physical climate-related risks that will have the greatest impact on our global operations. We also used this approach to map out how these risks may evolve along different trajectories according to three individual emissions scenarios, known as Representative Concentration Pathways (RCPs). We evaluated the following risk types: climate change exposure; coastal flooding hazard; cooling degree days; drought hazard; extra-tropical cyclone hazard; flood hazard; heat stress; heating degree days; sea level rise; severe storm hazard; tropical storm and cyclone hazard; and water stress and wildfire hazard.

We assessed all of these risks types based on Verisk Maplecroft’s risk indices while incorporating various validated climate change projections. For each of our business locations, we drew up a profile to gauge site-specific exposure to acute risks and chronic hazards and included a materiality threshold that was specific to that location. The risk scores below are presented on a relative scale, allowing for simple comparisons between locations and time frames. This allows us to make informed decisions as to investing in and allocating resources to each site, and streamlines the strategic decision-making process thanks to the awareness of risks.

We assessed 112 sites in total across our operational regions, and followed this up with a closer analysis of 46 of our most important locations. These locations are known as “critical sites”, with the categorization being awarded based on factors such as net sales, number of employees, and tangible asset value. The Physical Climate Risk Dashboard supported our analysis. In a final step, we generated individual site scorecards and set individual benchmarks for sites, geographies and business entities.

While some hazards have a low risk of exposure for dormakaba, such as coastal flood hazard and landslide hazard, others, such as severe storm hazard, heating degree days, heat stress, drought hazard and water stress, have a higher risk across multiple locations. The table below shows which of our critical sites are exposed to which risks:

Most Significant Physical Risks

Climate risk	Description	Business element & region impact	Critical sites exposed to high or extreme risk under scenario analysis	Financial impact	Financial impact pathway	Potential mitigation method
Cooling Degree Days	Processes affected by high temperatures lead to reduced productivity or trigger emergency responses, or else affect staff working conditions	Operations, Logistics, Sales, Assets, Finance; Africa and Asia	17%	Capital expenditure, operating costs, revenue	Higher capital costs for adaptation measures, damage repairs/ need for replacement equipment or materials, higher operating costs, reduced production	Increase in cooling capacity, relocation of operations away from high-risk areas, implementation of emergency planning and OHS policies in line with best practices
Heating Degree Days	Processes affected by low temperatures lead to reduced productivity or trigger emergency responses, or else affect staff working conditions	Operations, Logistics, Assets, Sales, Finance; most regions	67%	Capital expenditure, operating costs, revenue	Higher capital costs for adaptation measures, damage repairs/ need for replacement equipment or materials, higher operating costs, reduced production	Investment in technology, heating from renewable energy sources, relocation of operations away from high-risk areas, implementation of emergency planning and OHS policies in line with best practices
Severe Storm	Severe storms impact operations and infrastructure, including: damage to buildings; supply chain disruption due to impact on transport of materials; impact on employee homes and ability to commute to work; disruption to energy and water supply.	Operations, Logistics, Sales, Assets, Finance; primarily in Asia	33%	Capital expenditure, operating costs, revenue	Higher capital costs for adaptation measures, damage repairs/ need for replacement equipment or materials, higher operating costs, reduced production	Investment in storm defense measures and technology, including secondary containment systems with dewatering capability; productivity gains, relocation of operations away from extreme-risk locations, implementation of emergency planning in line with best practice, diversification of transport providers.
Drought	Reduced access to water impacts productivity	Operations, Sales, Assets; Middle East & South America	37%	Operating costs, revenue	Higher costs due to lack of access to water, reduced revenue from lower sales	Investment in technology, reduction of freshwater intake, relocation of operations away from areas affected by high water stress, implementation of contingency measures such as early-warning systems when water is low.
Heatwaves / heat stress	Processes affected by high temperatures lead to reduced productivity or trigger emergency responses, or else	Operations, Logistics, Sales, Assets, Finance; Middle East, Asia & South America	59%	Capital expenditure, operating costs, revenue	Higher capital costs for adaptation measures, damage repairs/ need for replacement equipment or materials, higher	Increase in cooling capacity, including expanding and optimizing central recooling plants and optimization of cooling water flows capable of

	affect staff working conditions				operating costs, reduced production	avoiding production outages; relocation of operations away from high-risk areas, implementation of emergency planning and OHS policies in line with best practices, diversification of transport providers
Water Stress	Reduced access to water affects productivity	Operations, Sales, Assets; Middle East, Asia, South America, Southern Europe	48%	Operating costs, revenue	Higher costs due to lack of access to water, reduced revenue from lower sales	Investment in technology, reduction of freshwater intake, relocation of operations away from areas affected by high water stress, implementation of contingency measures such as early-warning systems when water is low.
Extreme rainfall	Heavy rainfall causes water to collect on stock tank roofs, which may cause the roof to sink and compromise the tanks' containment ability, leading to reduced productivity, essential emergency responses, rising river water levels, which may damage facilities or cause transport disruption	Operations, Sales, Assets, Finance; Asia & Western Europe	24%	Capital expenditure, operating costs, revenue	Higher capital costs for adaptation measures, damage repairs/ need for replacement equipment or materials, higher operating costs, reduced production	Investment in heavy rainfall defense measures, technology, productivity gains, relocation of operations away from extreme risk locations, diversification of transport providers

Our task now is to quantify the financial implications that the physical climate-related risks set out above will have on our business. We also need to evaluate the effectiveness of various mitigation activities and understand how these can be factored into our business strategy and financial planning in the coming financial year.

c. Resilience of the organization's strategy, taking into consideration different climate-related scenarios, global warming scenario of 2°C or lower

We conducted an assessment to consider the various effects of climate change on our facilities. The reason was to gain insight into the physical risk profile (whether acute or chronic) of our operations, identify both vulnerabilities and opportunities, and make strategic decisions to boost our resilience across all aspects of the business. The assessment was based on climate model projections presented by the following three Representative Concentration Pathways (RCPs):

- RCP2.6: Aggressive mitigation assumes global annual GHG emissions will peak between 2010–2020, with emissions declining substantially after this point.

- RCP4.5: Strong mitigation assumes emissions will peak around 2040, after which they will decline.
- RCP8.5: Business-as-usual assumes emissions will continue to rise throughout the 21st century.

Each pathway predicts future greenhouse gas concentrations caused by human activities, with varying degrees of physical impact.

