

dorma + kaba

Sustainability Report



Financial Year

2015/2016

dormakaba 

dorma + kaba is one of the top three companies in the global market for access and security solutions. With strong brands such as Dorma and Kaba in our portfolio, we are a single source for products, solutions and services related to the secure access to buildings and rooms. With around 16,000 employees and numerous cooperation partners, we are active in over 130 countries.

For more information please visit www.dormakaba.com

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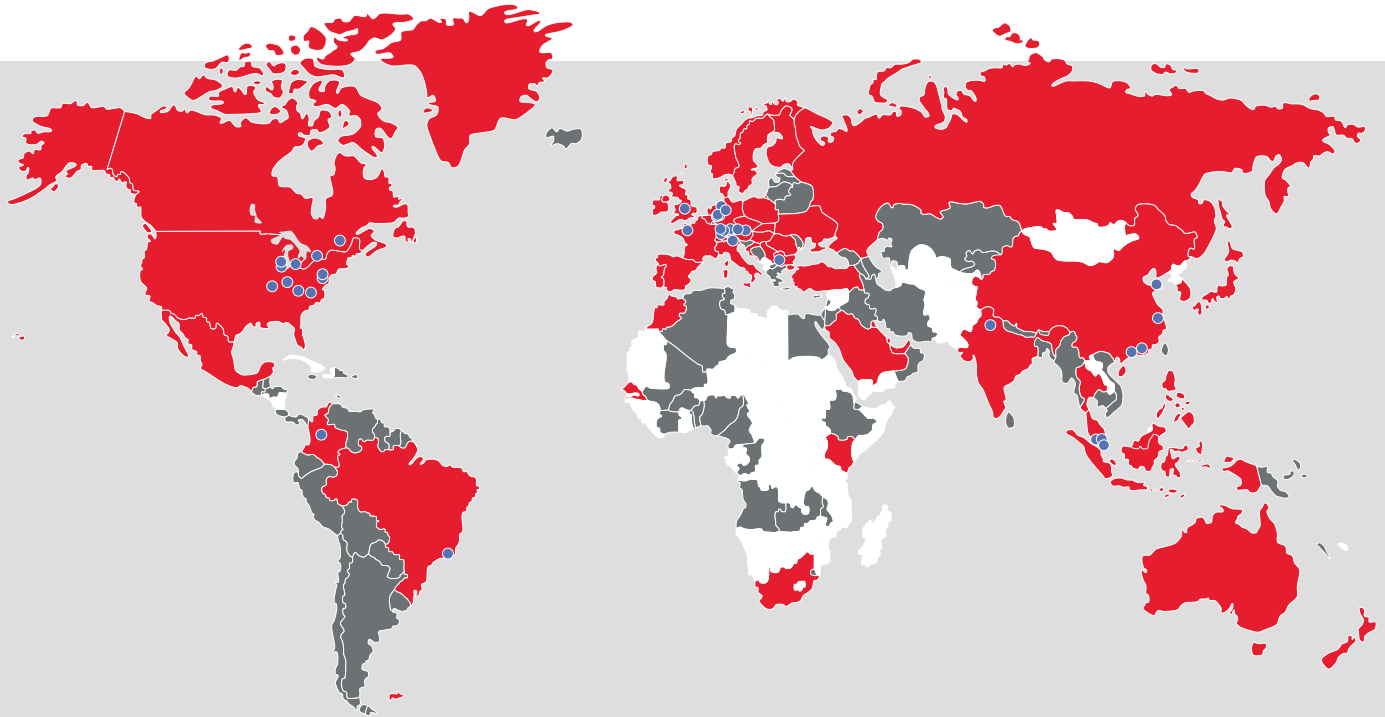
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Production sites covered



Americas

- Lake Bluff, USA
- Leola, USA
- Lexington, USA
- Madison Heights, USA
- Montreal, Canada
- Reamstown, USA
- Rio de Janeiro, Brazil
- Rocky Mount, USA
- Steeleville, USA
- Tocancipá, Colombia
- Waukegan, USA
- Whitby, Canada
- Winston-Salem, USA

Europe

- Bad Salzuflen, Germany
- Bühl, Germany
- Eastboro Fields, England
- Eggenburg, Austria
- Ennepetal, Germany
- Fougères, France
- Heiligenhaus, Germany
- Herzogenburg, Austria
- Ocholt, Germany
- Sofia, Bulgaria
- Velbert, Germany
- Villingen-Schwenningen, Germany
- Vittorio Veneto, Italy
- Wetzikon, Switzerland
- Zusmarshausen, Germany

Asia Pacific

- Greater Noida, India
- Melaka, Malaysia
- Senai, Malaysia
- Shenzhen, China
- Singapore
- Suzhou, China
- Taishan, China
- Yantai, China

Workforce ø
15,779

CO₂ emission
61,000t CO₂e

- dorma + kaba represented by subsidiaries
- 2015/2016: dorma + kaba products sold by local sales offices, external partners or international sales units
- Production sites covered

Data source: dorma + kaba operates all over the world and employs around 16,000 people worldwide. The sustainability report is based on the data of the 35 most important productions sites covering about 60% of Group employees.

Merger gives rise to opportunities for sustainability

dorma+kaba Group is carrying the former Kaba Group's sustainability reporting forward, and this year for the first time adopted the G4 Guidelines of the Global Reporting Initiative (GRI). In addition, the new company is taking advantage of the current post-merger integration activities and develops a strategic foundation for its sustainability efforts.

Dear reader

During the last financial year, dorma+kaba was focused on the merger of two healthy companies. It was clear to us from the beginning that we would provide our employees with strong support in the form of change management measures – because any kind of change also brings uncertainties. We addressed these uncertainties, for example, by quickly appointing the management teams, introducing a joint intranet, and by creating transparency for the key integration steps. We communicated upcoming steps in the change process early on, and then also adhered to the time line we had announced. Further to this, a change management team has been conducting regular analyses since the merger in order to identify potential integration risks in a timely manner and to counteract these. This team also offers training, so that employees can familiarize themselves with the new organization and its processes as well as with the full product range. You can read more about this on pages 18–19. In the end, it is not only organizations and processes that have to be merged – the most important thing is that employees find common ground.

At dorma+kaba Group, we are further developing the sustainability reporting introduced by Kaba Group. The Executive Committee agreed that this reporting must not be suspended despite the significant resources focused on the post-merger integration process. During the transition period in particular, the focus on sustainability should be maintained. We therefore not only collected data for the last financial year from both former Dorma and former Kaba entities, we also changed over to the G4 Guidelines of the Global Reporting Initiative (GRI). For this reporting period, however, we focused on the key aspects – with the aim of further expanding our reporting step-by-step over the coming years. The sustainability strategy that we began to draw up during the last financial year will serve as the basis for this. Read more on page 6. dorma+kaba will also continue to participate in the Carbon Disclosure Project (CDP), and as a member of the United Nations Global Compact Initiative.

We used the occasion of the changeover from the G3 to the G4 Guidelines and the post-merger integration process of the two companies to also conduct dialogues with stakeholders. The respondents indicated they are very satisfied with their relationships with dorma+kaba, which we are very pleased about. During the discussions, it emerged that most stakeholders consider strategic direction important for sustainability efforts.

"As the new dorma + kaba, we want to align our sustainability activities closely with our corporate strategy and to expand these activities step-by-step over the coming years."



Riet Cadonau, CEO
dorma + kaba Group

In addition, external influences such as rising urbanization – and the growing need for security – are shaping our business activities just as much as the challenging geopolitical situation. In light of our efforts to be an innovation leader, the issue of digital transformation is naturally also of key importance for dorma + kaba. Innovation is an important pillar of our economic sustainability and our business model. Proof of this can be found in the new products and solutions we have introduced, such as our web-based access solution *exivo*, or the various design awards that we received for our products in the last financial year. The latter highlights that our continued investment in good design pays off. You can read more about this on pages 20–21.

Due to digital transformation, the focus on customers is becoming even stronger. Customers will have an even greater say in the future, and will, for example, directly influence our service offering by us personalizing it for them. We offer a 360° virtual tour of our projects, provide product configurators and enable customers to open locks with their mobile phones.

We are committed to understanding the needs of our customers and to using this as requirements for our product development. We achieve this through regular dialogue. The optimization of customer value is our key priority. An example is the fact that we are further optimizing our product delivery times by expanding our European logistics center in Wuppertal (Germany).

