



# Compensation Report

# General introduction

The Compensation Report describes the principles underlying the compensation policy and provides information about the steering process and the compensation awarded to the Board of Directors (BoD) and Executive Committee (EC) of dormakaba Holding AG. On 1 January 2023, the revised Swiss Company Law entered into force. Among other changes, the Ordinance against Excessive Compensation in Listed Stock Corporations was repealed and, with few changes, transferred to the new law. This Compensation Report meets the requirements of the revised Swiss Company Law, the SIX Swiss Exchange's Directive on Information relating to Corporate Governance, and economiesuisse's Swiss Code of Best Practice for Corporate Governance.

## Introductory notes from the Compensation Committee

The financial year 2022/23 was characterized by strong organic growth which was most pronounced in the Regions Americas and Europe & Africa, and the segment Key & Wall Solutions. Region Asia Pacific was still impacted by slower development in China due to Covid-related lockdowns and cash constraints affecting the construction industry. While supply chains recovered, inflationary pressure remained high in Europe and the US. However, dormakaba was able to balance these headwinds showing a sequential improvement in profitability over the year, especially from the first to the second half of the financial year.

dormakaba increased absolute net sales by 3.3% to CHF 2,848.8 million in 2022/23 (previous year: CHF 2,756.9 million); organic sales increased by 8.4%. The impact on sales growth from acquisitions and divestments was -0.5% and translation exchange effects were -4.0%. Absolute adjusted EBITDA increased by 3.4% to CHF 384.8 million (previous year: CHF 372.3 million), the adjusted EBITDA margin was at 13.5% (previous year: 13.5%). Net profit at CHF 88.5 million (previous year: CHF 38.8 million (restated)) was impacted by a change in goodwill accounting, as well as by expenses linked to strategy implementation including the conception of the transformation program announced on 3 July 2023. For more information, please refer to the Consolidated Financial Statements Chapter 5.1 "[Change in accounting principles and restatement of previous period](#)" section of this report.

The Nomination and Compensation Committee (NCC) performed its regular activities throughout the financial year, such as proposing compensation for the members of the BoD and EC, as well as the preparation of the Compensation Report and the binding say-on-pay votes at the Annual General Meeting (AGM).

In addition, as noted in the 2021/22 Compensation Report, during the reporting year the NCC implemented the following changes to the Compensation Architecture for EC members:

- Short-term incentive (STI): a target-based approach replaces the profit-share approach. Each EC member is assigned a target STI amount corresponding to the amount to be paid if all performance objectives are met. This target STI is multiplied by a performance factor between 0% and 200% based on the achievement of the pre-defined performance objectives. The performance objectives are predominantly of financial nature and are all clearly measurable.
- Long-term incentive (LTI): the LTI grant size is determined as a monetary amount based on the organizational level of the role instead of the former set of criteria.

In the reporting year, the NCC continued the review of the compensation programs for EC members to ensure that they best align with the strategic direction of the company in the context of the Shape4Growth strategy for the period 2022 to 2027 and consider shareholder's feedback based on a targeted engagement outreach in 2022. As from the financial year 2023/24, it is planned that the LTI compensation will include ESG-related targets to reflect the increasing importance of sustainability.

The STI and LTI programs are described in detail in the section "[Compensation Architecture for the EC](#)" of this Compensation Report, which also includes an introduction to the changes foreseen for the financial year 2023/24. Following the restructuring of STI and LTI, the disclosure of STI and LTI payout as well as the respective performance outcomes have been improved to increase the level of transparency.

At the upcoming AGM, our shareholders will be asked to prospectively approve the aggregate maximum amounts of compensation of the BoD for the period until the following AGM and of the EC for the financial year 2024/25. Further, our shareholders will have the opportunity to express their opinion about our compensation system and the compensation awarded to the BoD and to the EC by way of a consultative vote on the Compensation Report 2022/23 at the AGM 2023.

At the AGM 2022, binding votes were conducted on the aggregate maximum compensation amounts for the BoD and for the EC, as well as a consultative vote on the Compensation Report. The shareholders approved the maximum compensation amounts for the BoD with 91% (prior year: 97%) and the EC with 97% (prior year: 98%). The consultative vote on the Compensation Report received an approval rate of 94% (prior year: 87%). This positive voting outcome shows that the active dialogue with investors was fruitful and that shareholders endorse the compensation system in place at dormakaba. We would like to thank our shareholders for their trust and support.

Looking ahead, we will continue to maintain an open and regular dialogue with our shareholders and their representatives. We will also continue to assess and review our compensation programs regularly to ensure that they are fulfilling their purpose in the evolving context in which the company operates and are aligned with the interests of our shareholders.

# Compensation at a glance

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

## Summary of current compensation system of the BoD

### Basic Compensation p.a. (in CHF)

	BoD Chair	BoD Member
in cash	335,000	100,000
in restricted shares	300,000	90,000
<b>Total</b>	<b>635,000</b>	<b>190,000</b>

+

### Additional Compensation p.a. (in CHF)

	Committee Chair	Committee Member
Audit Committee	60,000	20,000
Nomination and Compensation committee	60,000	20,000

## Shareholding ownership guideline

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

## Compensation of the BoD in financial year 2022/23

The compensation awarded to the BoD in financial year 2022/23 is within the limits approved by the shareholders at the AGM:

Compensation period	Approved amount (CHF)	Effective amount (CHF)
AGM 2021 – AGM 2022	3,200,000	2,690,000
AGM 2022 – AGM 2023	3,200,000	To be determined*

\* The compensation period is not yet completed; a definitive assessment will be provided in the 2022/23 Compensation Report.

