

# 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 they 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. It is integrated into our online bidding system and is also part of our standard supplier contracts.

## Our activities

Our global supply chain is large and complex, which poses a challenge in this regard. Global procurement volumes with external vendors, excluding inventory, correspond to approximately 32% 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 21,000, with spend focused in Europe (45.7%), North America (27.4%), and Asia (22.6%).

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 by 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 by assessed suppliers**
- **have 90% of assessed suppliers with priority findings complete a sustainability training**
- **provide information regarding conflict minerals for high-risk suppliers.**

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 case 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. The latter refers to material compliance topics that are included in the European Union's REACH regulations and RoHS Directive. Suppliers over a certain procurement threshold were taken into consideration as part of the categorization work.

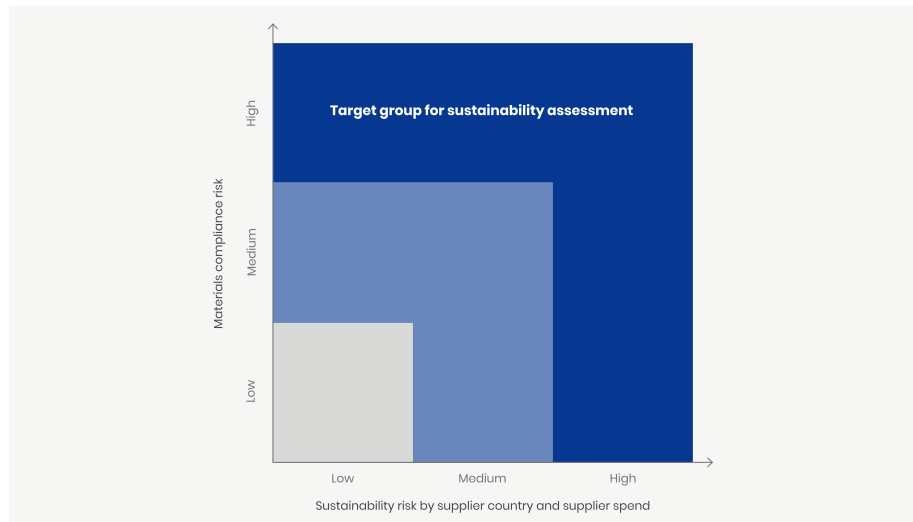
To determine sustainability risk factors on a country level, an impact assessment and hotspot analysis were used as a baseline. The hotspot analysis identified the following sustainability topics as being of highest relevance in the supply chain: (1) Energy and

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Supplier Code of Conduct

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Emissions; (2) Effluents and Waste; (3) Occupational Health and Safety; (4) Materials; (5) Training and Education; (6) Freedom of Association; (7) Human Rights. 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 approximately 10% (2,089) of our Tier 1 supplier base, both for direct (e.g. material goods) and indirect (e.g. services) spend.

#### Supplier categorization for sustainability assessment



#### Supplier off-site assessments

Since 2019, we have been working together with EcoVadis, a leading provider for 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).

We apply a comprehensive self-assessment for all potential new suppliers as part of the supplier qualification process. The self-assessment questions related to sustainability are regularly assessed and improved based on changes to our sustainability strategy and regulatory trends.

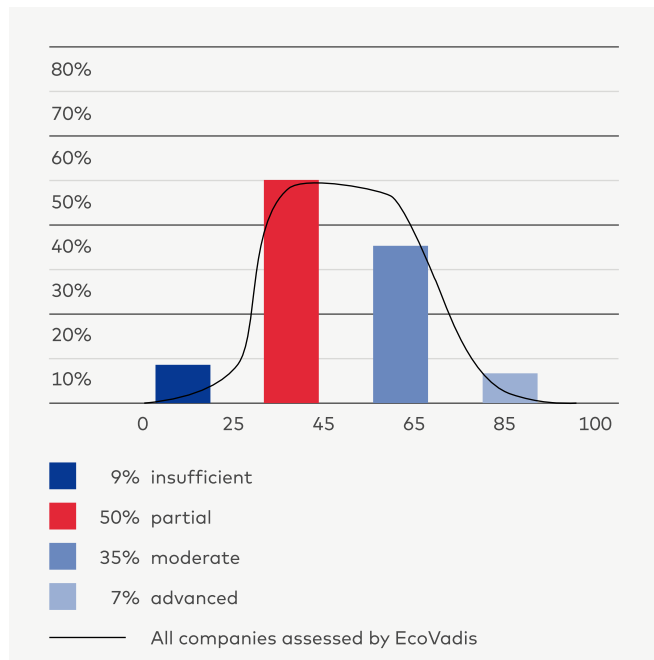
In FY 2021/22, we engaged over 400 high-risk suppliers and asked them to participate in the EcoVadis assessment. The positive participation rate was 28%. Of the 117 suppliers with a completed rating as at 30 June 2022, 33% achieved a bronze, silver, gold, or platinum rating by EcoVadis, considered as moderate or advanced performance. However, the majority of assessed suppliers (54%) had only partial performance, with an additional 14% considered to have insufficient performance.