In the coming months we will establish new processes for improved sustainability at dorma + kaba. Our recent merger is thus clearly giving rise to new opportunities for our sustainability strategy and reporting.

Riet Cadonau
CEO

New reporting for the Group

This sustainability report has successfully completed the GRI Materiality Service.

The last financial year marked not only the completion of the merger of Dorma and Kaba to form dorma+kaba. The company also changed its sustainability reporting practices from the G3 Guidelines of the Global Reporting Initiative (GRI) to the latest G4 reporting standard. Relevant issues are divided into the following segments: environment, human resources, compliance and human rights, customers and products as well as economy.

According to the GRI G4 Guidelines, there are two decisive factors for the selection of sustainability issues: on the one hand, their materiality for business activities, and on the other, their importance to relevant stakeholder groups. dorma+kaba recognized this as an opportunity to intensify its focus on sustainability and to integrate the standards of the former Dorma and Kaba when identifying relevant sustainability topics.

The last financial year was therefore used to identify material sustainability aspects using a multistage process. In this context, materiality means all areas to which dorma+kaba makes a positive contribution, for example in that the company is creating jobs at its locations, but also areas that are placed under strain as a result of dorma+kaba's business activities, such as energy consumption during the manufacturing process. In order to ensure that all relevant topic areas were identified, the materiality analysis focused on dorma+kaba's value chain.

Against the backdrop of the merger and because this is the first time that the reporting has been conducted according to GRI G4, the aspects selected and the formulation thereof differ from those applied in the former Kaba Group's earlier GRI sustainability reporting. (G4-22, G4-23)

Achieving materiality step-by-step

Employee experiences and assessments were very important to dorma+kaba during the process of establishing the material aspects. Therefore, in a first step, an online survey was conducted of around 100 employees including the Executive Committee, the Senior Management and employees who regularly deal with sustainability matters in their day-to-day work.

The second step involved capturing the views of external stakeholder groups. During bilateral discussions – with representatives such as investors, customers, suppliers, municipalities in locations where we conduct business activities, and an agency for location development – dialogues were conducted about which sustainability aspects stakeholders consider material, what good sustainability reporting consists of and how the exchange between dorma+kaba and its stakeholder groups can be kept lively in the future. To a large extent, there was significant agreement between the assessments of the stakeholder groups and our employees. There were different priorities within the stakeholder groups: the customers surveyed are focused on the development of sustainable products, for the investors, on the other hand, the focus is transparent reporting as well as quantifiable objectives. The stakeholder groups that were surveyed are very satisfied with their relationships with dorma+kaba, they see room for improvement in the strategic focus for sustainability, transparency in the supply chain, as well as in the establishment of targets for improvement with regard to the environment.

The results of the online survey and the exchanges with stakeholders were discussed intensively at an internal workshop. The objective was to understand all relevant internal perspectives on sustainability and thereby to ensure the materiality of the aspects that were selected. To this end, representatives from a range of functions within the Supply Chain, Procurement, Human Resources, Compliance, Operations, Quality Control, Material Compliance and Communications departments participated in the workshop. The material aspects for the 2015/2016 financial year were identified in this way, and in a next step, were discussed with the Executive Committee, which then approved them. (G4-18, G4-24, G4-25, G4-26, G4-27)

Focus on key aspects

The successful post-merger integration process of Dorma and Kaba to form dorma+kaba took center stage during the 2015/2016 financial year, and as a result of the GRI materiality analysis, it was possible to directly witness part of this integration at the newly formed dorma+kaba Group. However, the post-merger integration also requires resources to redefine and implement processes and procedures. This year's sustainability reporting should therefore be seen as the starting signal: dorma+kaba focused on selected material aspects during the last financial year. In the coming years, sustainability reporting will be further expanded step-by-step.

Unless indicated otherwise, the report boundary comprises the entire dorma+kaba Group as stated in the scope of consolidation for all indicators. For further information, please see the 2015/2016 Annual Report on pages 46–49. The underlying data in particular for the key figures relating to employees and the environment does not reflect all locations. For further information about the methods applied, please see pages 10–11 and 16–17 of this sustainability report. (G4-17)

The material sustainability aspects for financial year 2015/2016

The environment: dorma+kaba uses resources in the manufacture of its products, and waste and emissions result. Environmental issues are therefore one of the material sustainability aspects that arise along the entire value creation chain.

Human resources: Motivated and competent employees are an important factor for the success of dorma+kaba's business.

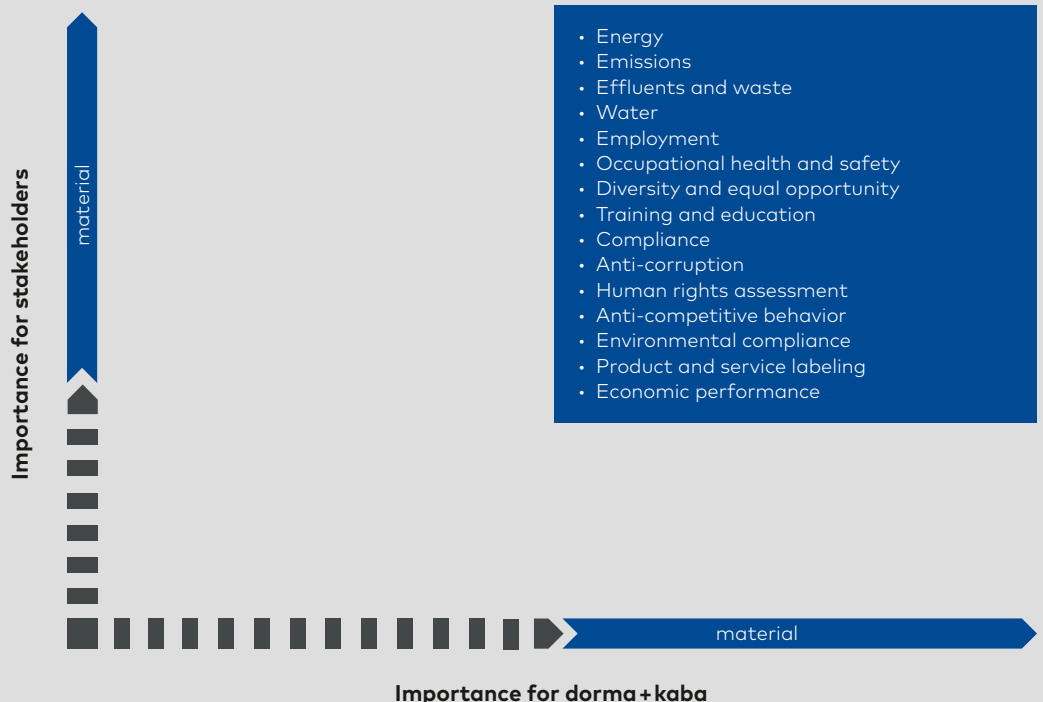
Compliance and human rights: When conducting business activities, adherence to local laws and internal company rules is of key importance at all locations. This applies both to in-house processes as well as to relationships with other external points of contact such as customers, authorities and suppliers.

Customers and products: Among other characteristics, the dormakaba brand stands for high-quality products. Product quality and customer satisfaction are therefore central and must be kept in mind at all stages of value creation.

Economy: Only if dorma+kaba is financially successful can the company also be sustainable. (G4-19, G4-20, G4-21)

Materiality matrix 2015/2016

dorma+kaba's materiality matrix maps out the company's material sustainability aspects in the 2015/2016 financial year. These issues were categorized as very relevant by both dorma+kaba and its stakeholders.



Targeted sustainability

Lea Kullmann,
Manager
Sustainable Projects,
dorma+kaba Group



The merger is presenting dorma+kaba with the opportunity to make a clear commitment: sustainability is part of the new corporate strategy and therefore an important part of the company's development. Work on the strategic focus of sustainability activities started already during the last financial year.

dorma+kaba's Executive Committee sent a clear message regarding sustainability at the beginning of the merger: sustainability is an explicit part of the Group-wide strategy. As Chief Manufacturing Officer (CMO) and member of the dorma+kaba Executive Committee, Jörg Lichtenberg is the sponsor for this topic. "The importance of sustainability has increased significantly in recent years, not least of all in the building sector, where the vast majority of dorma+kaba products are used. We are therefore convinced that sustainability will impact our company's long-term success," says the new CMO. The merger was recognized as an opportunity to even further strengthen the strategic focus of the combined companies' sustainability efforts by developing a clear approach. "We have to think carefully about what exactly we want to achieve, and the merger is the perfect time to ask ourselves these questions and find the right answers," emphasizes Jörg Lichtenberg.