# Summary of current compensation system of the EC

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

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

## Variable compensation mechanisms

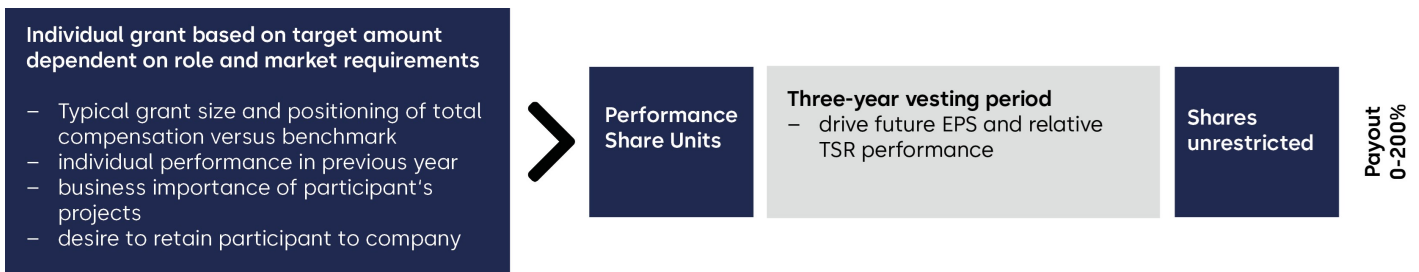
### Short-term incentive mechanism

As from financial year 2022/23, the target-based design replaces the profit-sharing scheme.

STI Target Amount	X	Payout Factor	=	STI Payout
Target amount determined based on individual role		Achievement against pre-determined objectives: Financial and Strategic, measurable KPIs		Minimum 0% Target achievement: 100% Cap: 200%

### Long-term incentive mechanism

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



## Shareholding ownership guideline

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

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

## Compensation of the EC in financial year 2022/23

The compensation awarded to the EC in financial year 2022/23 is within the limits approved by the shareholders at the 2021 AGM:

Compensation period	Approved amount (CHF)	Effective amount (CHF)
Financial year 2022/23	17,000,000	10,995,882

## Performance in financial year 2022/23

dormakaba increased absolute net sales by 3.3% to CHF 2,848.8 million and posted strong organic growth of 8.4% for financial year 2022/23. Absolute adjusted EBITDA increased by 3.4% and amounted to CHF 384.8 million (previous year: CHF 372.3 million). The adjusted EBITDA margin was at 13.5% (previous year: 13.5%). Items affecting comparability were at CHF –118.5 million on EBIT (previous year: CHF –190.8 million (restated)) and mainly related to goodwill amortization and the implementation of the Shape4Growth strategy.

Net profit was CHF 88.5 million (previous year: CHF 38.8 million (restated)) and was impacted by a change in goodwill accounting (for more information, please see "[Consolidated Financial Statements Chapter 5.1](#)") as well as by expenses linked to strategy implementation which includes the conception and transformation program announced on 3 July 2023.

## Compensation governance

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

# Basic principles of compensation

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

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

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

<p><b>The compensation system for the EC members and its four principles</b></p>	<p><b>Fairness and transparency</b></p> <p>Compensation decisions are transparent and fair. The target level of total compensation is determined based on the function. The global grading system based on Korn Ferry Hay Group methodology ensures that functions are evaluated in a consistent manner across the organization.</p>	<p><b>Reward for short- and long-term performance</b></p> <p>An important part of compensation is paid as variable incentives linked mainly to the overall performance of dormakaba. Those incentives are well-balanced between rewarding for short-term results (short-term incentive) and also the sustainable success of the company (long-term incentive).</p>
	<p><b>Alignment to shareholders' interest</b></p> <p>The share-based compensation delivered under the long-term incentive plan encourages the sustainable commitment of executives and management members, and aligns their interests to those of the shareholders.</p>	<p><b>Competitiveness</b></p> <p>The structure and levels of compensation take into account the market practice (benchmark based on Korn Ferry (EC) and Willis Towers Watson (rest of organization)).</p>

# Managing compensation

## Nomination and Compensation Committee (NCC)

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

The NCC consists of three BoD members, who are elected annually and individually by the AGM for a period of one year. At the AGM 2022, the shareholders elected Svein Richard Brandtzaeg (Chair), Stephanie Brecht-Bergen, and Kenneth Lochiatto as members of the NCC.

The NCC's main compensation tasks are:

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

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



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

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

**red:** recommending body

**blue:** reviewing body

gray: approving body

\* Proposals related to the CEO compensation are prepared by the NCC Chair and approved by the NCC.

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

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

The NCC may decide to consult external advisors on specific compensation matters. PricewaterhouseCoopers was reappointed to provide advice on specific compensation and governance matters (formerly Agnès Blust Consulting, which became part of PricewaterhouseCoopers as of 1 April 2022). PricewaterhouseCoopers is the current auditing firm of dormakaba, and there are clear rules in place to comply with the independence requirements of auditing firms.

## Shareholders' involvement

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

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

- Principles of compensation of the Board of Directors (Article 23);

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

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# Compensation architecture for the BoD

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

The NCC regularly reviews the compensation of the BoD as well as the peer group used for compensation benchmarking studies. The most recent peer group revision was conducted in the financial year 2021/2022 based on the following criteria: median market capitalization, annual sales, business model, industry, and compensation practices. The peer group consists of the following eleven companies: Bucher Industries, Clariant, Forbo, Georg Fischer, Landis+Gyr, OC Oerlikon, SFS Group, SIG Combibloc, Stadler Rail, Sulzer, and Tecan.