Representative Concentration Pathway (RCP)

Scientists use the RCPs to model climate change and build scenarios about the impacts

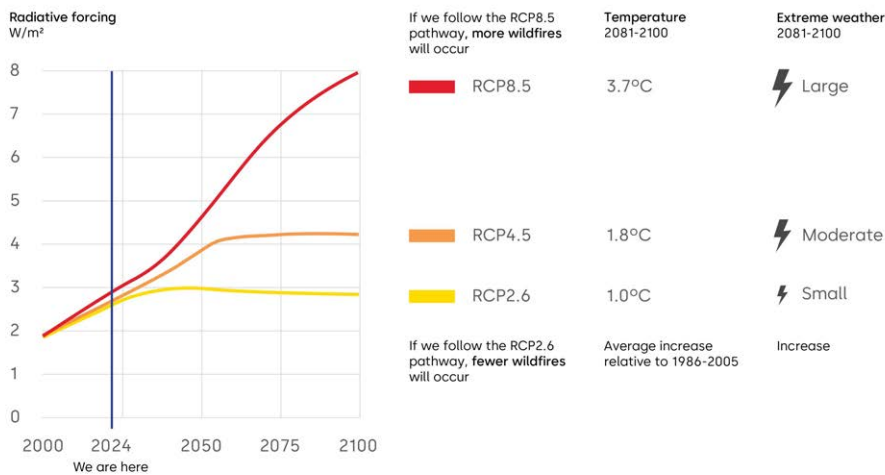


Figure was developed based on the image of GRID-Arendal/Studio Atlantis, 2021

We also conducted a transition risk analysis, this time using two climate change scenarios as our basis. The analysis factored in three dimensions: likelihood, significance and time frame. For more details on the results of this analysis, refer to subsection a./b. above.

Summary and Outlook

The overall conclusion of these analyses is that there are no indications of any risks that could significantly threaten dormakaba’s business continuity in the short, medium or long term. Nevertheless, it is important that we remain committed to mitigating the risks identified, as this will allow us to safeguard our operations and maintain our competitive edge.

As outlined in the transition risks table above, there are ways for us to potentially mitigate the risks identified. While we will evaluate these in more detail in the near future, for now we can say that we are planning to enhance the resilience of dormakaba by taking the following key measures in the coming financial year:

- Increase our investment in low-carbon technologies
- Share the results of the physical risk profiles with the local management team at each dormakaba location
- Calculate the potential financial implications associated with the identified risks and opportunities, along with the costs involved in implementing the mitigation measures
- Evaluate the carbon emissions of potential acquisitions and integrate carbon pricing into mergers and acquisitions processes
- Integrate the expected impact of carbon prices on Scope 1 and Scope 2 emissions into our inflation projections
- Evaluate and promote the diversification of energy sources and sources of supply for key commodities

In terms of the opportunities presented by the transition to a low-carbon economy, we plan to increase our investment in low-carbon materials and product innovations that prioritize reduced energy consumption. Examples of such products include Motion IQ, our intelligent sensor system for automatic doors, and our Door Efficiency Calculator, a tool that customers can use to determine the most energy-efficient entrance solution for their building. Measures such as this will enable us to meet customer demand for sustainable solutions and therefore keep pace with the competition. For more information about this, see the [Energy and Emissions](#) section.

Risk Management

At dormakaba, we have developed a robust risk management framework, emphasizing our commitment to proactive identification, assessment, and mitigation of various risks, including those linked to climate change. Our approach ensures that we are aware of and prepared for physical, regulatory, and reputational risks associated with climate change.

We also recognize the need to further enhance our capabilities in assessing and managing climate-related risks. By focusing on these improvements, we aim to ensure the resilience and continuity of our operations, aligning with our sustainability objectives and commitment to addressing climate-related challenges.

a. Processes for identifying and assessing climate-related risks

Risk management at dormakaba is integrated into our everyday business processes, consisting of these key activities:

- 1 Outcome-oriented risk assessment;
- 2 Definition and implementation of improvement measures based on cost-benefit analysis;
- 3 Regular monitoring and review of identified risks and mitigation efforts;
- 4 Transparent reporting on the risk and control environment.

This approach encompasses company-wide evaluations of reputational and transitional risks related to sustainability, climate trends in the downstream value chain, and regulatory changes, such as the EU Green Deal's impact on the building industry.

Materiality analysis to inform risk assessment

A materiality analysis was conducted to identify significant sustainability topics and opportunities to enhance operational efficiency. The initial assessment took place in 2017 and was refreshed in 2021, aligning with the development of our new sustainability strategy. The next materiality assessment will be published in FY 24/25 to align with the EU Corporate Sustainability Reporting Directive double materiality requirements. The current assessment considered 26 issues and included an impact analysis using quantitative data from sources like the World Bank and country risk indicators. Carbon emissions and energy were shown to be the most material from both an impact as well as stakeholder relevance perspective. Further details are available in the [Outro](#).

At the asset level, quality, health, safety, and environmental managers in our larger manufacturing plants ensure compliance with local regulations. They conduct annual reviews to identify transitional risks and assess potential physical risks to dormakaba assets. In addition, our geographical climate change risk mapping evaluates risks and opportunities to address potential physical impacts such as flooding.

At the corporate level, the Audit Committee, which reports to the Board of Directors, approves the detailed risk map created by the Executive Committee, adopts the necessary risk control and mitigation measures, and reports outcomes annually. This risk map covers

strategic, financial, operational, reputational, physical, legal, and compliance risks that could affect the company's business goals and financial targets.

dormakaba recognizes that effective risk management relies on a coordinated effort across the entire Group, from assessing and managing risks to monitoring and reporting. Our risk management framework includes a short- to medium-term outlook (1–3 years) for operational risks, while climate change risk management extends beyond this range.

Risk assessment involves prioritizing risks based on their significance and likelihood of occurrence. Each risk is assessed by "risk process owners," who are responsible for accurate risk identification, appropriate analysis, and the implementation of improvement measures. Climate-related risks are treated with the same priority as other business risks, using a 4-by-4 matrix to evaluate the likelihood of occurrence and the significance of impact. Risks are then compiled into a Group risk map with four color-coded quadrants, from red to green, indicating the level of urgency.

The approach for identifying and assessing climate-related risks within the context of scenario analysis is outlined in the Strategy section above.

b. Processes for managing climate-related risks

The Board of Directors at dormakaba plays a pivotal role in managing climate-related risks. This includes identifying these risks, determining appropriate mitigation measures, and implementing these measures at both the company and asset levels. dormakaba has achieved ISO 14001 and ISO 50001 certifications for several production sites, which ensures periodic evaluations of environmental risks specific to each site. This systematic approach provides the Board with a comprehensive overview of key risks, allowing the Group to prioritize resources effectively for risk mitigation.

dormakaba's risk management framework is tightly integrated with its business continuity management system, connected to a central enterprise risk management (ERM) system where all listed risks are captured. Responsibility for risks is delegated to local management through the Group Risk Management Directive, with scoring done using a traditional risk framework that assesses both likelihood and significance. Risks identified at the local level are then consolidated into a group-level risk map, ensuring that climate-related risks are considered alongside other strategic and operational risks.

The Board of Directors' Audit Committee discusses risks biannually, ensuring that the risk management process complements the company's financial planning process, which has a 3-year outlook. Although climate risks are not explicitly captured within the financial planning process, they are considered under broader categories of risk.

Simultaneously, dormakaba uses materiality analysis to identify climate-related opportunities and value-adding topics. This process, which incorporates stakeholder engagement, provides a balanced strategy to manage climate risks while also exploring opportunities for operational efficiency and safeguarding the company's reputation.

c. Integration of processes for identifying, assessing, and managing climate-related risks into the organization's overall risk management

dormakaba's approach to risk management integrates climate-related risks within the broader risk management framework. This integration is achieved through a consistent process that identifies, assesses, and manages various risks, including those tied to climate change. The outcome-oriented risk assessments are designed to capture a wide range of risks, ensuring that climate-related issues are given due consideration. The regular

monitoring and review process provides continuous oversight, allowing dormakaba to align climate-related risk management with other operational and strategic risks.