Lea Kullmann is Manager Sustainable Projects. At the former Dorma, she was responsible for all international sustainability-related project and market requirements. At dorma+kaba she has been tasked with developing a sustainability strategy.

How will dorma+kaba benefit from the sustainability strategy?

dorma+kaba is an international company with a comprehensive range of products, and it is precisely for this reason that it also has a particular responsibility toward its environment. By taking a consistent approach to sustainability, individual requirements can be identified globally and addressed in a coordinated manner. This will help us to achieve a systematic implementation of sustainability in all our business activities.

What can you tell us about the strategic focus? What are the next steps?

We are starting from inside our organization by developing a common understanding of sustainability that applies everywhere. We want this understanding to become an integral part of our corporate culture, so that sustainability aspects can be integrated even better into existing processes. We aim to systematically develop sustainability in the coming years along various areas of activity and with the help of a network of sustainability champions from the different countries and segments. In doing so, dorma+kaba wants to ensure that sustainability is practised actively in all areas of the business. Work on developing the strategy is already underway.

What was the Executive Committee's reaction to what has been developed so far?

The Executive Committee is aware of its responsibility. Sustainability is being prioritized and it will therefore be incorporated as an integral part of dorma+kaba's processes. We clearly see sustainability as an important part of our long-term corporate direction.

Conducting business Management approach

Material aspect:

• Economic performance

dorma + kaba's corporate strategy is the foundation for our long-term business success. In addition to sustainable profitable growth, this includes satisfied customers and strong performance in our target markets. Focused investments and balanced risk management are of key importance for safeguarding this in the future.

Strong business performance is the best indicator of dorma + kaba's sustainable economic development. This is made possible by the dedication of our employees, who are highly committed to ensuring continuous and successful collaboration with customers and suppliers. However, profitable growth involves much more than this alone: dorma + kaba is strengthening its market position by investing in innovation and product development, markets, infrastructure and employees.

The goal is to continue to grow profitably in the future. Efficient risk management and adherence to all legal requirements are part of achieving this goal. A track record of sustainable company management that also incorporates environmental and social aspects as well as the basic principles of good corporate governance is becoming increasingly important in this context. dorma + kaba is staying abreast of these developments through its sustainability reporting and by integrating sustainability into the new corporate strategy.

Risk management is an integral part of dorma + kaba's daily management activities. Risks are identified and evaluated by means of standardized processes, and the appropriate measures for improvement are then implemented based on this analysis. Responsibility for the risk management process lies with the Board of Directors, which delegates any related decisions to dorma + kaba's Executive Committee and line managers for execution thereof. Line managers are responsible for recognizing risks early on as well as defining and implementing preventative measures.

Key figures 2015/2016

2,302.6

Net sales¹⁾
in CHF million

14.4

EBITDA margin¹⁾
in %

327.6

Operating cash flow²⁾
in CHF million

15,779

Employees Ø

1) Pro forma: former Dorma Group and former Kaba Group both 12 months

2) Former Dorma Group consolidated as of 1 September 2015

The environment

Management approaches

Material aspects:

- Energy
- Water
- Emissions
- Effluents and waste
- Compliance

dorma+kaba is proud of its portfolio of high-quality products. For us, it goes without saying that both our manufacturing processes and the selection and use of resources are conducted as sustainably as possible. We disclose our use of resources transparently and continuously take advantage of opportunities for improvement.

dorma+kaba offers its customers a comprehensive portfolio of products, solutions and services for secure access to buildings and rooms. dorma+kaba products are manufactured in around 35 production sites around the world using different manufacturing processes. Raw materials such as steel, brass, aluminum, zinc and glass are converted among other things into door closers, cylinders, key blanks, hotel locks, sliding and revolving door systems and glass fittings. Varying quantities of energy and water are required for the different production processes such as turning and milling, electroplating and surface finishing, painting, zinc and aluminum die casting, as well as melting. These processes generate waste and emissions.

The potentially greatest environmental risks lie in the processes used for electroplating and surface finishing, painting, melting and zinc and aluminum die casting. This is why dorma+kaba's environmental management places emphasis on these four processes. Specifically, the focus is on improving management processes and the implementation of measures for improvement in the following areas: energy consumption and the reduction thereof, monitoring and reduction of CO₂ emissions, water consumption, effluents and waste disposal, as well as the improvement of occupational health and safety.

Important manufacturing processes

Energy-intensive processes at dorma+kaba are melting, and aluminum and zinc die casting. These are used in the production of hotel and high-security locks, door closers, fittings and door handles. dorma+kaba strives to continuously improve the energy efficiency for these processes by means of targeted measures.

Water consumption, effluents and waste management, as well as occupational health and safety are of key importance during the electroplating, surface finishing, as well as painting processes. Filter systems ensure that potentially hazardous substances are not released externally. Toxic waste arising from painting and electroplating are disposed of as special waste. dorma+kaba adheres to all national regulations for waste disposal and all occupational health and safety standards.

To a large extent, scraps from turning and milling or punching are recycled, and are, for example, returned to the suppliers of the raw materials.

Critical processes are conducted at 19 of the 35 locations covered in this report. Around half of these locations have an ISO-14001-certified environmental management system, two have an OHSAS 18001 occupational health and safety management system certification.


Global and local processes

Protecting the environment and the efficient use of resources are embedded in the corporate strategy and binding for the entire dorma+kaba Group. Environmental management is embedded both at Group level, as well as in local processes at the various locations. National laws and regulations must be adhered to at all locations. Further to this, environmental protection is a component of the dorma+kaba Code of Conduct, which is binding for all employees. The Code of Conduct came into force on 1 July 2016 and replaces the Codes of Conduct of the two predecessor companies prior to the merger.

Most environmental management processes and programs at former Dorma and former Kaba were organized locally at the individual location level. This makes it possible to adjust location-specific needs in terms of waste and effluents management, energy consumption, and occupational safety to the specific manufacturing processes. At the production site in Ennepetal (Germany), a combined heat and power plant was installed for the drying process of the painting facility, because this allows for the constant 60 degrees Celsius required to be achieved in a more energy-efficient manner. In Vittorio Veneto (Italy), where electroplating processes play an important role, the occupational safety management system was successfully introduced and certified according to OHSAS 18001 in the last financial year. dorma+kaba's production site in Taishan (China), which is by far the company's biggest site, and where zinc die casting, painting and electroplating processes are conducted, is ISO-14001-certified.

A number of locations work with environmental officers, in others, environmental management is part of quality assurance processes.

Local processes will continue to play a key role in the future, because this makes it possible to take into account the specific requirements of each location. Further to this, with the merger of Dorma and Kaba to form dorma+kaba Group, new structures were created that reflect the importance of these responsibilities. The new operating model includes the role of a Chief Manufacturing Officer (CMO), who is a member of the Executive Committee and reports directly to the CEO. The CMO is responsible for optimizing the dorma+kaba value and supply chains across the entire organization, and is the sponsor for sustainability in the Executive Committee. The CMO's team is currently developing a manufacturing directive, which among other things, will set out which dorma+kaba production sites should introduce an environmental management system according to ISO 14001.

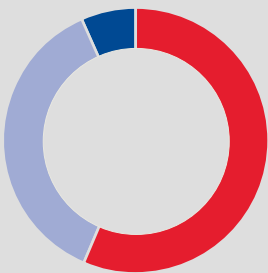


Anodizing of aluminum fittings at the dorma+kaba production site in Velbert (Germany), which is ISO-14001-certified.

Facts and figures

dorma + kaba continuously implements Group-wide energy saving initiatives in order to improve energy efficiency and reduce its greenhouse gas emissions.

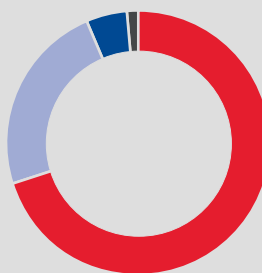
Energy consumption
(in MWh)



- 101,060 Electricity
- 65,840 On-site fuel for heating or manufacturing (incl. district heating)
- 11,477 Vehicle fuels

The total energy consumption was 178,000 MWh in financial year 2015/2016. More than 90% of this consumption was attributed to electricity and fuels. This is where we focused our energy saving initiatives on in the last financial year. They were implemented at various production sites and included adjustments to building technology (climate control and lighting), in addition to the optimization of production ("Lean Production"), and technical processes (air compressors and compressed-air supply). Roughly a third of our production sites have established environmental management systems which are mostly certified in accordance with the internationally recognized ISO 14001 standard. The introduction of energy management systems (e.g. ISO 50001) is also increasingly gaining importance for dorma+kaba. In this context, efficiency measures are identified and implemented and the continuous improvement of environmental performance is addressed.