Consecutive to the peer group review, a compensation benchmark analysis based on the revised peer group was performed by PwC. In consideration of the outcome of the analysis, the compensation of the BoD Chair was reduced by CHF 45,000 to CHF 635,000 (previously: CHF 680,000) effective from the term of office starting with the AGM 2022. This adjustment brought the BoD Chair compensation within the benchmark range, aligned with the principle to position fees for board and committee chairs above the market median, considering the above average level of responsibility and workload for these roles at dormakaba.

Compensation for other BoD members remained unchanged, and no further changes are proposed for the term of office starting with the AGM 2023. The compensation for the Lead Independent Director will be removed as of the AGM as the role has been dissolved.

## 1. Composition of compensation

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

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

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

+

<b>Additional Compensation p.a. (in CHF)</b>		
	<b>Committee Chair</b>	<b>Committee Member</b>
Audit Committee	60,000	20,000
Nomination and Compensation committee	60,000	20,000

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

Compensation is paid on a pro rata basis to Board members twice a year. For the term of office from the AGM 2021 until the AGM 2023, the first compensation period ended on 30 April 2022, the second will end on 31 October 2022. Actual expenses incurred are only reimbursed for travel and journeys outside Switzerland or as caused by special additional tasks performed on behalf of and assigned by the BoD.

## 2. Assessment of actual compensation paid to the BoD in the financial year 2022/23

The actual compensation paid to the BoD for the financial year 2022/23 decreased by 3% compared to the previous year as the former BoD Chair, who left the Board by the end of April 2023, was not replaced by a new BoD member for the remaining two months of the financial year.

At the AGM 2022, the shareholders approved a maximum aggregate amount of CHF 3,200,000 for the BoD for the compensation period from the AGM 2022 until the AGM 2023. The compensation effectively paid for the portion of this term of office included in this Compensation Report (October 2022 – 30 June 2023) is within the limit approved by the shareholders. A conclusive assessment for the entire period will be included in the Compensation Report 2023/24.

At the AGM 2021, the shareholders approved a maximum aggregate amount of CHF 3,200,000 for the BoD for the compensation period from the AGM 2021 until the AGM 2022. The compensation effectively paid was CHF 2,690,000 and is within the limit approved by the shareholders.

As of 30 June 2023, in compliance with the [Articles of Incorporation](#), no loans or credits were granted to current or former BoD members, or parties closely related to them. Investments held by BoD members or related persons (including conversion and option rights) – if any – are listed [here](#).

# Compensation architecture for the EC

The compensation awarded to EC members is primarily driven by the success of the company. In addition to competitive fixed compensation, there is a performance-related component, which rewards for performance and allows EC members to participate in the company's long-term value creation. The overall compensation consists of the following elements:

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

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

To ensure consistency across the organization, roles within the organization have been evaluated using the job grading methodology of Korn Ferry Hay Group. The grading system is the basis for compensation activities such as benchmarking and determination of compensation structure and levels. For comparative purposes, dormakaba refers to external compensation studies that are conducted regularly by Korn Ferry Hay Group in most countries. Overall, these studies include the compensation data of 2,500 technology and industrial companies, including listed and privately held competitors in the security sector that are comparable with dormakaba in terms of annual revenues, number of employees, and complexity in the relevant national or regional markets. Consequently, there is no predefined peer group of companies that is used globally. Rather, the benchmark companies vary from country to country based on the database of Korn Ferry Hay Group. For the CEO role, the following companies were included in the last benchmark analysis conducted in the financial year 2022/23 covering Swiss listed industrial companies of similar size in terms of market capitalization, revenue, and number of employees: Bucher Industries, Clariant, Forbo, Georg Fischer, Landis+Gyr, OC Oerlikon, SFS Group, SIG Combibloc, Stadler Rail, Sulzer, and Tecan.

As a principle, the compensation paid to the EC members must be based on the market median in the relevant national or regional market and must be within a range of -20% to +35% of this figure. The variable component of compensation (= short- and long-term incentives) is targeted to make for at least 50% of the total direct compensation (annual base salary, short-term incentive target and long-term incentive awarded). Thereof, the equity-based compensation opportunity (value of long-term variable compensation) is at least 30% of the total direct compensation.

# 1. Annual base salary

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

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

## 2. Benefits

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

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

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

## 3. Variable compensation

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

In the context of the strategic business review that was conducted in 2021 for the period 2022 to 2027, the NCC led a thorough review of the compensation program in financial year 2021/22 to ensure that it remains aligned with the strategic direction of the company, while continuing to drive performance, motivation, and behaviors that are aligned with the values of dormakaba. In line with the business strategy Shape4Growth and the related operating model, the current human capital context and the shareholder feedback received asking for more transparency, and a stronger pay-for-performance link, the NCC decided to make several changes to the STI and to the LTI programs. The changes have been implemented during the 2022/23 financial year and are described below.

### 3.1 Short-term incentive

The short-term incentive is a variable incentive defined annually as a cash payment. It is designed to reward the overall company performance and the EC members' individual contribution to the dormakaba success over a one-year period, in line with the pay-for-performance compensation principle.