Additionally, the Board of Directors plays a key role in ensuring that climate-related risks are part of the company's broader risk map. The involvement of the Executive Committee in risk management processes ensures that climate risks are assessed alongside other business risks. This alignment with existing risk management processes enables dormakaba to prioritize and allocate resources effectively, treating climate-related risks on par with other business risks, thus ensuring a cohesive strategy for addressing both immediate and long-term risks.

Elsewhere, we have already incorporated the physical risks and transition risks into our risk management framework, making it even more robust than before. Even so, there is still much we can do to integrate these risks at business unit level, which is why our next step is to raise awareness locally and turn our qualitative financial impact pathways into quantifiable figures. This will enable us to prioritize risks for each site and streamline the risk management process.

Metrics and Targets

As evidenced from the above, we have developed a robust framework for measuring our ESG targets. This provides a firm basis for consistently achieving these targets going forward. Furthermore, our metrics are now aligned with our strategic priorities as a business and have been integrated into our company-wide risk management processes. We have a comprehensive GHG accounting system in place that covers all emissions scopes (1–3), allowing us to measure our performance with a high degree of accuracy. We have likewise emphasized our commitment to sustainability by setting validated science-based targets and pledging to achieving net-zero emissions within the company by 2050 at the latest. Finally, we have drawn up a climate transition plan to assist us with this.

In terms of improvements, we are aiming to expand our Scope 3 emissions inventory, so that we can better understand and manage our emissions across our value chain. This will enable us to craft a more comprehensive net-zero strategy and an effective transition plan.

a. Metrics used to assess climate-related risks and opportunities in line with strategy and risk management process

- Key metrics for the assessment of climate-related risks and opportunities: see [Strategy section](#) above.
- Water stress, a chronic physical climate-related risk, is further detailed in the [Human Rights chapter](#).
- Other climate-related metrics can be found in the [ESG Performance Table](#)
- dormakaba also secured a syndicated loan that incorporates sustainability criteria and metrics into its credit facility agreement. The loan terms are tied to our Scope 1 and 2 emissions, the implementation of energy management systems at manufacturing entities, and the sustainability performance of our suppliers.
- dormakaba's remuneration practices include climate-related performance metrics as part of the long-term incentives for top management (see [Compensation Report](#)). Additionally, in the UK, bonus payouts are tied to achieving objectives like reducing energy use and GHG emissions. In Germany, all employees can propose efficiency improvement projects, including environmental and sustainability initiatives, via an online platform. Suggestions are evaluated for viability, and those implemented earn a bonus of 30% from the achieved savings. Non-financial savings are rewarded through a point-based system.
- As a risk mitigation method, in FY 23/24 dormakaba has been integrating two types of carbon pricing as mandatory for all non-IT capital expenditure investment applications,

as increasing carbon prices has been seen as the most material transition risk based on the scenario analysis we conducted. Having committed to carbon neutrality in our own operations by 2030, we use the expected future cost of Gold Standard carbon offsets (75 CHF per tCO₂) as one metric. In addition, the investment application template now has a mandatory inclusion of a price for carbon taxes. These average carbon price projections are calculated along the Nationally Determined Contributions (NDCs) scenario based on an unweighted average across all dormakaba's countries of operation, and an 8% discount rate is applied based on the Weighted Average Cost of Capital (WACC) listed in our financial filings. The investment application provides the user with transparency on the total cost of energy (electricity and/or heating fuels) and total cost of carbon for the entire lifetime of the machinery up until 2045. The carbon price is dynamic, increasing every five years and ranging from 43 CHF per tCO₂ up to 99 CHF as of 2040. The impacts of the carbon and energy costs are integrated into cashflow, EBITDA and internal rate of return calculations for the accounting lifetime of the machinery (10 years). The new process will be rolled out in early FY 24/25

- EU taxonomy-aligned economic activities are listed in the [Energy & Emissions chapter](#) and in the [EU Taxonomy table](#).

b. Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions and the related risks

- Our Scope 1, 2 and 3 GHG emissions (including time series) are listed in the [ESG Performance Table](#).
- Associated risks are detailed in the [Strategy section](#) of this report.

c. Targets used to manage climate-related risks and opportunities and performance against targets

- Our officially validated, science-based climate targets are detailed in the [Energy & Emissions chapter](#).
- Other climate-related targets pertaining to net zero emissions, climate neutrality in own operations, energy intensity, renewable energy use, water stewardship, resource efficiency, waste, and circularity are listed in the [Strategy & Approach chapter](#)

ESG Performance Table

Environmental Performance

GRI ref.	Indicator description	23/24	22/23	21/22	20/21	19/20
GRI 301 – 1	Materials used (metric tons)¹⁾	70,795	68,518	70,752	75,361	74,560
	Non-renewable resources	58,690	57,080	59,116	62,985	61,852
	Steel (incl. stainless steel)	26,120	25,573	28,566	27,621	32,167
	Brass	9,855	9,076	11,194	10,334	8,872
	Aluminum	9,721	11,604	8,011	8,686	8,587
	Nickel silver	2,045	1,964	1,829	2,058	1,469
	Zinc	2,972	2,516	3,127	3,145	4,330
	Copper	7	7	6	38	34
	Gypsum board	4,017	2,847	3,171	8,095	2,963
	Glass	1,589	1,767	1,719	1,696	2,250
	Plastics (parts and packaging material)	2,365	1,725	1,493	1,312	1,181
	Renewable resources	12,105	11,439	11,636	12,376	12,708
	Wood (incl. packaging material)	6,583	5,939	7,404	8,146	8,362
	Paper and cardboard (incl. packaging material)	5,522	5,500	4,232	4,230	4,346
GRI 302 – 1	Energy consumption within the organization (MWh)⁹⁾	240,722	239,070	254,212	252,571	255,240
	Electricity total	120,402	114,880	125,149	125,136	124,900
	Electricity from renewable sources ²⁾	63,715	57,815	58,068	56,971	48,237
	Electricity from non-renewable sources	56,688	57,066	67,081	68,164	76,664
	District heating	1,724	1,966	1,675	1,627	1,489
	Heating fuels total	52,480	54,249	65,772	67,924	69,739
	Heating oil and diesel for backup generators	7,658	6,866	7,246	6,828	7,128
	Natural gas	43,016	46,101	58,526	59,334	61,223
	LPG/propane	1,505	1,282	1,458	1,763	1,388
	Biogas	302				
	Vehicle fuels total	66,115	67,976	60,157	57,884	59,112
	Diesel	46,335	48,939	44,957	44,174	46,447
	Gasoline	18,728	18,010	13,467	11,809	11,302
	LPG/propane	954	943	1,622	1,766	1,280
	Other vehicle fuels: bioethanol and natural gas	98	83	110	135	83
GRI 302 – 3	Energy intensity (MWh/mCHF net sales)	84.8	83.9	92.2	101.0	100.5
	Greenhouse Gas Emissions (tCO₂e)					
	Scope 1+2 (market-based)⁹⁾	62,269	64,621	68,625	70,311	74,768
	Scope 1+2 (location-based)	81,699	80,675	85,797	85,341	85,407
	Scope 1+2+3 (market-based)	923,823	966,291	949,121	896,635	810,437
GRI 305 – 1	Scope 1 (direct) GHGs^{3,4)}	29,520	29,725	30,521	30,244	31,160
	Vehicle fuels (owned and leased vehicles) ⁶⁾	17,436	17,952	15,888	15,295	15,661
	Heating fuels (incl. diesel for backup generators)	11,224	11,587	14,269	14,391	14,770
	Volatile and process emissions (e.g., refrigerants and welding processes)	860	187	364	558	729
GRI 305 – 2	Scope 2 (indirect) GHGs^{3,5)}	32,749	34,896	38,104	40,067	43,608