Greenhouse gas emissions by source
(in tCO₂e)



- 42,915 Electricity
- 14,323 On-site fuel for heating or manufacturing (incl. district heating)
- 3,035 Vehicle fuels
- 820 Refrigerant and process emissions

In financial year 2015/2016, greenhouse gas emissions amounted to approximately 61,000 tons of CO₂ equivalent (tCO₂e). dorma+kaba's largest source of emissions is electricity consumption followed by heating and vehicle fuels. In addition to the implemented energy saving measures, the sourcing of green electricity contributed to the reduction of CO₂ emissions. This resulted in total savings of 7,200 tCO₂e (12% of total emissions) in financial year 2015/2016.

Energy consumption and greenhouse gas emissions

Electricity and fuel usage play a crucial role in dorma+kaba's operations due to the processes involved. Many of the components used in its end products are manufactured in-house, in addition to further processing of bought-in parts. Some of the commodities such as nickel silver are also produced on-site, which adds to energy demand.

Total quantifiable energy savings in the amount of 285 MWh were achieved in financial year 2015/2016. This was mainly attributed to lower electricity consumption which led to a reduction of GHG emissions by 171 tCO₂e.

in MWh	2015/2016
Energy consumption	178,377
Electricity	101,060
District heating	2,990
Heating fuels total	62,850
Heating oil (incl. kerosene)	12,128
Natural gas	48,647
LPG/propane	2,075
Vehicle fuels total	11,477
Diesel	9,767
Gasoline	1,294
LPG/propane	416

in tCO ₂ e ¹⁾	2015/2016
Greenhouse gas emissions	61,092
Direct greenhouse gas emissions (Scope 1)²⁾	17,514
Heating fuels	13,659
Vehicle fuels	3,035
Volatile emissions (e.g. refrigerants)	636
Process emissions (e.g. welding processes)	184
Indirect greenhouse gas emissions (Scope 2)³⁾	43,579
Electricity ⁴⁾	42,915
District heating	664

1) Greenhouse gas inventory calculated in accordance with the WIR/WBCSD Greenhouse Gas Protocol
 2) Scope 1: direct greenhouse gas emissions from sources owned or controlled by dorma+kaba
 3) Scope 2: indirect greenhouse gas emissions from sources owned or controlled by another entity, as a consequence of dorma+kaba's activities
 4) 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. When reported according to the "location-based approach," the emissions totaled 50,945 tCO₂e.

Water

Most of the water consumed by dorma+kaba's operations is drawn from municipal water supplies and is primarily used for cooling, processes (e.g. electroplating) and sanitation. Wastewater is discharged in compliance with the local requirements and is treated by specialized third-party companies where necessary.

in m ³	2015/2016
Water consumption¹⁾	815,306
Municipal water supplies (tap water)	728,478
Groundwater (drawn directly from well)	86,233
Surface water (drawn directly from rivers, lakes, wetlands, etc.)	595
Wastewater discharge¹⁾	815,438
Municipal sewerage system	217,448
Disposal to water bodies	557,858
Treated by third party	40,132

1) Water consumption and wastewater data does not include the Tocancipá (Colombia) site due to a lack of reliable figures in the 2015/2016 reporting period.

Waste

An inherent aspect of dorma+kaba's production processes is the generation of different wastes. For each waste type, a specific treatment method is applied. Approximately 78% of the waste stream is recycled, reused or recovered (including raw materials and energy recovery).

in metric tons	2015/2016
Waste	15,027
Reuse (e.g. pallets)	1,077
Recycling (e.g. scrap metal, plastics, cardboard)	11,503
Recovery, including energy recovery	240
Landfill	1,124
Incineration	766
On-site storage	22
Other (e.g. non-hazardous process waste)	295
Special waste	2,400
Recycling (e.g. metallic waste, batteries, acid, oils)	718
Landfill	209
Incineration	759
On-site storage	35
Other ¹⁾	678

1) Process water residue (e.g. oil-water mixture, lye, concentrate containing metallic salts, sludge) for safe disposal (incl. recovery of raw materials)

Society

Management approaches

Material aspects:

- Compliance
- Anti-corruption
- Anti-competitive behavior
- Human rights assessment

We as dorma+kaba are part of society and our actions have implications for our environment. As a company, we therefore abide by the rules – both those dictated by law and those we set for ourselves. Coherent compliance processes at all locations and in all markets are important to us and are part of dorma+kaba's philosophy.

dorma+kaba operates in over 50 countries around the world and adheres to the applicable laws in all of its business activities. dorma+kaba has a very strong market position in a number of countries. As part of its business dealings, the company also participates in a variety of customer projects. This requires increased responsibilities in the areas of corruption and bribery, competition and antitrust laws, as well as human rights.

In order to live up to its responsibilities in these areas, dorma+kaba has developed measures and processes to both ensure the responsibilities are met and for prevention. These measures and processes are continuously developed and improved. The company sets internally binding rules in the form of a Group-wide Code of Conduct, as well as directives. These form an important foundation for the sustainable financial success of dorma+kaba globally.

dorma+kaba's first joint Code of Conduct came into force at the beginning of the new financial year, on 1 July 2016. This Code of Conduct sets a series of standards for dealings with people both within and outside the company. In addition to the above-mentioned issues, the Code of Conduct also governs other areas such as equal opportunities, forced and child labor, and environmental protection.

Over the next few months, the Code of Conduct will be made available in various languages to all dorma+kaba employees around the world. Training relating to both the Code of Conduct in general, and the individual topics will be rolled out gradually over the coming months. An e-Learning platform, which is currently in the planning phase, will support these efforts. In the future, it will also be possible for employees to use this platform for other compliance-related issues. If employees have suspicions about violations of the Code of Conduct, they can contact the dorma+kaba Compliance Officer.

Due to the relevance of corruption and bribery, a directive that governs these issues will be introduced in addition to the Code of Conduct over the coming months. Further to minimum standards such as the four eyes principle, training sessions were held during the last financial year to sharpen employee awareness about corruption and bribery.

During the last financial year, over 20 audits were conducted within the Group, none of which identified human rights violations. Also, there were no reports by the local Human Resource representatives to Group Compliance of human rights violations.

dorma + kaba

Supply chain

dorma+kaba pursues a comprehensive and consistent procurement policy. Adhering to high standards in this area is important to us, we ensure that these standards are met through supplier evaluations and the norms established in the Group-wide Code of Conduct.



The casting process for the production of aluminum fittings, dorma+kaba's production site in Velbert (Germany).

dorma+kaba's global purchasing volume corresponds to approximately 50% of total sales. The procurement policy is therefore of high strategic relevance at all levels of the decision-making process.

As a manufacturer of products for everything relating to secure access to buildings and rooms, material groups used in the manufacturing process play an important role at dorma+kaba. Some of the biggest procurement items include raw materials such as brass, zinc, aluminum, nickel silver and high-alloy special steels, as well as glass, mechanical and electronic components and goods for resale of all types. Indirect expenditures consist predominantly of capital goods and services.

Specific to the industry is that standard production tends to take place in low-cost countries, while final assembly and customization, are usually carried out in high-cost countries. In order to remain competitive, this shift also occurs at dorma+kaba. This applies in particular for mechanical components, such as mechanical door closers or fittings, as well as products and solutions that are not produced according to specific customer requests. In contrast, final assembly of customized products takes place close to the market, at the well-established dorma+kaba locations, which generally feature a high level of automation.

Procurement strategy

dorma+kaba's procurement strategy is based on a detailed analysis of all expenditures, whereby goods and services are categorized into material groups according to their characteristics. By means of this analysis, all consumers and quantities as well as the complete supplier portfolio are identified and then classified into either global, regional or local material groups.

The components used in a door closer produced by dorma+kaba, for example, set extremely high standards for steel grades, which limits the number of potential suppliers. As a result, dorma+kaba's steel procurement is to a large extent centralized. Nickel silver – an important component of key blanks – is predominantly supplied in Europe. For aluminum, glass or mechanical components, dorma+kaba tends to source regionally.