As of the financial year 2022/23, the STI model based on a predefined share of profit was replaced with a target-based system. Under the target-based system, each EC member including the CEO are allocated a target STI amount corresponding to the amount to be paid if all performance objectives are met (100% target achievement). The target STI amount is

reviewed annually and expressed as an absolute amount. It is determined considering the organization level and external benchmark for a similar function in the relevant market, the positioning of the individual's total direct compensation compared to that benchmark and the target pay mix for the position. The target STI amount for the CEO is CHF 825,000. The average target STI amount for other EC members is CHF 340,000.

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

#### STI Payout range opportunity in % of annual base salary

	Minimum threshold	100% Target achievement	Maximum threshold
CEO	0%	97%	194%
Other EC Members	0%	84%	162%

The plan is determined predominantly by the achievement of financial or otherwise strictly measurable goals at global, regional and product levels. Global financial goals are weighted 100% for the CEO and CFO and 60% for all other EC roles and include Organic Sales, EBITDA Margin and ROCE. For the other EC roles, the remaining 40% are allocated to regional financial goals (Organic Sales, EBITDA Margin, Net Working Capital) for the Regional Presidents and to products for the CMPO and the CTO, while for the COO the remaining 40% relate to operational excellence goals.

## Overview of performance objectives and respective weightings for FY 2022/23

	Performance objective	Measurement	CEO CFO	Regional & KWS Presidents	CMPO CTO	COO
Shared Global Targets	Organic Sales	Measure organic sales on group level	33%	20%	20%	20%
	Reported EBITDA Margin	Actual earnings before interest, taxes, depreciation and amortization (EBITDA) on group level as a percentage of net sales	33%	20%	20%	20%
	ROCE	Measures the actual return on capital employed on group level	33%	20%	20%	20%
	<b>Weighting</b>		<b>100%</b>	<b>60%</b>	<b>60%</b>	<b>60%</b>
Unit Specific Targets	Regions and KWS Objectives	Focus on Regional/KWS financial performance including Organic Sales, EBITDA Margin and Net Working Capital		40%		
	Product Objectives	Focus on global core products and ensure profitable global core by measuring sales with global core and specified new products as well as gross margin with global core products.			40%	
	Operations Objectives	Focus on operational excellence by measuring manufacturing productivity, procurement savings and inventory.				40%
<b>Weighting</b>			<b>40%</b>	<b>40%</b>	<b>40%</b>	

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

To ensure a smooth transition from the former profit-sharing model, the payout curves for Organic Sales, EBITDA Margin, and selected Unit Specific Performance objectives are enhanced as described below.

For Organic Sales objectives at Global or Unit Specific level, the entry point for payout is the level of the previous year achievement and the 100% payout achievement reflects an ambitious budget.

For EBITDA Margin at Global and Unit Specific level as well as for selected Unit Specific performance objectives, a booster applies to the payout curve. With the booster, the payout for achievement on or above target is elevated by a factor of 1.5, allowing a maximum achievement of 300%. However, the overall STI payout cap remains at 200%.

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

As this represents commercially sensitive information, no further details on the required achievement levels are disclosed. The calculation of the short-term incentive is based – just as the audited financial statements of the Group – on the actual figures recorded in the financial reporting system. Relevant performance achievements and the resulting STI payout factor for the financial year 2022/23 are reported in [section 6](#), "Assessment of actual compensation paid to the EC in the financial year 2022/23".

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

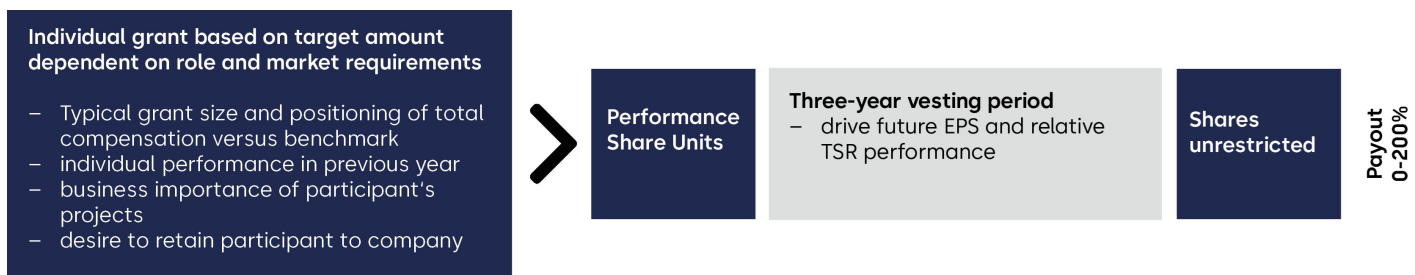
## 3.2 Long-term incentive

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

Up to the 2022 grant, EC members are awarded performance share units at the beginning of the grant cycle (grant date) of dormakaba based on the following criteria:

- **External benchmark:** typical grant size of long-term incentive for a similar function in the relevant market and positioning of the individual's total direct compensation compared to that benchmark. Total direct compensation includes fixed base salary plus short-term incentive plus allocation under the long-term incentive plan.
- **Individual performance:** measured against predefined priorities in the financial year prior to the grant, as documented within the performance management process. The long-term incentive is the only compensation program that takes into consideration the individual performance of the EC members. For each member, a list of individual strategic priorities is determined before the start of each financial year based on the mid-term plan of the Group, market/segment, or function. At the end of each financial year, the individual performance of the member is measured against those strategic priorities and will be considered for determining of the grant size of the long-term incentive in the following financial year.
- **Strategic importance:** impact of the EC member's projects on the company's long-term success.
- **Retention:** desire to retain the person to the company and to its overall long-term value creation by offering restricted shares and performance share units subject to a three-year vesting period.