	Electricity ⁷⁾	32,690	34,829	38,058	40,027	43,575
	District heating	59	67	46	40	33
GRI 305 – 3	Scope 3 (indirect) GHGs	861,554	901,670	880,496	826,324	735,669
	Category 1: Purchased goods and services	692,254	684,057	634,030	546,417	567,250
	Category 2: Capital goods	16,313	10,373	9,402	1,976	279
	Category 4: Upstream transportation and distribution	2,525	2,881	2,189	5,031	539
	Category 5: Waste generated in operations	262	362	100	n.a.	n.a.
	Category 6: Business travel	1,343	1,618	414	n.a.	n.a.
	Category 9: Downstream transportation & distribution	2,863	3,479	4,571	n.a.	n.a.
	Category 11: Use of sold products ⁹⁾	145,994	198,900	229,790	272,900	167,600
GRI 305 – 4	Carbon intensity (tCO₂e/mCHF net sales)⁸⁾	21.9	22.7	24.9	28.1	29.4
GRI 303 – 3	Water withdrawal, all areas (m³)⁹⁾	734,830	700,787	752,904	841,474	734,847
	Municipal water supplies (tap water)	638,192	596,074	659,053	758,021	649,213
	Groundwater (drawn directly from well)	92,274	99,889	89,483	78,953	80,537
	Surface water (drawn directly from rivers, lakes, wetlands, etc.)	4,364	4,824	4,369	4,500	5,097
	Water intensity (m³/mCHF net sales)	259	246	273.1	336.6	289.4
GRI 303 – 4	Wastewater discharge (m³)⁹⁾	434,144	426,309	472,825	472,569	461,670
	Municipal sewerage system	167,040	178,514	197,816	210,482	241,661
	Disposal to water bodies	166,700	159,229	167,037	157,606	136,524
	Treated by third party	100,405	88,565	107,972	104,481	83,485
GRI 306 – 3	Waste generated (metric tons)	34,074	35,245	38,574	38,683	41,844
	Non-hazardous waste	31,916	32,871	35,940	36,287	39,606
	Scrap metal	24,908	25,948	28,791	28,776	31,831
	Other commercial and industrial (mixed) waste	4,089	3,793	3,829	4,507	4,870
	Wood	1,467	1,601	1,717	1,521	1,561
	Paper and cardboard	1,244	1,303	1,314	1,239	1,181
	Plastics	174	177	244	197	108
	Glass	33	49	46	47	56
	Hazardous waste	2,158	2,374	2,634	2,396	2,238
	Chemicals and other	2,072	2,281	2,521	2,279	2,065
	Electronic scrap	57	63	84	82	96
	Batteries	29	31	29	35	76
GRI 306 – 4	Waste diverted from disposal (metric tons)	30,241	31,673	35,166	34,434	36,970
	Non-hazardous waste	28,403	29,646	32,732	32,238	35,130
	Recycling	16,703	16,990	19,564	17,415	17,839
	Reuse	6,681	6,418	7,018	10,694	9,641
	On-site storage	4,971	6,126	6,115	4,092	7,624
	Recovery	48	112	35	37	26
	Hazardous waste	1,839	2,027	2,434	2,196	1,840
	Recycling	1,547	1,390	1,406	1,351	1,021
	On-site storage	292	637	1,028	845	819
GRI 306 – 5	Waste directed to disposal (metric tons)	3,833	3,572	3,408	4,251	4,875
	Non-hazardous waste	3,513	3,225	3,208	4,051	4,477
	Landfill	2,603	2,691	2,724	3,443	3,841

Incineration	910	534	485	608	636
Hazardous waste	320	347	200	200	398
Landfill	211	204	48	33	31
Incineration	109	143	152	167	367
Waste intensity (t/mCHF net sales)	12.0	12.4	14.0	15.5	16.5

¹ Does not include materials and volumes that can only be accounted for in pieces or monetary terms.

² Including own generation

³ Greenhouse gas inventory calculated in accordance with the WRI/WBCSD Greenhouse Gas Protocol. Emission factor sources: UK Defra (2019), US EPA eGRID (2018), IEA (2019), AIB (2018).

⁴ Scope 1: direct greenhouse gas emissions from sources owned or controlled by dormakaba.

⁵ Scope 2: indirect greenhouse gas emissions from sources owned or controlled by another entity, as a consequence of the company's activities.

⁶ Biogenic emissions associated with the combustion of biofuel amounting to 73 tCO₂e. These are called "outside of scope" emissions and reflect the impact of burning biomass and biofuels. The fuel source itself absorbs an equivalent amount of CO₂ during the growth phase to that released through combustion).

⁷ The greenhouse gas emissions associated with electricity consumption are reported according to the "market-based approach", as defined in the Greenhouse Gas Protocol Scope 2 Guidance.

⁸ Regarding Scope 1+2 emissions

⁹ 2023/2024 PwC-assured. The assurance statement is available at: bit.ly/Assurance_Report_23_24

Social Performance

GRI ref.	Indicator description	23/24		22/23		21/22		20/21		19/20	
GRI 2 – 30	Collective bargaining agreements⁵⁾	39%		44%		45%		57%		64%	
GRI 2 – 7	Employees										
	Total number of employees¹⁾⁵⁾	15,736		15,629		15,716		15,250		12,575	
	Non-guaranteed hours employees	2,587		2,330		n.a.		n.a.		n.a.	
	Female	838		762		n.a.		n.a.		n.a.	
	Male	1,749		1,568		n.a.		n.a.		n.a.	
GRI 2 – 8	Workers who are not employees²⁾	2,401		1,988		n.a.		n.a.		n.a.	
GRI 401 – 1	New employee hires and employee turnover⁵⁾⁷⁾										
	New employee hires (joiner rate)	1,930	13%	1,891	13%	2,560	17%	1,492	10%	1,545	10%
	Female	567	13%	535	13%	720	17%	455	11%	463	11%
	Male	1,363	13%	1,356	13%	1,840	17%	1,037	10%	1,082	10%
	< 30 years	504	35%	505	36%	587	66%	321	23%	328	22%
	30–50 years	1,074	13%	1,024	13%	1,463	17%	879	11%	910	11%
	> 50 years	352	6%	362	7%	510	10%	301	6%	307	6%
	Employee turnover (excluding retirement)	1,801	12%	2,034	14%	1,975	13%	1,700	12%	1,835	12%
	Female	533	13%	645	15%	625	15%	500	12%	568	13%
	Male	1,268	12%	1,389	13%	1,341	13%	1,200	11%	1,267	12%
	< 30 years	390	27%	311	22%	365	41%	295	22%	320	21%
	30–50 years	978	12%	1,189	15%	1,131	13%	937	12%	972	12%
	> 50 years	433	8%	534	10%	479	9%	468	9%	543	10%
	Retirement	160	1%	157	1%	143	1%	149	1%	141	1%
GRI 403 – 9	Occupational Health & Safety										
	Employees										
	Registered work-related injury cases	164		210		198		186		231	
	Recordable work-related injury rate ³⁾⁵⁾	1.19		1.5		1.5		1.4		1.7	