Since the launch of our collaboration with EcoVadis, 18.7% of our high-risk suppliers have been assessed. Improvement plans for 234 suppliers were requested because of the assessment results and 52% of these were closed during this reporting year. Furthermore, six business relationships were terminated and two suppliers were blocked from new business.

We invited over **400 high-risk suppliers** from our Tier 1 group to participate in the EcoVadis assessment in FY 2021/22.



### Overall score distribution \*



\*All EcoVadis-rated dormakaba suppliers since 2019

### Supplier on-site audits

To examine our suppliers' situation on-site, we developed a standard audit questionnaire that contains topics related to quality management. Among these, sustainability topics such as internal Code of Conducts (CoCs), the dormakaba SCoC, and labor, health and safety, and environmental standards are checked. Auditors are asked to check documentation on-site related to:

- Workers' ages and identity records
- Receipt of wages
- Training and communication on internal CoCs
- Signature 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 2021/22, we conducted **on-site audits for 24 suppliers in China**. Regarding sustainability criteria, there were no findings of non-conformance. In addition, we have reassessed the audit criteria and now include mandatory on-site quality audits based on countries of high-risk for forced labor and for high-risk outsourced services. The Supplier Audit Checklist has also been updated with a more comprehensive sustainability and compliance section.

### Procedures in case of non-participation or non-compliance

We have procedures and process flows in place for auditing rules and corrective action plans in terms of the sustainability performance of suppliers. Since FY 2020/21, we have been integrating a sustainable development clause into contracts for new suppliers and for existing suppliers in the course of contract renewals. The so-called **Sustainability Supplementary Agreement** 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 signature. 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, further reassessments are required in three 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. 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.

Additionally, 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 Conducts, acceptance of sustainability assessments by providers other than EcoVadis, and monitoring and evaluation of suppliers listed as blocked or in active elimination due to sustainability performance.

#### **Sustainability trainings for procurement employees**

Our procurement employees have a core role in achieving our goals related to Supplier Sustainable Development. Their understanding of the sustainability aspect and the program with EcoVadis is key. Therefore, employees who are working together with suppliers, participate in training programs that prepare them for sustainability- and assessment-related conversations with the partners. In total, 34 colleagues were trained and 18 attended the virtual supplier onboarding meetings in FY 2021/22.

#### **Further activities**

In FY 2021/22, we continued to make significant progress in our supplier sustainability engagement strategy, for example by initiating virtual supplier onboarding meetings to improve the response rate in the EcoVadis Assessment Program. Furthermore, we have started working on the implementation of SAP Ariba, to automatize processes for supplier onboarding, development, and communication. Through this system, we will be able to collect and evaluate sustainability-related information of all suppliers. In case of ESG-related risks, we contact the suppliers to participate in our sustainability assessment and improvement process (in partnership with EcoVadis). This applies to all suppliers from high-risk countries and those that provide high-risk commodities, before registering on the platform. Furthermore, a more detailed sustainability questionnaire will be sent out to specific suppliers, for example regarding recycled content, conflict minerals, and various certifications. The platform will be launched at the end of 2022.

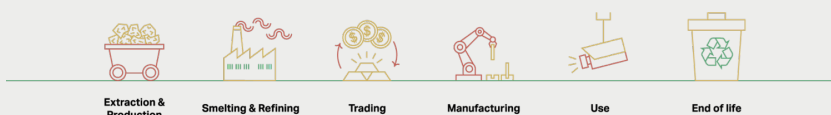
Lastly, we developed a **Sustainable Procurement Directive** that is currently under review for approval and will come into force in FY 2022/23. The policy includes basic regulations on contractual sustainability agreements, sustainable purchasing factors and criteria, requests for sustainability information, life cycle costing, supplier categorization for sustainability assessments, and procedures in case of non-participation or non-compliance.