Supplier management

Post-merger, dorma+kaba now has approximately 20,000 active suppliers. This high number is due to the fact that there is only limited overlap in terms of the supplier bases of the former Dorma and the former Kaba. This figure will be reduced in the coming years.

There is a multistep process for the approval of suppliers that is closely aligned with the standards in the automotive industry. In addition, suppliers are evaluated and also audited at regular intervals.

Acceptance of the dorma+kaba Code of Conduct is a prerequisite for all tenders and award decisions. The Code also governs issues such as human rights, child labor, equal opportunities and environmental protection.

People

Management approaches

Material aspects:

- Employment
- Diversity and equal opportunity
- Occupational health and safety
- Training and education

Our employees are the driving force behind the success of dorma+kaba. Through their expertise and commitment, they embody the dormakaba brand and culture and fill it with life. Because our employees are an important success factor, we create a working environment that allows them to contribute according to their individual strengths.

When Dorma and Kaba merged to form dorma+kaba, the number of employees doubled instantly. This has presented Group-wide Human Resources management with new challenges. Employees are our priority, and are ambassadors for the new dormakaba brand and culture. Innovation and engineering skills have a long tradition in both companies. On the path to achieving our strategic goal of innovation leadership in the industry, internal and external training and development, balanced position and succession planning, and the successful recruitment of skilled employees are key to meeting customer needs and taking advantage of technological trends. A further prerequisite is safeguarding diversity and equal opportunities, as well as guaranteeing high standards of occupational health and safety.

In order to meet these standards, dorma+kaba's Human Resources management is organized globally – in addition to Group HR, there are HR professionals at the segment level and local HR representatives in the markets. Working closely together is of vital importance in a global organization. Group HR therefore identifies the needs of local HR representatives and bundles strategic issues. These are then customized and implemented in the segments and regions according to the requirements and conditions in the local markets. In addition to this, the local HR representatives also develop and implement individual initiatives and programs suited to the needs of their local employees, in order to react to the different local customers and markets as best possible.

Service technicians from the former Dorma and the former Kaba shake hands. Group HR supports employees using tailor-made measures to ensure a successful change process.



dorma+kaba places great importance on supporting employees during the change process arising from the current post-merger integration process: two representative surveys of around 2,000 employees and standardized interviews with individual employees from all areas of the company have been conducted since the start of the merger with the aim of measuring the pulse of the organization. The results indicate that employees feel very connected with dorma+kaba. At the same time, however, there is still some uncertainty in parts of the company with regard to which specific changes will arise for individual employees as a result of the merger. We are addressing these uncertainties during the change process as best as possible, with targeted communication about the changes that are taking place. We also offer training that sharpens awareness for the challenges that come up during change processes and provide opportunities for constructively and successfully dealing with them.

Because the integration process is still ongoing, many of the training and development programs and measures are currently being adjusted. In areas where similar qualification needs exist, we are already developing joint programs and rolling these out company-wide, always with the same standards of quality. During the last financial year, the focus of these programs was change management.

Programs that help recruit future specialists and managers from within our own company and thus make an important contribution to succession planning, will be resumed in the next few years, and further developed based on the experiences of the two previously separate companies.

Employee health and safety is very important to dorma+kaba, and the company strives to create a corresponding work and business environment. Occupational health and safety is therefore guaranteed at all locations, with national regulations serving as the minimum standard. Further to this, dorma+kaba has

location-specific systems in place, for example designated safety personnel, safety committees, regular training and collaboration with external partners to ensure that health and safety standards are aligned with the prevailing production processes.

As a global company, respect and mutual trust across all levels of the organization are the foundation of cooperative teamwork. The diversity of dorma+kaba's employees is an integral part of its corporate culture and an asset that is worth protecting. It is important to the company that its employees reflect the different markets that dorma+kaba operates in. Personal and professional talents and cultural diversity are therefore consciously linked. This is reflected, for example, by our Senior Management, which includes people from around 20 different countries. The Group-wide Code of Conduct defines the principles of collaboration, which are binding for all employees. It is the declared aim of dorma+kaba to avoid discrimination for reasons of age, gender, race or color of skin, nationality, social or ethnic origin, language, sexual orientation, marital status, religion, state of health or disability or any other legally protected status under local law. For example, during the construction of the new logistics center in Chennai, India, in the last financial year, special attention was paid to barrier-free mobility.

If employees have suspicions about violations of the Code of Conduct, they can contact the dorma+kaba Compliance Officer.

Facts and figures

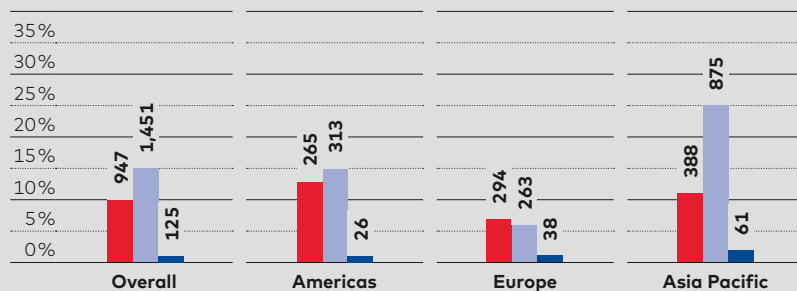
Fostering a team of capable and committed employees is key to corporate success. Therefore, dorma+kaba maintains an inclusive work environment that supports professional growth and promotes diversity in the workforce.

Fluctuation

dorma+kaba is a dynamic company. In financial year 2015/2016 of the employees covered in this report, 1,451 left the company and 947 joined which corresponds with rates of 15% and 10% respectively. Employee fluctuation in the Asian region is higher than in the Americas and in Europe. The reduction of 450 jobs in Asia in financial year 2015/2016 is attributed to discontinuing the manufacturing of some unprofitable products in China. In Europe, dorma+kaba has an employee turnover rate of 6%. Employees aged under 30 years have a higher joining and leaving rate compared to the other age groups. This is consistent across all regions.

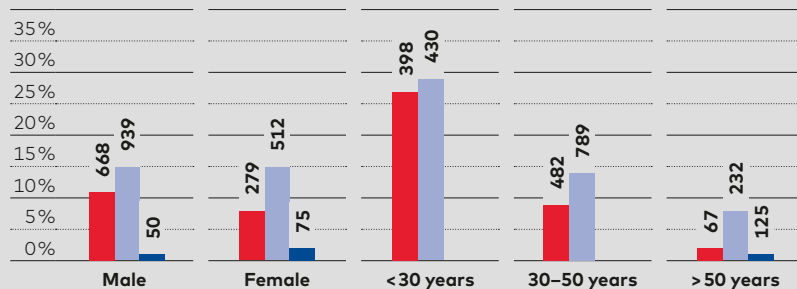
Fluctuation by region

(in percent and headcount)



Fluctuation by gender and age group

(in percent and headcount)



■ Joining
 ■ Leaving (excl. retirement)
 ■ Retirement

Data source: dorma+kaba employs around 16,000 people in more than 50 countries worldwide. This report is based on data collected from 35 key production sites, representing 60% (9,691) of Group employees.

Type of employment

The majority of personnel in the current scope of data, representing 9,691 of dorma+kaba's employees, work as full-time employees and roughly 4% have part-time engagements. Within the scope of data, we developed more than 300 apprentices, trainees and interns during financial year 2015/2016. Approximately 47% of the employees included in the data sample were unionized or covered by collective bargaining agreements.

Workforce composition*

Headcount	Total	Male	Female
Employees by region	9,691	6,236	3,455
Americas	2,099	1,271	828
Europe	4,360	3,116	1,244
Asia Pacific	3,232	1,849	1,383
Employees by employment contract	9,691	6,236	3,455
Indefinite/permanent	9,495	6,092	3,403
Fixed term/temporary	196	144	52
Permanent employees	9,495	6,092	3,403
Full-time	9,106	6,031	3,075
Part-time	389	61	328

* without apprentices, trainees, interns and contract workers

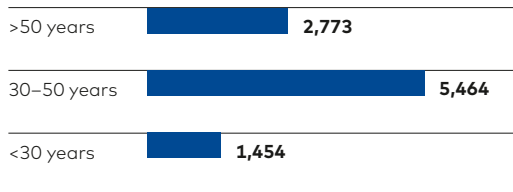
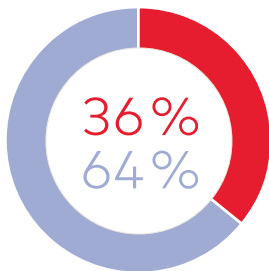
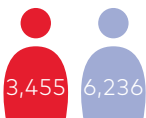
Diversity

dorma+kaba is active worldwide and represented by a global and culturally diverse workforce. As a technology-oriented company, dorma+kaba is proud to have a significant percentage (36%) of female employees in this scope of data.