Operations that have been subject to human rights reviews or impact assessments	6	2	1	2	n.a.
Number of incidents reported through whistleblowing system	15	16	10	20	19
Total number of cases resolved	12	9	6	18	14
Number of confirmed corruption incidents	–	–	–	–	–
Number of employees participating in compliance-related training	9,731	10,463	7,939	12,452	7,900
Information security					
Percentage of product categories with an information security management system certified to ISO 27000 (or equivalent)	75%	70%	60%	50%	50%
Number of confirmed information security incidents with regard to customer privacy or loss of customer data	–	–	–	–	–

¹ Headcount, excluding apprentices, trainees, interns, and contract workers

² Headcount, includes contractors, agency workforce, trainees, interns, and apprentices

³ Recordable work-related injury rate = number of recordable work-related injuries / number of hours worked x 200,000

⁴ Value reflects cumulative coverage of assessment of high-risk suppliers

⁵ 2023/2024 PwC-assured. The assurance statement is available at: bit.ly/Assurance_Report_23_24

⁶ Based on data extract from SAP SuccessFactors on different date versus that reported under GRI 2-7 (0.1% deviation in total headcount)

⁷ Includes only permanent employees

EHS Management Systems

GRI ref.	Indicator description	23/24	22/23	21/22	20/21	19/20
	ISO 9001 Certificate	59	55	55	54	53
	% locations covered in reporting scope ¹⁾	53%	49%	55%	53%	51%
	% employees covered (based on FTEs)	79%	77%	79%	77%	73%
	ISO 14001 Certificate	46	43	43	33	25
	% locations covered in reporting scope ¹⁾	41%	38%	43%	32%	24%
	% employees covered (based on FTEs)	68%	68%	71%	62%	60%
	Maintain Environmental Management System	60	56	54	52	45
	% locations covered in reporting scope ¹⁾	54%	50%	54%	51%	44%
	% employees covered (based on FTEs)	76%	75%	77%	72%	64%
	ISO 50001 Certificate	14	9	8	7	4
	% locations covered in reporting scope ¹⁾	13%	8%	8%	7%	4%
	% employees covered (based on FTEs)	26%	22%	22%	19%	15%
	Maintain Energy Management System	36	27	38	23	15
	% locations covered in reporting scope ¹⁾	32%	24%	38%	23%	15%
	% employees covered (based on FTEs)	51%	47%	68%	43%	35%
GRI 403 – 8	ISO 45001 Certificate	35	28	28	20	22
	% locations covered in reporting scope ¹⁾	32%	25%	28%	20%	22%
	% employees covered (based on FTEs)	48%	40%	39%	23%	40%
	% of non-employees covered ²⁾	44%	10%	n.a.	n.a.	n.a.
GRI 403 – 8	Maintain OHS Management System	72	71	71	65	65
	% locations covered in reporting scope ¹⁾	65%	63%	71%	70%	63%
	% employees covered (based on FTEs)	80%	82%	87%	85%	76%
	% of non-employees covered ²⁾	78%	75%	n.a.	n.a.	n.a.

¹⁾ Including offices; Total locations: 103 in FY 19/20, 102 in FY 20/21, 100 in FY 21/22, 112 in FY 22/23, 111 in FY 23/24

²⁾ External agency workers

Employee Benefits & Measures ¹⁾

Benefits	% FTE covered
New employee referral bonus	80%
Health insurance benefits for employees ²⁾	72%
Incentive/bonus scheme	57%
Vacation and holidays ²⁾	55%
Financial contribution to external training	54%
Pension plan ²⁾	49%
Maternity, paternity, or parental leave ²⁾	48%
Other special leave offerings ²⁾	45%
Health insurance benefits for employees' families/dependants ²⁾	40%
Disability benefits ²⁾	38%
On-site fitness classes or gym discounts	37%
Measures	% implementing ³⁾
Regular assessment (at least once a year) of individual performance	97%
Training of relevant employees on health and safety risks and best working practices	97%
Flexible organization of work available to employees (e.g., remote work, telecommuting, flexitime, etc.)	94%
Provision of protective equipment to all impacted employees	94%
Provision of skills development training	71%
Recognition program	68%
Working time reduction measures (part-time; job sharing, etc.)	61%
Measures to promote gender and/or minority inclusion in the workplace	61%
Annual medical exams	58%
Employee representatives or employee representative body (e.g., works council)	58%
Awareness training to prevent discrimination and/or harassment	55%
Official measures to anticipate or reduce layoffs and associated negative impacts (e.g., financial compensation, outplacement service, internal job placement, job search support, counseling, support for moving costs, etc.)	55%
Communication on freedom of association and the right to collective bargaining (e.g., trade unions, works councils, etc.)	55%
Employee Assistance Program (counseling for, e.g., psychological, addiction, or financial problems)	48%
Equal pay for equal work audit	42%
Training on freedom of association and the right to collective bargaining (e.g., trade unions, works councils, etc.)	32%
Dependent care support (on-site childcare, financial support or allowances, holiday care, referral services)	29%

¹⁾ Previously, we have reported the employee coverage related to local employment policies on topics such as Equal Opportunity, Anti-bullying, and Equal Pay for Equal Work, among others. Due to upcoming changes related to EU CSRD requirements, global labor-related policies are in development and will be communicated in the Sustainability Report FY 24/25.

²⁾ Beyond legal requirements

³⁾ From surveyed countries. These cover 31 countries representing 95% of full-time equivalent employees

GRI content index

General Disclosures

Statement of use	dormakaba has reported in accordance with the GRI Standards for the period 1 July 2023 to 30 June 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No GRI Sector Standard is available yet