The number of PSU granted in the reporting period is calculated by dividing the grant size (monetary amount) by the reference share price (volume weighted average share price over three months preceding the grant date). Pursuant to the Articles of Incorporation effective at the time of grant (September 2022), the fair value of the long-term incentive at grant was not allowed to exceed 150% of the individual annual base salary for the EC members (cap).

The PSUs are subject to a three-year performance-based vesting period. The award is designed to reward participants for the future performance of the earnings per share (EPS) and the relative TSR of the company over the three-year performance period. Both performance conditions are equally weighted at 50%. The vesting level may range from 0% to a maximum of 200% of the original number of units granted (maximum two shares for each performance share unit originally granted).

The relative TSR is measured relative to the SPI Industrials index: this index was selected as the performance benchmark because of the insufficient number of direct competitors of dormakaba that are publicly listed, which does not allow for a suitable customized peer group. Therefore, the SPI Industrials as an index of companies of comparable size listed on the SIX Swiss Exchange, was the most appropriate alternative.

The EPS growth target is to outperform weighted GDP growth by 2% points.

The vesting formula for both performance indicators is illustrated below; there is no vesting below the threshold levels of performance:

	Threshold performance (25% vesting)	Target (100% vesting)	Cap (200% vesting)
Relative TSR (50%)	25 <sup>th</sup> percentile of peers	Median of peers	83.33 <sup>th</sup> percentile of peers
EPS Growth (50%)	70% of target	EPS growth 2% points above GDP growth	140% of target

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

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

Shares awarded in reporting periods 2022/23 and 2021/22 have come from dormakaba treasury.

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

With the annual grant that is planned for September 2023, the LTI grant size will no longer be determined based on the criteria described above. Instead, the grant size will be set as a monetary amount considering the organization level and external benchmark for a similar function in the relevant market, the positioning of the individual's total direct compensation compared to that benchmark and the target pay mix for the position.

Further, as from the annual grant 2023, the LTI compensation will include ESG related targets to reflect the increasing importance of sustainability. The ESG targets will cover both social and environmental topics that are addressed by our sustainability strategy to ensure all business and functions are represented with the ESG targets. ESG targets will be introduced in addition to the existing KPIs and will be weighted overall at 20%. Within the ESG target category, the following targets will be introduced: Carbon Emission Savings, Safety Improvement and Increased Sustainability Products Declarations.

Consequently, the weight of the other two KPIs will be reduced by 10% each, resulting in a weight of 40% for relative TSR and EPS growth respectively.

## 4. Employment contracts

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

## 5. Shareholding ownership guideline

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

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

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

## 6. Assessment of actual compensation paid to the EC in the financial year 2022/23

In comparison to the previous year, total direct compensation (TDC) of the EC has remained stable. There are several factors that impacted the level of actual compensation paid to the EC in the 2022/23 financial year, which are summarized below:

- **Changes in EC composition:** As part of the organizational simplification, the number of EC positions is reducing from nine to six. Andreas Haeberli, Chief Technology Officer, Alwin Berninger, Chief Marketing & Products Officer, Mathias Moertl, Chief Operations Officer, and Andy Jones, President Asia Pacific, are leaving dormakaba. Magin Guardiola joined the Executive Committee as of 1 April 2023 as Chief Marketing & Products Officer. Considering the transition in roles, a total of 12 EC members received compensation in the reporting year (2020/21: 11 EC members in total). Overall, the total compensation of CHF 11 million paid in the reporting year is comparable to the total compensation paid in previous year (2021/22: CHF 11.16 million).
- **Compensation changes:** For one EC member, the target base salary and STI was adjusted by 6% overall in local currency to bring compensation in line with market requirements. No other changes to EC compensation were made in the reporting period.
- **STI payout:** the STI payout formula is based on the achievement of pre-determined key performance objectives (as described under section 3.1) The STI payout of the CEO and EC members especially reflects the development of the Group's organic sales, EBITDA margin and ROCE, which are the main drivers of the STI payout. In line with the applicable rules, the Board decided to exceptionally consider the effects of the S4G transformation costs in the achievement of the Group EBITDA Margin and ROCE objective. Effects from amortization of goodwill are excluded from the relevant KPI in the STI calculation.

The payout amount is lower by 19% to the prior year payout reflecting the increased performance orientation and the ambitious target setting of the new STI scheme. In the reporting year, the STI payout of EC members is 56% of the annual base salary on average (previous year: 68%). For one EC member a pre-determined STI amount was paid out for the period of onboarding.

- **LTI grant in September 2022:** to determine the individual grant size (nominal value), the allocation criteria in place for several years (as described under section 3.2) such as individual performance in the previous year, strategic importance of the projects under responsibility, position against benchmark and retention need were considered. The LTI grant at target is 21% lower compared to the previous reporting period, reflecting two new EC members with pro-rated grants.

### STI Performance

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

		Average Performance Achievement and Payout Factor		
Performance objective		Minimum	Target	Cap
Shared Global Targets	Performance Achievement Average	[Chart showing achievement factor]		
	Performance Achievement Average	[Chart showing achievement factor]		
Unit Specific Targets	STI Payout with Booster Average	[Chart showing payout factor]		
	<b>Total Average</b>	[Chart showing total average]		

- Average Achievement Factor
- Average Payout with Booster

The table shows the range of performance objective achievement for shared performance objectives and Unit Specific objectives, as well as the STI payout factor range including the booster applied to selected Unit Specific targets. The principles for the application of the booster are described in section 3.1.