The age distribution shows that the majority of employees (56%) in this data sample are between 30 and 50 years old. dorma+kaba benefits from having an experienced workforce and therefore provides its employees with long-term professional growth opportunities.

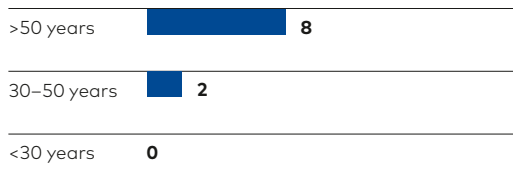
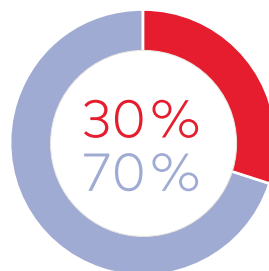
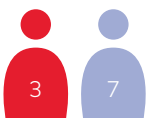
Employees

36% female
64% male



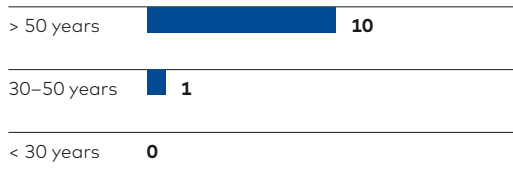
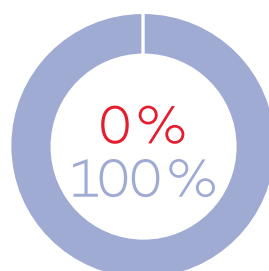
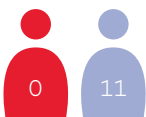
Board of Directors

30% female
70% male



Executive Committee

0% female
100% male



Support in a period of change

In coordination with the business, Group HR is developing targeted change management measures aimed at supporting employees during the post-merger integration process. Training sessions help line managers and their teams to improve their skills in dealing with change in order to ensure the change process is a success.



Consciously addressing one's own reactions to change: participants at a Change Leadership training during a warm-up exercise.

dorma+kaba is supporting its employees on the path to becoming part of a combined company through a series of change management activities. Change management means communicating in a timely manner and as comprehensively as possible, and it also means preparing employees for their new tasks and roles, involving them in the development of new processes at an early stage, and responding sensitively and openly to feedback.

It is against this backdrop that Group HR, together with the Integration Management Office (IMO), which is responsible for and supports the company's integration process, developed a change management plan at the beginning of the merger process. In order to ensure that change management is embedded throughout the entire organization and that local needs are also taken into consideration, each segment subsequently developed a tailored change management plan.

An extensive range of measures

In addition to town hall meetings held at all major locations, internal employee development packages were developed. The aim of these packages is primarily to help line managers, who as a result of the merger have been entrusted with new responsibilities and teams, prepare for their new roles in the company.

Two management conferences were held during the last financial year, which saw the top 100 managers come together as a collective management team. Subjects such as ambition, mission, corporate values, strategy and brand, as well as

the implementation thereof, were addressed at these events. They represent an important step on the path to building a shared culture.

Further to this, e-Learnings are available to all employees with computer access. They can use this training to acquaint themselves with the combined product portfolio, for example, or to get more detailed information about the new operating model. Employees have been asked to provide their opinions on several occasions in order to gain an understanding of how they are reacting to the changes. Two tools are being used: The first is a so-called Pulse Check, which is an anonymous survey to which a random sample of around 2,000 employees were invited. This survey has already been conducted twice since the merger. The second is the IMO's monthly change risk assessment. The process is well underway: "The change process shows that Dorma and Kaba are a good cultural fit. But there is, of course, always room for improvement. It is therefore our goal to pass information on faster and more precisely," explains Bernd Süßmuth, Senior Manager Group HR Development, who is accompanying the change management process.

Change Competition and Change Leadership

Another priority for dorma+kaba is to offer a training that allows managers and their teams to consciously deal with change. In the so-called Change Competition, participants compete against each other in teams, role-play and address the effects of change on individuals and groups by participating in contests.

At the Change Leadership training – a follow-up to the Change Competition training – managers and project managers learn how to successfully implement change projects. Participants appreciate that they can work using examples from their own projects, and that they gain tools they can put into practice. "As project managers, developing and implementing projects against the background of the merger presents us with new challenges. That's why I found it very helpful that the Change Leadership training gives us practical tools to deal with this," says Raymond Fontao, Global Integration Leader at dorma+kaba.

A few questions to Mirja Becker

Mirja Becker,
Senior Vice President
Group HR,
dorma + kaba Group



What is particularly important to dorma+kaba in terms of change management?

A comprehensive portfolio of change management measures is key. Because every situation is different, there is no one measure that will solve every problem. The challenges differ from country to country and team to team, be it a team receiving a new line manager or working with colleagues with a different cultural background. That's why the first thing we have to find out is always where the specific challenge lies so that we can then set the appropriate measure in motion.

Employees often initially experience feelings of uncertainty when it comes to a merger. How does dorma+kaba deal with this?

We are in an ongoing process of change. This is also the case for us at Group HR: we don't have answers ready yet for all the questions employees come to us with. So at the moment, we can't state in each individual case what the change will signify for each employee. But what we can do, and what we are doing at dorma+kaba is: we can create certainty with regard to processes. In other words, we communicate the time lines and openly provide information about the next steps. This gives employees more clarity.

What is the current highlight in change management?

With the start of the new financial year, we also gave the green light for "Activate dorma+kaba." This is the name of the process through which we are introducing our ambition, mission, values, strategy and brand to the organization. We use a lot of tangible metaphors to convey content vividly. "Activate dorma+kaba" is a real highlight for us because it allows all employees to familiarize themselves with the goals and content that were developed in the last year for dorma+kaba in an in-depth and structured manner: what does the new strategy mean for me, my work and my team, and how do I contribute to it personally? What is behind our values? What does our brand stand for and how can my behavior make me a brand ambassador?

Customers and products

Management approach

Material aspects: • Product and service labeling

dorma+kaba offers products, solutions and services for everything relating to secure access to buildings and rooms. Airports, hotels, office buildings, residential buildings, museums or administration buildings: dorma+kaba can be found in both private as well as public spaces. In order to create added value for our customers, our priorities are functionality, innovation, design, durability and quality.

The merger of Dorma and Kaba to form dorma+kaba enables the company to provide solutions for everything relating to doors and to secure access to buildings and rooms from a single source. Our objective of creating high-quality products that provide added value for our customers remains unchanged. This lies at the heart of the success of dorma+kaba. Among other aspects, innovation, outstanding design and good service play a key role.

An example is exivo – a web-based access solution for small and medium-sized businesses which was one of the products introduced during the last financial year. exivo is an easy-to-implement access system that allows to assign access rights dynamically. With exivo, dorma+kaba has taken on a pioneering role in its market in terms of the Internet of Things, and is developing from a manufacturer of products to a digital services provider (access as a service). Pilot installations are currently underway in two countries.

Further to this, dorma+kaba's high standards for good design have been underlined by a number of design awards. The Matrix Air product series in the area of electronic access control, for example, received the Good Design Award from the Chicago Athenaeum Museum of Architecture and Design, and the Ogro door handles received the Interior Innovation Award at the imm cologne international interiors show.

Kaba 360° is an innovative sales tool that enables customers to enter into a virtual building and observe the dorma+kaba products installed there from the perspective of a user.

Customers also benefit from the durability of dorma+kaba solutions, which is highlighted in the example of the Electronic Access&Data (EAD) family of products on pages 22–23.

Marking products and services

In order to fulfill the requirements in the public and private domains, dorma+kaba products must meet very high standards of security, transparency and quality. To meet these prerequisites, dorma+kaba marks its products according to the applicable standards and customer needs. Product management is responsible for this in close consultation with product development. Internal, and if required also external, product quality assurance ensure that products have all the necessary markings. Public buildings in particular must meet high standards in terms of the health and safety of the people using these buildings. dorma+kaba meets these prerequisites with product certifications according to internationally recognized standards. dorma+kaba's range of doors meets all the safety requirements for automatic door systems and thus is DIN-18650-certified. One part of the portfolio of door closers meets the DIN 18040 standards for barrier-free construction in public buildings.

dorma+kaba has also developed environmental product declarations (EPDs) for a segment of its product portfolio. Read more on pages 24–25.