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION
General disclosures			
GRI 2: General Disclosures 2021	2 – 1 Organizational details	SR, Outro, About this report AR, Corporate information AR, Business Performance	
	2 – 2 Entities included in the organization’s sustainability reporting	SR, Outro, Reporting coverage and processes	
	2 – 3 Reporting period, frequency, and contact point	SR, Outro, About this report SR, Outro, Contact	
	2 – 4 Restatements of information	SR, Outro, About this report	
	2 – 5 External assurance	Assurance Report AR, Corporate Governance, Auditors	
	2 – 6 Activities, value chain, and other business relationships	SR, Introduction, About dormakaba SR, Strategy & Approach, Stakeholder dialogue and partnerships SR, Outro, Significant changes to the organization and its supply chain AR, Corporate information	
	2 – 7 Employees	SR, Introduction, Our employees SR, Fair Employment, Fluctuation SR, ESG Performance Table	2 – 7.b. Information unavailable/ incomplete for regional breakdown.
	2 – 8 Workers who are not employees	SR, Introduction, Our employees SR, ESG Performance Table	
	2 – 9 Governance structure and composition	AR, Corporate Governance, Board of Directors (BoD)	
	2 – 10 Nomination and selection of the highest governance body	AR, Corporate Governance, Board of Directors (BoD)	
	2 – 11 Chair of the highest governance body	AR, Corporate Governance, Board of Directors (BoD)	
	2 – 12 Role of the highest governance body in overseeing the management of impacts	AR, Corporate Governance, Board of Directors (BoD)	
	2 – 13 Delegation of responsibility for managing impacts	SR, Outro SR, Strategy & Approach AR, Corporate Governance, Board of Directors (BoD)	
	2 – 14 Role of the highest governance body in sustainability reporting	SR, Outro SR, Strategy & Approach	

2 – 15 Conflicts of interest	<p>AR, Corporate Governance, Group structure and shareholders</p> <hr/> <p>AR, Compensation Report, External mandates</p>	
2 – 16 Communication of critical concerns	<p>SR, Outro, Transparency and compliance</p>	2 – 16.b. Omitted due to confidentiality constraints.
2 – 17 Collective knowledge of the highest governance body	<p>SR, Strategy & Approach</p> <hr/> <p>AR, Corporate Governance, BoD members</p> <hr/> <p>Corporate Governance, BoD members</p>	
2 – 18 Evaluation of the performance of the highest governance body	<p>AR, Compensation Report, Managing compensation</p> <hr/> <p>AR, Compensation Report, Compensation architecture for the EC</p>	
2 – 19 Remuneration policies	<p>AR, Compensation Report, General Introduction</p> <hr/> <p>AR, Compensation Report, Compensation at a glance</p> <hr/> <p>AR, Compensation Report, Compensation architecture for the BoD</p> <hr/> <p>AR, Compensation Report, Compensation architecture for the EC</p>	
2 – 20 Process to determine remuneration	<p>AR, Compensation Report, Compensation at a glance</p> <hr/> <p>AR, Compensation Report, Basic principles of compensation</p> <hr/> <p>AR, Compensation Report, Managing compensation</p> <hr/> <p>AR, Compensation Report, Compensation architecture for the BoD</p> <hr/> <p>AR, Compensation Report, Compensation architecture for the EC</p>	
2 – 21 Annual total compensation ratio		Information unavailable/incomplete. Calculation is not available.
2 – 22 Statement on sustainable development strategy	<p>UN Global Compact Communication on Progress; CDP Report; Modern Slavery and Child Labor Statement</p> <hr/> <p>dormakaba Statement on Diversity, Equity & Inclusion</p>	
2 – 23 Policy commitments	<p>SR, Strategy & Approach</p> <hr/> <p>SR, Human Rights, Our approach</p> <hr/> <p>SR, Human Rights, Policy commitment</p> <hr/> <p>SR, Supplier Sustainable Development, Our approach</p> <hr/> <p>SR, Circular Economy & Materials, Our approach</p> <hr/> <p>SR, Occupational Health & Safety, Our approach</p> <hr/> <p>SR, Fair Employment, Our approach</p> <hr/> <p>SR, Diversity, Equity & Inclusion, Our approach</p>	
2 – 24 Embedding policy commitments	<p>SR, Strategy & Approach</p>	

	<p>UN Global Compact Communication on Progress; CDP Report; Modern Slavery and Child Labor Statement</p>	
	<p>Information can be found in all Pillar chapters of this Sustainability Report</p>	
2 – 25 Processes to remediate negative impacts	<p>SR, Human Rights, HRDD</p> <p>SR, Outro, Transparency and compliance</p> <p>Whistleblowing system</p>	
2 – 26 Mechanisms for seeking advice and raising concerns	<p>SR, Outro, Transparency and compliance</p> <p>SR, Human Rights, HRDD</p> <p>Whistleblowing system</p>	
2 – 27 Compliance with laws and regulations	<p>There were no incidents of non-compliance with environmental laws or regulations in FY 23/24.</p>	<p>2 – 27. a.-d. Non-environment related instances omitted due to confidentiality constraints.</p>
2 – 28 Membership associations	<p>SR, Strategy & Approach, Partnerships</p>	
2 – 29 Approach to stakeholder engagement	<p>SR, Strategy & Approach, Partnerships</p>	
2 – 30 Collective bargaining agreements	<p>SR, ESG Performance Table</p>	<p>2 – 30.b. In the majority of cases, working conditions and terms of employment are not based on collective bargaining agreements from other organizations or from collective bargaining agreements that cover our other employees. They are based rather on local law.</p>

Material Topics

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION
Material topics			
GRI 3: Material Topics 2021	3 – 1 Process to determine material topics	SR, Outro, Materiality process in detail	
	3 – 2 List of material topics	SR, Outro, Materiality process in detail	
Materials			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Circular Economy & Materials	
GRI 301: Materials 2016	301 – 1 Materials used by weight or volume	SR, ESG Performance Table	
Energy			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Energy & Emissions	
GRI 302: Energy 2016	302 – 1 Energy consumption within the organization	SR, Energy & Emissions, Energy consumption	
		SR, ESG Performance Table	
	302 – 3 Energy intensity	SR, ESG Performance Table	
	302 – 4 Reduction of energy consumption	SR, Energy & Emissions, Energy consumption	
		SR, ESG Performance Table	
Emissions			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Energy & Emissions	
		SR, TCFD Analysis	
GRI 305: Emissions 2016	305 – 1 Direct (Scope 1) GHG emissions	SR, Energy & Emissions, Emissions	
		SR, ESG Performance Table	
	305 – 2 Energy indirect (Scope 2) GHG emissions	SR, Energy & Emissions, Emissions	
		SR, ESG Performance Table	
	305 – 3 Other indirect (Scope 3) GHG emissions	SR, Energy & Emissions, Emissions	
		SR, ESG Performance Table	
	305 – 4 GHG emissions intensity	SR, ESG Performance Table	
	305 – 5 Reduction of GHG emissions	SR, ESG Performance Table	
Supplier environmental assessment			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Supplier Sustainable Development	
GRI 308: Supplier Environmental Assessment 2016	308 – 1 New suppliers that were screened using environmental criteria	SR, Supplier Sustainable Development	
	308 – 2 Negative environmental impacts in the supply chain and actions taken	SR, Supplier Sustainable Development	
		SR, ESG Performance Table	
Employment			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Fair Employment	
		SR, Human Rights	
GRI 401: Employment 2016	401 – 1 New employee hires and employee turnover	SR, ESG Performance Table	
Occupational health and safety			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Occupational Health & Safety	
GRI 403: Occupational Health and Safety 2018	403 – 1 Occupational health and safety management system	SR, Occupational Health & Safety, Our approach	