## LTI Performance

The performance share units granted under the long-term incentive in September 2019 vested in September 2022 based on the EPS growth and the rTSR ranking over the three-year vesting period at a total vesting level of 30.88% based on the following performance factors:

rTSR		EPS		Total Performance
Ranking	Factor	Performance	Factor	
26.00%	28.00%	73.50%	33.75%	30.88%

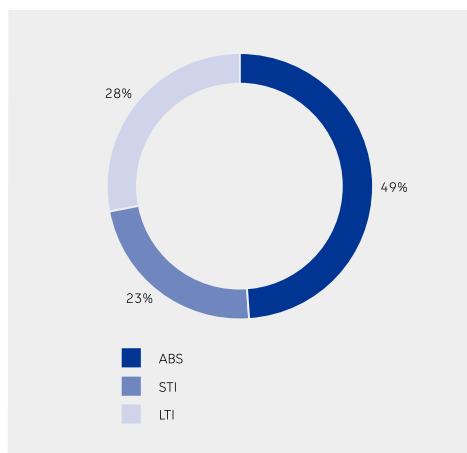
The share price at vesting amounted to CHF 410.00 compared to CHF 697.50 at grant.

## Realized Compensation Mix

Variable compensation forms a major part of total direct compensation (TDC). The percentage of overall compensation paid to the EC as variable compensation in the reporting year was 47% (excluding benefits and social security contributions) and represented a decrease compared to prior year's at 55%. Variable equity-based compensation (excluding EC members who joined dormakaba after the grant or who were no longer eligible for a grant) accounted for 27% of the TDC (previous year: 27%). This is in line with the compensation strategy and the pay for performance principles.

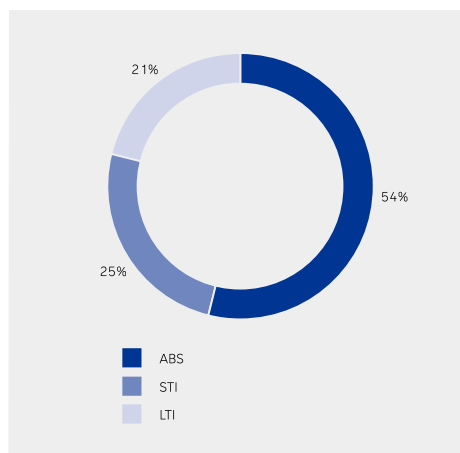
The table below represents the pay mix of the CEO and EC in relation to total direct compensation (excluding benefits and social security).

CEO\*



\* Based on the effective payout for reporting period  
 \*\* Annual Base Salary

EC\*



\* EC excl. CEO  
 \*\* Annual Base Salary

Compensation paid compared to budget approved by shareholders

At the AGM 2021, the shareholders approved a maximum aggregate amount of CHF 17,000,000 for the EC for the financial year 2022/23. The compensation effectively awarded of CHF 10,995,882 is within the limit approved by the shareholders.

Loans and credits

As of 30 June 2023, in compliance with the [Articles of Incorporation](#), no loans or credits were granted by dormakaba to current or former EC members, or parties closely related to them. Investments held by EC members or related persons (including conversion and option rights) – if any – are listed [here](#).

- Letter to Shareholders
- Business performance
- Financial performance
- Corporate information
- Corporate Governance Report
- Compensation Report
- Consolidated financial statements
- Financial statements dormakaba Holding AG
- Five-year performance overview

# Compensation BoD and EC

## Financial Year 22/23 (audited)

	Compensation <sup>1</sup>				
	Basic compensation	Additional compensation (committees, special tasks)	Social benefits <sup>2</sup>	Total (CHF)	of which in shares (CHF) <sup>3</sup>
<b>BoD</b>					
<b>Thomas Aebischer</b>	190,000	50,000	16,332	256,332	105,692
Member Audit Committee (until AGM 2022)					
Chair Audit Committee (since AGM 2022)					
Vice-Chair of the Board (since May 2023)					
Member Pension Fund Committee (since May 2023)					
<b>Jens Birgersson</b>	190,000	20,000	–	210,000	121,834
Member Audit Committee					
<b>Svein Richard Brandtzaeg (BoD Member since AGM 2022)</b>	200,833	55,000	45,432	301,266	94,813
Vice-Chair of the Board (since AGM 2022)					
Lead Independent Director (from AGM 2022 until April 2023)					
Chair Nomination and Compensation Committee (since AGM 2022)					
<b>Stephanie Brecht-Bergen</b>	190,000	20,000	–	210,000	121,834
Member Nomination and Compensation Committee					
<b>Riet Cadonau (BoD Member until April 2023)</b>	544,167	16,667	35,377	596,210	256,396
Chair of the Board (until April 2023)					
Member Pension Fund Committee (until April 2023)					
<b>Daniel Daeniker</b>	190,000	33,333	16,497	239,831	105,692
Chair Audit Committee (until AGM 2022)					
Member Audit Committee (since AGM 2022)					
<b>Hans Gummert</b>	190,000	78,922	–	268,922	89,762
Member Audit Committee					
<b>John Heppner (BoD Member until AGM 2022)</b>	63,333	6,667	–	70,000	29,948
Member Nomination and Compensation Committee					
<b>Hans Hess (BoD Member until AGM 2022)</b>	63,333	30,000	6,684	100,017	29,948
Vice-Chair of the Board (until AGM 2022)					
Lead Independent Director (until AGM 2022)					
Chair Nomination and Compensation Committee (until AGM 2022)					
<b>Christine Mankel (BoD Member until AGM 2022)</b>	63,333	–	–	63,333	56,711
<b>Kenneth Lochiatto (BoD Member since AGM 2022)</b>	126,667	13,333	–	140,000	59,813
Member Nomination and Compensation Committee (since AGM 2022)					
<b>John Y. Liu</b>	190,000	–	13,082	203,082	89,762
<b>Michael Regelski (BoD Member since AGM 2022)</b>	126,667	–	–	126,667	59,813
<b>Total BoD</b>	<b>2,328,333</b>	<b>323,922</b>	<b>133,404</b>	<b>2,785,659</b>	<b>1,222,019</b>