### Improving transparency regarding conflict minerals in the supply chain

In FY 2020/21, we joined the Responsible Minerals Initiative, a well-respected multi-stakeholder organization evolving business practices to support responsible mineral production and sourcing globally, including but not limited to conflict-affected and high-risk areas. The information and tools we can access through the organization help us to improve transparency in our supply chain with regard to the use of materials, including conflict minerals.

Using their Conflict Minerals Reporting Template, we launched a US-wide campaign with more than 1,200 suppliers (excluding non-production suppliers and services) to provide relevant information to our customers to whom the aforementioned law might apply. As at 30 June 2022, around 60% of the contacted suppliers submitted Conflict Mineral Statements. Approximately 40% of the supplier responses indicated that no 3TGs (Tungsten, Tantalum, Tin, and Gold) were intentionally used in the delivered goods, 13% have a strong compliance program, and 6.6% have weak conflict mineral procedures.

In this financial year, more than 700 suppliers globally provided Conflict Minerals Reports upon our request.



Source of image: focusright Ltd., *Conflict Minerals - Q&A to support companies' due diligence*, January 2022 (Illustration by Natalia Gianinazzi, natalia-gianinazzi.ch)

### Outlook

During the next financial year, we will focus on developing processes that contribute to our target of improving the percentage of recycled content in our metal products. With regard to conflict minerals and supply chain transparency, we plan to establish a Conflict Minerals Directive based on the [OECD Due Diligence Framework](#).

And of course, we will continue to assess suppliers for their sustainability management through EcoVadis. We acknowledge that following up with suppliers, encouraging their participation in the assessment, and monitoring progress on corrective actions requires time and resources. This has proved a challenge in FY 2020/21. Therefore, we will also increase capacity internally by recruiting additional dedicated staff for supplier sustainability assessments for each business region. We strongly believe this increased focus will provide our business partners with better support and awareness and will result in better participation and improvement rates.

# Human Rights

dormakaba acknowledges the 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 as well as through their business relationships across value chains. This means demonstrating 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 inherent to all human beings, irrespective of nationality, place of residence, sex, national, or ethnic origin, color, religion, language or any other status. 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.

Our human rights commitment was published in FY 2019/20 in the form of the [dormakaba Statement of Commitment on Human Rights](#) and extends to all individuals throughout the value chain. It was developed based on a gap assessment, stakeholder consultations, and the salient issues identified (see details in the following section), and approved by our then Chairman and CEO. In prioritizing these salient issues, dormakaba recognizes 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 will therefore regularly re-assess salient issues and human rights risks based on internal and external stakeholder feedback and expert judgments.

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](#).

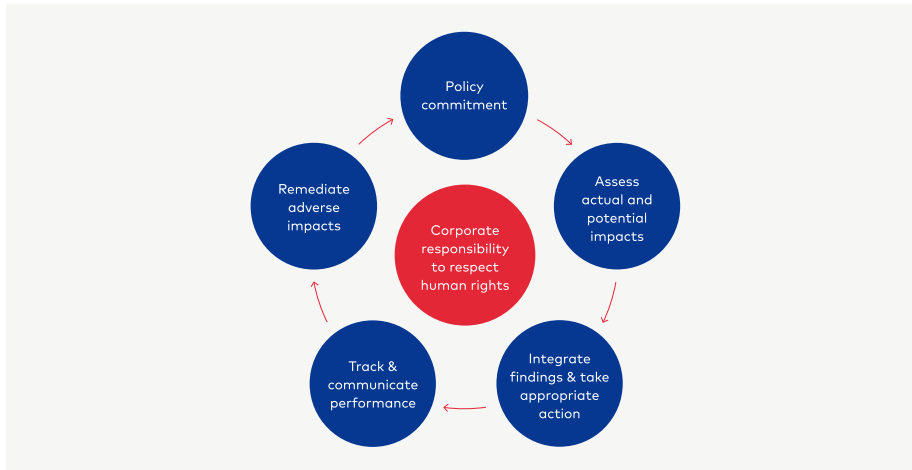
The commitment to human rights is further put into effect by the human rights-related sections in both the dormakaba [Code of Conduct](#) and the [Supplier Code of Conduct](#), which establish the company's expectations on human rights for employees and suppliers.