	403 – 2 Hazard identification, risk assessment, and incident investigation	SR, Occupational Health & Safety	
	403 – 3 Occupational health services	SR, Occupational Health & Safety	
	403 – 4 Worker participation, consultation, and communication on occupational health and safety	SR, Occupational Health & Safety	
	403 – 5 Worker training on occupational health and safety	SR, Occupational Health & Safety, Employee engagement and training	
	403 – 6 Promotion of worker health	SR, Occupational Health & Safety, Employee wellbeing	
	403 – 7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR, Occupational Health & Safety	
	403 – 8 Workers covered by an occupational health and safety management system	SR, Occupational Health & Safety SR, ESG Performance Table	
	403 – 9 Work-related injuries	SR, Occupational Health & Safety, Our performance SR, ESG Performance Table	403 – 9.b.iii.,v. Total number of working hours for external agency workers is unavailable.
Training and education			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Training & Education	
GRI 404: Training and Education 2016	404 – 1 Average hours of training per employee per year	SR, Training & Education, Our performance	
	404 – 3 Percentage of employees receiving regular performance and career development reviews	SR, Training & Education, Individual development and career management SR, ESG Performance Table	
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Diversity, Equity & Inclusion	
GRI 405: Diversity and Equal Opportunity 2016	405 – 1 Diversity of governance bodies and employees	SR, ESG Performance Table	
Supplier social assessment			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Supplier Sustainable Development SR, Human Rights, HRDD	
GRI 414: Supplier Social Assessment 2016	414 – 1 New suppliers that were screened using social criteria	SR, Supplier Sustainable Development	
	414 – 2 Negative social impacts in the supply chain and actions taken	SR, Supplier Sustainable Development SR, Human Rights, Cobalt traceability SR, ESG Performance Table	
Customer health and safety			
GRI 3: Material Topics 2021	3 – 3 Management of material topics	SR, Customer Health & Safety	
	416 – 2 Incidents of non-compliance concerning the health and safety impacts of products and services	SR, Customer Health & Safety, Our performance	

Task Force on Climate-related Financial Disclosures Content Index

TCFD disclosure	TCFD code	Disclosure description	Section
Governance	TCFD-GOV-a	Describe the board's oversight of climate-related risks and opportunities.	TCFD chapter, Governance / section a.
	TCFD-GOV-b	Describe management's role in assessing and managing climate-related risks and opportunities.	TCFD chapter, Governance / section b.
Strategy	TCFD-STR-a	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	TCFD chapter, Strategy / section a/b.
	TCFD-STR-b	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	TCFD chapter, Strategy / section a/b.
	TCFD-STR-c	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	TCFD chapter, Strategy / section c.
Risk management	TCFD-RMA-a	Describe the organization's processes for identifying and assessing climate-related risks.	TCFD chapter, Risk Management / section a.
	TCFD-RMA-b	Describe the organization's processes for managing climate-related risks.	TCFD chapter, Risk Management / section b.
	TCFD-RMA-c	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	TCFD chapter, Risk Management / section c.
Metrics and targets	TCFD-MET-a	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	TCFD chapter, Metrics and Targets / section a.
	TCFD-MET-b	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	TCFD chapter, Metrics and Targets / section b.
	TCFD-MET-c	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	TCFD chapter, Metrics and Targets / section c.

Disclosures for the Swiss Code of Obligations (Art. 964b)

The Swiss Code of Obligations, which is related to due diligence and transparency requirements, will apply to dormakaba as of this financial year. As such, the below index serves as a guide to where to find the required content, which is subject to shareholder approval.

Art. 964 A-C Transparency on non-financial matters

DISCLOSURE	LOCATION	OTHER
Description of the business model	SR - Introduction	
	AR - Corporate Information	
Description of the main risks in relation to the non-financial matters	SR - Strategy and Approach	
	SR - TCFD Analysis FY 23/24	
	AR - Opportunity & Risk Report	
Environmental matters		
Policies	SR - Circular Economy & Materials	Environment Directive
Measures	SR - Circular Economy & Materials	
	SR - Energy & Emissions	
	SR - TCFD Analysis FY 23/24	
Performance indicators	SR - Environmental Performance Table	
	SR - Circular Economy & Materials	
	SR - Energy & Emissions	
Carbon management	SR - TCFD Analysis FY 23/24	CDP Report
	SR - Energy & Emissions	
Social matters		
Policies	SR - Human Rights	dormakaba Statement of Commitment on Human Rights
	SR - Supplier Sustainable Development	dormakaba Modern Slavery and Child Labor Statement
	SR - Fair Employment	dormakaba Statement of Commitment on Responsible Minerals Sourcing
	SR - Diversity, Equity & Inclusion	dormakaba Statement on Diversity, Equity & Inclusion
		Responsible Labor Directive
		Zero Recruitment Fees Directive
		Talent Acquisition Directive
Measures	SR - Human Rights	dormakaba Modern Slavery and Child Labor Statement
	SR - Supplier Sustainable Development	
	SR - Fair Employment	

	SR - Diversity, Equity & Inclusion	
	SR -Training and Education	
Performance indicators	SR - Social Performance Table	
	SR - Human Rights	
	SR - Supplier Sustainable Development	
	SR - Fair Employment	
	SR - Diversity, Equity & Inclusion	
	SR -Training and Education	
Employee-related matters		
Policies	SR - Fair Employment	dormakaba Statement of Commitment on Human Rights
	SR - Diversity, Equity & Inclusion	dormakaba Modern Slavery and Child Labor Statement
	SR - Human Rights	dormakaba Statement of Commitment on Responsible Minerals Sourcing
	SR - Occupational Health & Safety	dormakaba Statement on Diversity, Equity & Inclusion
		Responsible Labor Directive
		Zero Recruitment Fees Directive
		Talent Acquisition Directive
Measures	SR - Human Rights	
	SR - Supplier Sustainable Development	
	SR - Fair Employment	
	SR - Diversity, Equity & Inclusion	
	SR -Training and Education	
	SR - Occupational Health & Safety	
	SR - Employee Benefits & Measures	
Performance indicators	SR - Social Performance Table	
	SR - Human Rights	
	SR - Supplier Sustainable Development	
	SR - Fair Employment	
	SR - Diversity, Equity & Inclusion	
	SR - Occupational Health & Safety	
	SR -Training and Education	
Human rights matters		
Policies	SR - Human Rights	dormakaba Statement of Commitment on Human Rights
	SR - Supplier Sustainable Development	dormakaba Modern Slavery and Child Labor Statement
		dormakaba Statement of Commitment on Responsible Minerals Sourcing
		Responsible Labor Directive
		Zero Recruitment Fees Directive
Measures	SR - Human Rights	
	SR - Supplier Sustainable Development	

Performance indicators	SR - Human Rights	
	SR - Supplier Sustainable Development	
	SR - Social Performance Table	
Anti-corruption		
Policies	SR - Outro	
Measures	SR - Outro	
Performance indicators	SR - Social Performance Table	

Art. 964 J-L – Due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labor

DISCLOSURE	LOCATION	OTHER
Conflict minerals	SR - Human Rights	dormakaba Statement of Commitment on Responsible Minerals Sourcing
	SR - Supplier Sustainable Development	dormakaba Statement of Commitment on Human Rights
Child labor	SR - Human Rights	dormakaba Statement of Commitment on Human Rights
	SR - Supplier Sustainable Development	dormakaba Modern Slavery and Child Labor Statement
		Responsible Labor Directive

Independent practitioner's limited assurance report

on 15 key performance indicators published in the 2023/24 Sustainability Report to the Board of Directors of dormakaba Holding AG

Rümlang

We have been engaged by Board of Directors to perform assurance procedures to provide limited assurance on the 15 key performance indicators published in the ESG Performance Table on pages from 120 to 125 and the Strategic Targets Table on pages 14-15 in the 2023/24 Sustainability Report (including the GHG statement) of dormakaba Holding AG for the period from 1 July 2023 to 30 June 2024.