- <sup>1</sup> Compensation for the employer representative on the Swiss pension fund (Riet Cadonau and Thomas Aebischer) of CHF 20,000 p.a. and compensation for the membership of the Supervisory Board of dormakaba Holding GmbH + Co. KGaA (Hans Gummert) of CHF 58,922 are included in the compensation (additional compensation). Business expenses are not included. For Hans Gummert the additional compensation is paid in EUR and remains stable vis-à-vis the previous year, however, fluctuates in CHF due to currency exchange.
- <sup>2</sup> In line with the Swiss legal requirements under the respective law (BVG), the two Board members are insured in the company pension fund. The employer cost of the pension benefits are deducted from the cash board fee disclosed above. The BoD members are hence financing both the employee and employer contributions to the pension fund via a deduction on the cash board fee so that the insurance in the pension fund is cost-neutral to the company.
- <sup>3</sup> The compensation for the reporting period is paid out in three installments (November 2022, May 2023, and November 2023). Shares are awarded based on a fixed monetary amount of CHF 90,000 for the Board members. The average of the closing share prices of the last five trading days in the month prior to the payment is used to determine the number of shares allocated (CHF 318.60 for the shares transferred in November 2022 and CHF 393.10 for the shares transferred in May 2023).

	Fixed compensation			Variable compensation			Total CHF
	Fixed basic payment <sup>1</sup>	Benefits and social / pension contributions <sup>2</sup>	Total aggregate amount	STI <sup>3</sup>	LTI <sup>4</sup>	Social / pension contributions	
<b>EC members</b>							
Jim-Heng Lee	850,008	342,806	1,192,814	410,826	491,407	183,864	2,278,911
Other EC	3,572,216	911,427	4,483,643	1,610,513	1,499,814	602,133	8,196,102
Former EC <sup>5</sup>	262,438	89,760	352,198	125,684	-	42,987	520,869
<b>Subtotal</b>	<b>4,684,662</b>	<b>1,343,993</b>	<b>6,028,655</b>	<b>2,147,023</b>	<b>1,991,221</b>	<b>828,984</b>	<b>4,967,227</b>

<sup>1</sup> Includes post-employment non-compete payments, for one EC member.

<sup>2</sup> Includes contributions to social security and occupational pension plans as well as fringe benefits. Contributions to social security and occupational pension plans are the contributions effectively paid in the reporting year and relate to the fixed and variable compensation effectively paid out in the reporting year. Fringe benefits include elements such as private use of company car, company car allowance, housing contributions, long-service payments, annual leave payments and one-time relocation allowances. Includes the fees for the interim CFO until December 2022, who did not receive any variable compensation.

<sup>3</sup> The short-term incentive reported will be paid after the end of the reporting year.

<sup>4</sup> The LTI grant consists of PSUs only. The value of the PSUs is based on their fair value on the grant date which includes adjustments for lost dividends during the vesting period and the TSR performance conditions.

<sup>5</sup> Includes the compensation of former EC member until the end of the contractual employment period and reflects the contractual obligations.

# Financial Year 21/22 (audited)

Compensation 1)					
	Basic compensation	Additional compensation (committees, special tasks)	Social benefits <sup>2</sup>	Total (CHF)	of which in shares (CHF) <sup>3</sup>
<b>BoD</b>					
Thomas Aebischer (BoD member since AGM 2021) Member Audit Committee (since AGM 2021)	126,667	13,333	9,775	149,775	59,620
Jens Birgersson Member Audit Committee	190,000	20,000	–	210,000	89,426
Stephanie Brecht-Bergen Member Nomination and Compensation Committee	190,000	20,000	–	210,000	89,426
Riet Cadonau Chair of the Board	680,000	21,111	47,087	748,198	319,651
Daniel Daeniker Chair Audit Committee	190,000	90,000	17,523	297,523	89,426
Karina Dubs-Kuenzle (BoD member until AGM 2021)	63,333	6,667	4,846	74,846	29,806
Hans Gummert Member Audit Committee	190,000	83,022	–	273,022	89,426
John Heppner Member Nomination and Compensation Committee	190,000	20,000	–	210,000	89,426
Hans Hess Vice-Chair of the Board	190,000	96,667	20,720	307,386	89,426
Lead Independent Director Chair Nomination and Compensation Committee					
Member Audit Committee (until AGM 2021)					
Christine Mankel	190,000	–	–	190,000	89,426
John Y. Liu	190,000	–	13,269	203,269	89,426
<b>Total BoD</b>	<b>2,390,000</b>	<b>370,800</b>	<b>113,220</b>	<b>2,874,020</b>	<b>1,124,481</b>

<sup>1</sup> Compensation for the employer representative on the Swiss pension fund (Karina Dubs-Kuenzle) of CHF 10,000 p.a. and compensation for the membership of the Supervisory Board of dormakaba Holding GmbH + Co. KGaA (Hans Gummert) of CHF 63,023 are included in the compensation (additional compensation). Business expenses are not included. For Hans Gummert the additional compensation is paid in EUR and remains stable vis-à-vis the previous year, however, fluctuates in CHF due to currency exchange.