Customers

Distribution partners are one of dorma+kaba's customer segments. In a number of market organizations, these customers receive support through partner programs. This support includes product training and the possibility of providing direct feedback at special partner forums. The partner programs are designed by broad-based teams from Sales, Marketing, IT and Services, and are managed by Marketing. In certain markets, for example Germany, the process for combining the partner programs of the former Dorma and Kaba was already initiated during the last financial year.

In addition, dorma+kaba conducts customer satisfaction surveys in a number of its big regional market organizations every one to two years – in written form, at trade shows or in the form of online surveys. The survey results are used to improve services and product portfolios.

Dialogue with customers during the current post-merger integration process

Generating added value for customers is one of the key objectives for the current post-merger integration process. During the last financial year, dorma+kaba launched a dialogue with customers in order to proactively identify the unaddressed questions and needs of customers and incorporated these as best possible into the current post-merger integration process. As part of this dialogue, around 200 customers from around the world were surveyed in personal discussions during the period under review. Attention was paid not only to taking into account customers from different product segments, but to also gather information regarding the interests of the end customers as well as the distribution partners. Against the backdrop of the merger, customers had the opportunity to provide detailed feedback on a number of areas, for example dorma+kaba's product portfolio, services and the new brand. Their feedback flowed directly into the reorganization of existing processes and the design of new processes, for example in the development of the new brand identity. The input received from this dialogue highlights that the majority of customers surveyed have a very positive view of the new dorma+kaba and see great potential for added value, in particular for the combined product portfolio.



Master Key Systems



Door Hardware



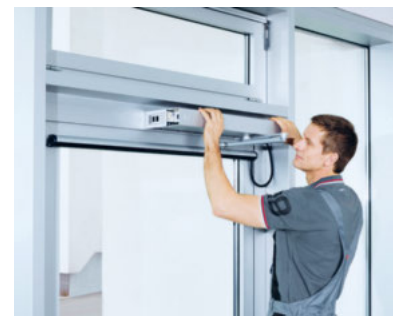
Interior Glass Systems



Lodging Systems



Safe Locks



Services



Entrance Systems



Electronic Access & Data



Movable Walls



Key Systems

Long-term solutions

preserve the environment

The environment and customers benefit equally from lasting solutions. The products in dorma+kaba's Electronic Access&Data (EAD) range are therefore being developed with particular attention to their durability and long-term viability.

At dorma+kaba, the global product cluster Electronic Access&Data (EAD) consists of products for everything relating to access control and time and data collection. The products are employed whenever companies are looking to grant reliable and secure access authorization to a range of different groups of people, such as employees, suppliers or cleaning staff – for example in office buildings, airports or hospitals. They can be combined with solutions for company data collection and time recording.

Both customers and the environment benefit from the fact that special attention is paid to the durability of the products in this product family during their development and manufacturing. Durability is not only achieved through the high-quality manufacturing of hardware such as electronic card readers, digital cylinders, electronic door fittings and multifunctional terminals. Also key is the durability of the synergies of the system as a whole: the different generations of products can be combined with each other and existing solutions can be continuously upgraded through the integration of new elements, and can thus be adjusted to the changing needs of the user. For example, if a time recording terminal needs to be replaced in an office building, the new terminal can be

easily integrated into the existing environment of the older terminal. The interaction between hardware and software plays an important role in this. When new software is being developed, the following applies: new software must also support old hardware or be able to operate directly on it. Therefore, an existing system does not normally have to be completely replaced. Instead, it can be updated over the course of many years and continually be expanded. Thanks to this compatibility, there are customers who have EAD solutions whose individual products range from 20 years to only a few months old.

The long life span of these solutions is also thanks to the way the individual products are manufactured. In addition to high-quality materials and components, strong focus is also placed on low energy consumption in order to keep thermal stress and strain on the components low, which protects both the products and the environment.

A few questions to Thomas Herling

Thomas Herling,
Global Business Owner EAD,
Senior Vice President
Access Solutions EMEA,
dorma + kaba Group



Global responsibility for product groups

The role of Global Business Owner (GBO) was created at dorma + kaba with the introduction of the new operating model. A total of eight GBOs have global responsibility for one specific product cluster of Access Solutions each, from the development of a product and its ensuing realization through to its introduction to the market. As part of their responsibilities, the GBOs focus on current customer needs and identify future needs.

To what extent do the dorma + kaba products and thus customers benefit from the new GBO role?

Thanks to my global responsibility for a product cluster, I am in a position as GBO to better align the products with the different market needs in the individual regions around the world, and vice versa, to better market existing solutions in the individual regions. This is positive for customers because the more successful we are at meeting their current and future needs, the longer they benefit from their dorma + kaba solution. By combining this with higher product compatibility and versatility, we achieve a truly sustainable solution.

In your opinion, what are the most important steps that still lie ahead for the EAD product cluster in terms of sustainability?

The most important step is the even greater prevention of waste, for example waste generated through the use of batteries or short-lived products. We have already reached a good level in terms of product life span. However, the current state of the energy harvesting technology, that is to say deriving energy from natural energy sources or through the use of the product itself, is not yet at a point where maintenance and battery-free products can be built in a size that would make it possible to use them in EAD products. However, at dorma + kaba we are working intensively on these issues and have, for example, been present in the market with battery-free solutions in the high-security locks segment for many years now.

What changes do sustainability considerations bring about in product management?

The EAD product cluster is a good example of this: sustainability requires taking a specific approach to the design of products and solutions, because among other things, particular attention is paid to the future use and thus the compatibility and versatility of products. The necessity for long term viability, however, also means that products must be available and repairable in the long term, and thus impacts the selection of components and the design of repair processes.

Rising sustainability standards

The importance of sustainability has risen steadily in the building industry in recent years. dorma+kaba is responding to this development with environmental and health product declarations for a number of its products.

In addition to quality, functionality and security, sustainability is becoming increasingly important in the building industry. Sustainable building certification systems such as Leadership in Energy and Environmental Design (LEED) or the German Sustainable Building Council (DGNB) have been established in response to this trend. Sustainability criteria, in particular for building products used in buildings, are therefore emerging. A part of dorma+kaba's product portfolio, such as door closers, automatic door systems, fittings and movable walls, is directly affected by these developments.

Increasing transparency

The disclosure of environmental impact and health risks linked to building products is at the center of this sustainability criterion. Environmental product declarations (EPDs) and health product declarations (HPDs) are therefore becoming increasingly important in the building industry. EPDs are a widespread industry standard, which are developed in accordance with the international ISO 14025, ISO 14040, ISO 14044 and EN 15804 norms and provide comprehensive information about environmental impact along the entire life cycle of a product.

dorma+kaba therefore started to develop EPDs and HPDs for a part of its core product portfolio, and has since been continuously expanding

their number. This enables dorma+kaba to provide professionals in the building industry such as planners, architects and builders with detailed ecological information including reliable facts, figures and data about the environmental impact of building products. "The sustainability performance of buildings is becoming more and more important in the building industry. With the help of EPDs we provide builders, planners and architects the transparency they need for building certification," emphasizes Melanie Schaumann, Manager Sustainable Projects, who is responsible among other things for the development of EPDs and HPDs at dorma+kaba.

In addition to this, dorma+kaba Group provides the market with HPDs that disclose the material components of a building product in detail. The primary focus here is the assessment of the impact of the materials on human health.

To ensure that all stakeholders have full access to EPD and HPD information at all times, dorma+kaba stores these in international databases.

A few questions to Melanie Schaumann

Melanie Schaumann,
Manager
Sustainable Projects,
dorma+kaba Group



Why does sustainability enjoy such high importance in the building industry?

The building sector is one of the biggest consumers of energy and raw materials throughout the entire life cycle of a building, and therefore has a significant influence on sustainability. Global initiatives in the building sector are now looking to promote investments in sustainable buildings, for example by developing building certification systems. As a result, we are seeing concrete criteria for product sustainability emerge in the market.

Which requirements arise for dorma+kaba's building products as a result?

A building is always the sum of the technologies, resources, materials and products used. Transparency is an important factor in this, because in addition to the raw materials and energies required to produce the materials and products, consumption levels throughout the life cycle of the property can also be determined. Transparency in this area also ensures that resources from buildings that will be demolished can in the future be reintroduced into the recycling cycle in a targeted manner.