The 15 key performance indicators (KPIs) in scope are marked with a footnote "2023-2024 PwC-assured" in the ESG Performance Table and the Strategic Targets Table in the 2023/24 Sustainability Report (including the GHG statement) (the "Report"). These was prepared by the Management of dormakaba Holding AG (the 'Company') and are based on the guidance referred to in the "about this Report" section in the Report (hereafter referred to as the "suitable Criteria"):

- KPI 1: Requirements as defined in the Annex to Group-wide Directive Environment; itself based on the ISO 50001 standard.
- KPI 2: Greenhouse Gas (GHG) Protocol Corporate Standard Report (Revised Edition)
- KPI 3: Based on an EcoVadis sustainability assessment completed for all suppliers in the target group for the respective year. The respective requirements are defined in the dormakaba Sustainability Linked Loan agreement
- KPI 5: Quantitative information on the basis of the number of product declarations and certificates published on the corporate website
- KPI 7: Greenhouse Gas (GHG) emissions Scope 3 – Use of sold products: Greenhouse Gas (GHG) Protocol Corporate Standard Report (Revised Edition)
- KPI 4, 6, 8, 9, 10, 11, 12, 13, 14, 15: GRI Standards from the Global Reporting Initiative (GRI: Latest version).

We do not comment on, nor conclude on any prospective information or restatement nor did we perform any assurance procedures on the information other than those stated above for the reporting period ended as per 30 June 2024.

Inherent limitations

The accuracy and completeness of the key performance indicators published in the 2023/24 Sustainability Report (including the GHG statement) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the key performance indicators published in the 2023/24 Sustainability Report (including the GHG statement) is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the key performance indicators published in the 2023/24 Sustainability Report and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in connection with the guidance referred to in the Report by dormakaba Holding AG about its definitions and procedures.

Management's responsibility

The Management of dormakaba Holding AG is responsible for preparing and presenting the key performance indicators published in the 2023/24 Sustainability Report in accordance with guidance referred to in the Report. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation of the key

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performance indicators published in the 2023/24 Sustainability Report that are free from material misstatement, whether due to fraud or error. Furthermore, the Management is responsible for the selection and application of the guidance referred to in the Report and adequate record keeping.

Independence and quality management

We are independent of the dormakaba Holding AG in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards issued by the International Ethics Standards Board for Accountants (IESBA Code)). We have fulfilled our ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to perform an assurance limited engagement and to express a conclusion on the key performance indicators published in the 2023/24 Sustainability Report (including the GHG statement). We conducted our engagement in accordance with the 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the key performance indicators in scope and marked with a footnote "2023-2024 PwC-assured" in the ESG Performance Table and Strategic Targets Table as published in the 2023/24 Sustainability Report (including the GHG statement) and as presented in the annex of this report (Annex 1) were not prepared, in all material aspects, in accordance with the suitable Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures, among others:

- Inquiries of the relevant stakeholders for the 15 key performance indicators in scope in the Report;
- Inspection of relevant documents;
- Sample based testing of underlying data;
- Reconciliation of data sources with financial reporting data and other underlying records;
- Reperformance of relevant calculations;
- Analytical procedures

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

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that the 15 key performance indicators in scope and marked with a footnote "2023-2024 PwC-assured" in the ESG Performance Table and Strategic Targets Table as published in the 2023/24 Sustainability Report (including the GHG statement) for the period from 1 July 2023 to 30 June 2024 and as presented in the annex of this report (Annex 1) are not prepared, in all material respects, in accordance with the suitable Criteria.

Intended users and purpose of the report

This report is prepared for, and only for, the Board of Directors of dormakaba Holding AG, and solely for the purpose of reporting to them on 15 key performance indicators in scope published in the 2023/24 Sustainability Report (including the GHG statement) and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Management to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over 15 key performance indicators in scope published in the 2023/24 Sustainability Report and presented in the annex of this report (Annex 1) without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of dormakaba Holding AG for our work or this report.

PricewaterhouseCoopers AG

Patrick Balkanyi

Petar Lesic

Zürich, 29 August 2024

“The maintenance and integrity of dormakaba Holding AG’s website and its content are the responsibility of the Management; the work carried out by the assurance provider does not involve consideration of the maintenance and integrity of the dormakaba Holding AG’s website, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported key performance indicators published in the 2023/24 Sustainability Report (including the GHG statement) or guidance referred to in the Report since they were initially presented on the website.”

Annex 1 - Key Performance Indicators in scope and marked with a footnote “2023-2024 PwC-assured” in the ESG Performance Table and Strategic Targets Table in the 2023/24 Sustainability Report (including the GHG statement) to the Management of dormakaba Holding AG

GRI standard or other reference		Key Performance Indicators in scope assured	Report page
ISO 50001	Energy Management	KPI 1: Energy Management System (EnMS) operationalization at manufacturing sites based on ISO 50001	p. 14
GRI 302-3	Emissions	KPI 2: Greenhouse gas (GHG) emissions indicators (Scope 1 and Scope 2 [market-based])	p. 120
GRI 308, GRI 414	Supplier	KPI 3: Supplier Sustainable Development	p. 15
GRI 403-9	Employees	KPI 4: Injury rate (recordable work-related injury rate)	p. 122
In reference to ISO 14025, 14040, and 14044	Declaration	KPI 5: Declaration of the sustainability (total number of sustainability-related product declarations/ certifications, including Cradle-to-Cradle and for recycled content)	p. 15
GRI 405-1	Employees	KPI 6: Gender representation at manager level (female managers)	p. 123
GRI 305-3	Emissions	KPI 7: Scope 3 Category 11 – Use of products sold	p. 121
GRI 302-1	Energy	KPI 8: Energy Consumption within the Organisation (MWh)	p. 120
GRI 303-3	Water	KPI 9: Water withdrawal, all areas (m3)	p. 121
GRI 303-4	Water	KPI 10: Wastewater discharge (m3)	p. 121
GRI 2-30	Employees	KPI 11: Collective bargaining agreements	p. 122
GRI 2-7	Employees	KPI 12: Total number of employees, and a breakdown of this total by gender and by region	p. 122
GRI 401-1	Employees	KPI 13: New employee hires (joiner rate) and breakdown by gender and age. Employee turnover and breakdown by age and gender. Retirement	p. 122
GRI 404-3	Employees	KPI 14: Employees receiving regular performance and career development reviews and breakdown of this total by gender and management position.	p. 123
GRI 405-1	Employees	KPI 15: Diversity of governance bodies and employees and breakdown of this total by age, management position and gender.	p. 123

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