## 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 and exercise their fundamental human rights.

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

### Process of Human Rights Due Diligence (HRDD)



### Assessing 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 including human rights experts, customers, and suppliers, which generated a focused list of salient human rights issues for dormakaba and formed the basis for 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 by the scale, scope, and remediability of the potential human rights impacts on people.



## dormakaba Human Rights Saliency Matrix



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

Salient issue	Potential human rights impacts	Illustrative example in our value chain (not exhaustive)
<b>Child labor</b>	Rights on the protection of the child; Right to a family life; Right to an education	Child labor used for cobalt and mica mining.
<b>Contributing to conflict</b>	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.
<b>Customer safety</b>	Right to health	Door not stopping during operation and injuring someone, or not opening in case of fire and leading to a fatality.
<b>Environmental issues impacting human rights</b>	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.
<b>Migrant workers (forced labor)</b>	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.
<b>Outsourced services</b>	Right to health; Right to enjoy just and favorable conditions of work	Outsourced/subcontracted employees in plants facing health & safety risks (e.g., cleaning & security staff).
<b>Occupational health &amp; safety</b>	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. We have committed to **conducting one social audit per financial year by 2027**. The results of the social audit planned for FY 2021/22 are currently pending.

In order to achieve this, we leverage our membership with the [Responsible Labor Initiative](#) to work with local auditors to assess our operations based on the Responsible Business Alliance Code of Conduct. Previous audits revealed, for example, that migrant workers under employment had paid recruitment fees. However, under the Employer Pays Principle, the costs of recruitment should be borne not by the worker but by the employer.

### Integrate findings and take appropriate action

As a result of previous social audits, we have developed relevant mitigation measures, including:

- Development of service agreement templates for labor agents and labor contractors to better address freely chosen employment and responsible recruitment practices
- Requirements for pre-departure training for foreign migrant workers on recruitment fees and the dormakaba whistleblowing system
- Training requirements for a wider range of stakeholders on the dormakaba supplier assessment and engagement program

### Tracking and communicating performance

We commit to transparently reporting on the progress of our efforts in our annual sustainability report as well as to publicly accounting – through this report and our annual [Modern Slavery Statement](#) – 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 key performance indicators, monitoring the implementation of the human rights road map.

### Remediating adverse impacts

When adverse human rights impacts are uncovered due to our business activities or from links to our operations, we are committed to taking timely and transparent action to remediate 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.

In FY 2020/21, when it was discovered that recruitment fees were paid by foreign migrant workers in Malaysia in the past, we committed to fully reimbursing these fees dating back to those that had been paid even ten years ago. All foreign migrant workers were interviewed to collect information on recruitment fees paid and reimbursements have been made within the recommended time frame by the Responsible Labor Initiative.

### Access to grievance

The dormakaba whistleblowing system and tool have been evaluated by an external party for conformity to the effectiveness criteria for grievance mechanisms laid out by the UN Guiding Principles on Business and Human Rights, which were mostly met. A description of our reporting channels is included in the dormakaba Code of Conduct and a communication campaign was launched, including print media (poster campaign) for local implementation to reach production workers.

### Policy commitment

In addition to our Statement of Commitment on Human Rights, our **Responsible Labor Directive** and the specific **Zero Recruitment Fees Directive** lay out our policy commitments on human rights-relevant topics of labor conditions for our workforce. The 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.

dormakaba issues an annual [Modern Slavery Statement](#) pursuant to Section 54, Part 6 of the UK Modern Slavery Act 2015. The statement sets out the steps dormakaba has taken to ensure that slavery and human trafficking are not taking place in its supply chains or any part of the business.

## Our activities

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

- Ethical recruitment trainings
- Cobalt traceability
- Respecting the right to water

### Ethical recruitment trainings

Based on the tools and training modules developed by the Responsible Labor Initiative, we commit to **providing ethical recruitment trainings for our labor agents by 2027** 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. The aim of the trainings is to protect and reduce the risk of forced labor for migrant workers. Implementation is slated to begin in FY 2023/24.

### Cobalt traceability

We are aware that the mining of cobalt is often linked to human rights violations, including child labor, especially when sourced from the DRC region. 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. Therefore, it is our goal to **ensure supply chain traceability for minerals having high risk of child labor by 2027**.