How does dorma+kaba meet these requirements?

By providing EPDs for important product groups we are already supporting planners by creating transparency for our products. In the last financial year we also expanded our offering with further EPDs. We are currently focusing on developing EPDs for the international revolving door portfolio, which are available in fall 2016.

GRI content index



General standard disclosures

Content	Publication
Strategy and analysis	
G4-1 CEO statement	SR 2-3
Organizational profile	
G4-3 Name of the organization	SR 29
G4-4 Primary brands, products and services dorma+kaba is one of the top three companies in the global market for access and security solutions. The company is a single source for everything related to doors and secure access to buildings and rooms. Both Dorma and Kaba have pursued a consistent umbrella brand strategy with which they have become two of the best-known and valuable brands in their core markets – beyond their own industry. Alongside the Dorma and Kaba brands, the dorma+kaba Group's portfolio contains a number of other valuable brands for: Access Solutions: e.g. Farpointe Data, Madinoz, La Gard, Saflok Key Systems: Silca, Ilco, Advanced Diagnostics Movable Walls: Modernfold, Dorma Hüppe	
G4-5 Location of organization's headquarters	SR 29
G4-6 Number of countries where the organization operates dorma+kaba has subsidiaries in more than 50 countries and is present with local cooperation partners in over 130 countries.	
G4-7 Nature of ownership and legal form	SR 29, AR 64
G4-8 Markets served	SR 1
G4-9 Scale of the reporting organization dorma+kaba has a comprehensive portfolio of services in the area of access solutions to buildings and rooms (Access Solutions). The portfolio is structured into eight global product clusters: Door Hardware, Entrance Systems, Electronic Access&Data, Services, Master Key Systems, Lodging Systems, Safe Locks and Interior Glass Systems. Moreover, there are local products for Access Solutions offered in the various regions. In addition to Access Solutions, dorma+kaba offers a comprehensive portfolio of products in the area of Key Systems (Keys, Key Cutting Machines, Automotive Solutions and Movable Walls (Acoustical Movable Partitions, Glass Horizontal Sliding Walls).	SR 1, AR 4-5
G4-10 Employment	SR 16-17
G4-11 Coverage collective bargaining agreements	SR 17
G4-12 Organization's supply chain	SR 13
G4-13 Significant changes during the reporting period The merger of the Kaba Group and the Dorma Group, which was announced at the end of April 2015, was completed on 1 September 2015 with its entry in the relevant commercial register. During financial year 2015/2016 the existing organizational structures were transitioned in a structured integration process to the target organization.	
G4-14 Precautionary approach or principle dorma+kaba adheres to the precautionary principle as the foundation of sustainability. Negative effects on the environment and health should be averted in advance to the greatest extent possible by all employees in all business activities. dorma+kaba sets this out in its Group-wide Code of Conduct.	
G4-15 External charters, principles and initiatives	SR 2

Content	Publication	
G4-16	Memberships of organizations	
	dorma+kaba is a member of various industry associations and organizations. The focus thereby lies on organizations concerned with door hardware, the security industry, building, locks and fittings, as well as metal and glass hardware, with memberships varying across countries and markets. These memberships include: Swissmem (CH), European Locksmith Association, Security Industry Association (USA), The American Institute of Architects, ASIS, French Building Federation, Door and Hardware Federation (UK), Singapore Manufacturing Federation, German Sustainable Building Council.	
Identified material aspects and boundaries		
G4-17	Entities included	SR 5
G4-18	Process for defining the report content and aspect boundaries	SR 4
G4-19	Material aspects defined	SR 5
G4-20	Aspect boundary within the organization	SR 5
G4-21	Aspect boundaries outside the organization	SR 5
G4-22	Restatement of information	SR 4
G4-23	Significant changes	SR 4
Stakeholder engagement		
G4-24	List of stakeholder groups	SR 4
G4-25	Basis for identification and selection of stakeholders	SR 4
G4-26	Organization's approach to stakeholder engagement	SR 4
G4-27	Key topics	SR 4
Report profile		
G4-28	Reporting Period	
	Financial year 2015/2016, 1.7.2015–30.6.2016	
G4-29	Date of most recent previous report	
	This is the first dorma+kaba sustainability report. The former Kaba Group had published sustainability reports along the GRI Guidelines in the past, in financial years 2012/2013, 2013/2014 and 2014/2015.	
G4-30	Reporting cycle	
	Annual	
G4-31	Contact point	SR 29
G4-32	GRI content index	SR 26–29
	The report is "in accordance" with the GRI G4 guidelines – core option	
G4-33	Assurance	
	An external assurance for the Sustainability Report 2015/2016 was not performed. The compensation to the Board of Directors and the Executive Committee as well as the financial statements were audited by an external auditor.	
Governance		
G4-34	Governance structure of the organization	AR 66–72
Ethics and integrity		
G4-56	Organization's values, principles, standards and norms of behavior	SR 12–13
	dorma+kaba's brand promise is trust. The ambition, mission, values, strategy, Code of Conduct as well as a number of directives and guidelines form the foundation for honoring this promise both internally and externally.	

Specific standard disclosures

GRI reference	Content/reference	Page	Reasons for omission
Economy			
Disclosure on management approach economy		SR 7	
Economic performance			
G4-EC1	Economic value generated and distributed Donations and sponsoring contributions are not reported. Operating costs amount to CHF 1,163.8 million, the total economic value retained is CHF -136.0 million.	AR 4; 7	
Environment			
All disclosures on management approaches environment		SR 8-9	
Energy			
G4-EN3, G4-EN6	Energy consumption and energy reductions	SR 10-11	
Water			
G4-EN8	Total water withdrawal by source	SR 11	
Emissions			
G4-EN15- G4-EN16	Greenhouse gas emissions (scope 1 and 2)	SR 11	
Effluents and waste			
G4-EN22	Water discharge by quality and destination	SR 11	
G4-EN23	Waste by type and disposal method	SR 11	
Compliance			
G4-EN29	Monetary and non-monetary fines for non-compliance with environmental laws and regulations There were no such fines in financial year 2015/2016.		
Labor practices and decent work			
All disclosures on management approaches labor practices and decent work		SR 14-15	
Employment			
G4-LA1	Turnover	SR 16	
Occupational health and safety			
G4-LA6	Rate of injury, lost days, occupational diseases, absenteeism, work-related fatalities In financial year 2015/2016, 289 occupational injury cases were registered (3.0 per 100 full-time employees), 47 (2.2) in the USA, 28 (0.9) in Asia Pacific and 214 (5.0) in Europe. There were no fatalities.		There is currently no data available for lost day rate, absentee rate and breakdown by gender. A data retrieval system is being developed.
Training and education			
G4-LA10	Programs for skills management and lifelong learning In addition to Group-wide training and development programs offerings that are specifically tailored to local needs are also available. These include, for example, a range of vocational training and dual studies, language and project management courses and opportunities for job rotation. Further to this, personal development is fostered with the help of coaching or management training as needed. The company supports the professional qualification of employees and at many locations, contributes to the financing of external further training.	SR 14-15	
Diversity and equal opportunity			
G4-LA12	Breakdown of employee categories according to indicators of diversity	SR 17	

GRI reference	Content/reference	Page	Reasons for omission
Human rights			
Disclosure on management approach human rights		SR 12	
Human rights assessment			
G4-HR9	Number of operations subject to human rights reviews	SR 12	
Society			
All disclosures on management approaches society		SR 12	
Anti-corruption			
G4-SO4	Communication and trainings on anti-corruption In financial year 2015/2016, 70 employees were sensitized and trained on the issue of bribery and corruption. 50 of these employees were sensitized as part of an introduction day, and the other 20 during a special training session.	SR 12	
Anti-competitive behavior			
G4-SO7	Number of legal actions for anti-competitive behavior, anti-trust and monopoly practices There were no legal actions for anti-competitive behavior, anti-trust and monopoly practices in financial year 2015/2016.		
Compliance			
G4-SO8	Monetary fines and non-monetary sanctions for non-compliance with laws and regulations There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations in financial year 2015/2016.		
Product responsibility			
Disclosure on management approach product responsibility		SR 20-21	
Product and service labeling			
G4-PR5	Results of customer satisfaction surveys In the last financial year, customer satisfaction surveys were on the merger. In addition, further customer satisfaction surveys were also conducted in various markets within the usual scope.	SR 20-21	

SR = Sustainability Report 2015/2016
AR = Annual Report 2015/2016

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