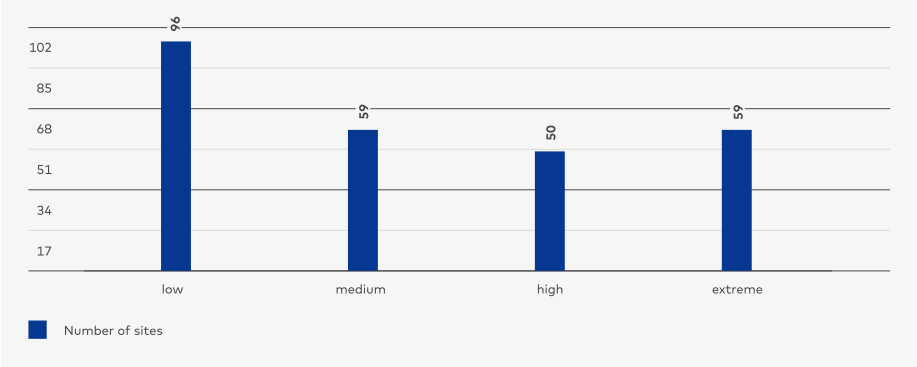
In the first (research) phase of our cobalt traceability work, we started consultations with human rights experts, and in partnership with the University of St. Gallen, we developed a study to gain deeper insight into tracing cobalt in fragmented supply chains related to the electronic components that we use in our products. The study assessed typical human rights risks, including child labor, as well as governance and traceability challenges.

The second phase started in FY 2020/21 with cobalt traceability dialogues with key suppliers. Our aim is to start conversations on human rights and environmental risks in joint upstream value chains and discuss opportunities for collaboration to meet increased legal and public expectations. We also want to gain a common understanding of sustainability engagements and learn more about the level of traceability of raw materials as well as delivered products. Based on a risk assessment, we invited suppliers from the electronics and copper supply chain to participate. As our copper suppliers are usually closer to the mining source, and since copper and cobalt have similar upstream supply chains, we expect deeper insights into the traceability of materials. The dialogues are ongoing.

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. In 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 stress level by sites\*



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

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

ESG Performance Table

Water stewardship program in Peru

To support the right to water in communities where we manufacture, we have set a target to **establish water stewardship programs in areas of high water scarcity, with no absolute increase in water consumption and reducing water intensity by 28% until 2027** (baseline 5,086 m<sup>3</sup> absolute consumption and 25.5 L/hours worked, in FY 2019/20).



Water treatment plant in Villa El Salvador (Peru)

In FY 2021/22, we implemented a water treatment plant at our site in Villa El Salvador (Peru) that collects and cleans water from the production process. The plant recovers 50% of the water, with projected savings of 1,472 m<sup>3</sup> water (during the period April 2022 – April 2023). We are focused on establishing another water treatment plant in Tocancipá (Columbia), and in order to do so, we are completing a feasibility study and evaluating the options for increasing the recovery rate to 100%.

Outlook

During the upcoming financial year, we will finalize the supplier dialogues on cobalt traceability, and based on these results we will develop practical recommendations for improving procurement processes for cobalt and potentially for other raw material value chains. In addition, we will start collecting the newly introduced Extended Mineral Reporting Template from relevant suppliers, which includes information on cobalt supply chain due diligence. We will implement any corrective actions resulting from the social audit of our

facility in Senai (Malaysia) and also conduct a further social audit of our manufacturing facility in Taishan (China).

The seven sites under the scope of our water stewardship targets have several initiatives planned, including employee awareness campaigns, water recycling for the fire system, implementation of drip irrigation systems, and water-saving faucets.



# Customer Health & Safety

Our vision is to make access in our customers' lives safe, secure, and sustainable. 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 endangering functional features – we ensure the safety of our customers and end users.

## Our activities

Public buildings must meet high standards in terms of public health & safety – this also applies to our built-in products and solutions. dormakaba meets these product and customer requirements with product certifications for internationally recognized standards such as the European Standard (EN), American National Standards Institute (ANSI), or the Deutsches Institut für Normung (DIN). 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.**

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, electromagnetic interference, and to reduce hazardous substances, as well as ensuring that emergency exits open following a power failure.

### Fire testing of the ED 250 door operator

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 during the whole test time.

The dormakaba ED 250 door operator with flat scan and IRS door sensors underwent a successful fire resistance test (EI60) for continued Certifire Certification in FY 2021/22. After the product was installed in the fire door, it was exposed to fire for 73 minutes without flames spreading to the non-exposed side of the wall. The fire test results define the requirements for dormakaba engineers when it comes to the installation aspect of the sensors and their wiring.



**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.

### Outstanding VOCs test result for Variflex

Studies show that about 90% of people's time is spent indoors in North America and Europe. Therefore, it is important to be aware of the health impacts that indoor air quality might have. Low Volatile Organic Compounds (VOCs) are useful indicators of indoor air quality, which is also a factor for building certification systems such as DGNB, LEED, and BREEAM.



In a recent emissions test by the eco-INSTITUT, the Variflex movable wall system by Dorma Hüppe was analyzed for its VOCs content. As a result of the 28-day test, the Variflex product showed only 0.021 mg/m<sup>3</sup> VOCs, while the maximum allowed reference value is 1 mg/m<sup>3</sup>, based on the AgBB (Committee for Health-related Evaluation of Building Products) guidance.

**Electrostatic discharges:** for various Electronic Access & Data products, we focus on product certification. For example, the dormakaba Wireless Gateway 90 42 is certified according to EN 55024, which tests for immunity in cases of electrostatic discharges, power surges and interruptions, or radio frequency interference. The product is also certified according to IEC 60950, which specifies requirements intended to reduce the risk of fire, electric shock, or injury to the service person, operator, or end user who may come into contact with the product.

**Emergency exits and escape routes:** automatic doors are subject to the highest safety demands, in accordance with EN 16005. To meet these demands, self-monitoring sensors are mandatory. Obstacle self-detection and automatic reversing are also included in many products. For example, the KTV ATRIUM revolving door systems feature a safety sensor system. Emergency exit and escape route doors are equipped with a redundant operator, an additional control unit for safety purposes, and a self-monitoring motion detector. Additionally, revolving doors require a safety risk assessment before installation, in accordance with DIN 18650. This is provided by us at the building site before a sale is made.

### Customer complaint process

In case of emerging risks and customer complaints, we have a Group-wide customer complaint process in place based on the principles of ease of access, solution-driven expertise, short response times, positivity, and focus on our value "Customer First".

The process follows five steps:

1. Acknowledge that the customer has an issue, ideally within 24 hours.
2. Assess the problem, prioritize, and find a solution driver.
3. Resolve the issue.
4. Respond in a timely manner, keeping the customer informed of the status.

5. Conclude with a proper follow-up to assess the customer's satisfaction and integrate lessons learned.
6. Regulatory compliance is at the top of the list of priorities for any product development leader and requires immediate action plans. An incident response plan is also put in place to enable direct access to the required resources.

### Key & Wall Solutions

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

The business unit Key Systems approaches customer health and safety as an element of its ISO 9001 certifications 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 on the web; 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.

In addition to the Group-wide customer complaint process, there is a further grievance mechanism operated by Quality Assurance managers. The management steps involved are: registering the complaint in the ticketing system, evaluation, problem analysis and corrective actions, verification, lessons learned, and closure. The effectiveness of the grievance mechanism is based on the number of open, accepted, refused, and closed complaints per fiscal year. Additionally, at least once a year, a management review assessment evaluates related KPIs and performance status.

### Raising awareness about the safe use and installation of our products

Besides certifications and maintaining our high-standard 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 trainings 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 for each product-related injury.**

#### Safety and maintenance training for hospital staff

We are providing door hardware products and special hermetic doors to the new Drammen Hospital in Norway, for example 3800 series levers, ED 250, TS 98 XEA,



Photo credit: Link Arkitekter, Ratio Arkitekter, Bølgeblikk, Helse Sør-Øst RHF

and mechanical key systems. As part of the product delivery, we have also started developing eLearning modules on the safe use of these doors and interlock solutions, to be shared with all hospital staff. Furthermore, we will deliver on-site trainings on maintenance - related topics to the technical staff and facility managers. The project will be finished in 2025.

Our performance

We internally and externally verify customer health and safety through various certification programs including ISO 9001, testing, and stakeholder feedback. In FY 2021/22, 55% of reporting sites achieved ISO 9001 certification.

In FY 2021/22, there have been no incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of products and services that have resulted in a fine, penalty, or written warning.

Outlook

We will continue our efforts to ensure customer health and safety in relation to the use of our products. Management of product safety has been very locally driven in the past, making the development of global processes a challenge. In FY 2022/23, a global sufficiency assessment on product safety trainings and information materials is planned to optimize our internal processes.

55% of our sites have achieved ISO 9001 certification

ESG Performance Table