<sup>2</sup> In line with the Swiss legal requirements under the respective law (BVG), the Chair of the Board is insured in the company pension fund. The employer cost of the pension benefits are deducted from the cash board fee disclosed above. The Chair of the Board is hence financing both the employee and employer contributions to the pension fund via a deduction on the cash board fee so that the insurance in the pension fund is cost-neutral to the company.

<sup>3</sup> The compensation for the reporting period is paid out in three installments (November 2021, May 2022, and November 2022). Shares are awarded based on a fixed monetary amount of CHF 90,000 for the Board members. The average of the closing share prices of the last five trading days in the month prior to the payment is used to determine the number of shares allocated (CHF 677.40 for the shares transferred in November 2021 and CHF 446.20 for the shares transferred in May 2022).

	Fixed compensation			Variable compensation			Total CHF	
	Fixed basic payment	Benefits and social / pension contributions <sup>1</sup>	Total aggregate amount	STI <sup>2</sup>	LTI <sup>3</sup>	Social / pension contributions		Total aggregate amount
<b>EC members</b>								
Jim-Heng Lee	639,979	369,716	1,009,695	526,529	349,963	98,909	975,401	1,985,096
Other EC <sup>4</sup>	3,288,160	781,121	4,069,281	2,135,726	2,172,357	800,382	5,108,465	9,177,746
<b>Subtotal</b>	<b>3,928,139</b>	<b>1,150,837</b>	<b>5,078,976</b>	<b>2,662,255</b>	<b>2,522,320</b>	<b>899,291</b>	<b>6,083,866</b>	<b>11,162,842</b>

<sup>1</sup> Includes contributions to social security and occupational pension plans as well as fringe benefits. Contributions to social security and occupational pension plans are the contributions effectively paid in the reporting year and relate to the fixed and variable compensation effectively paid out in the reporting year. Fringe benefits include elements such as private use of company car, company car allowance, service anniversary, housing contributions, and one-time relocation allowances. Includes the fees for the interim CFO, who does not receive any variable compensation.

<sup>2</sup> The short-term incentive reported will be paid after the end of the reporting year.

<sup>3</sup> The LTI grant consists of PSUs only. The value of the PSUs is based on their fair value on the grant date which includes adjustments for lost dividends during the vesting period and the TSR performance conditions.

<sup>4</sup> Includes the compensation of the former CFO (full year) and former CEO (until 31-Jan-22) during their contractual employment period.



# Shares held by BoD and EC (audited)

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

Number of shares	Financial year ended 30.06.2023	Financial year ended 30.06.2022
<b>BoD</b>		
Brandtzaeg Svein Richard	168	
Aebischer Thomas	430	100
Birgersson Jens	2,491	2,085
Brecht-Bergen Stephanie	220,895	220,489
Cadonau Rieř		8,630
Daeniker Daniel	2,379	2,020
Gummert Hans	1,350	1,095
Heppner Johnř		1,283
Hess Hansř		2,156
Liu John Y.	493	238
Lochiatto Kennethř	114	
Mankel Christineř		220,699
Regelski Michaelř	114	
<b>Total BoD</b>	<b>228,434</b>	<b>458,795</b>
<b>EC</b>		
Berninger Alwiř		371
Bewick Stephen	449	335
Guardiola Magiř	1,258	
Häberli Andreasř	2,696	2,636
Housten Alex	922	747
Johansson Christinđ	-	
Jones Andyř		233
Kelterborn Kaspar <sup>10</sup>		48
Lee Jim-Heng	3,896	2,865
Mörtl Mathiasř		-
Zocca Stefano	2,717	2,464
<b>Total EC</b>	<b>11,938</b>	<b>9,699</b>

<sup>1</sup> BoD Member as of 11 October 2022 and Chairman of the Board as of 1 May 2023

<sup>2</sup> Chairman of the Board until 30 April 2023

<sup>3</sup> BoD Member until 11 October 2022

<sup>4</sup> BoD Member as of 11 October 2022

<sup>5</sup> EC Member until 31 March 2023

<sup>6</sup> EC Member as of 1 April 2023

<sup>7</sup> EC Member until 30 June 2023

<sup>8</sup> EC Member as of 1 December 2022

<sup>9</sup> EC Member until 15 May 2023

<sup>10</sup> EC Member until 30 November 2022

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

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

## BoD members as of 30 June 2023

Name	External Interests & Mandates	
	Company	Mandate
Svein Richard Brandtzaeg	The Norges Bank Investment Management (NO)	Chair of the Council of Ethics
	Mondi Plc (UK)	Member of the BoD
	Swiss Steel Holding (CH)	Vice Chair of the Board of Directors and Chair Nomination and Compensation Committee
Thomas Aebischer	Quotient Limited <sup>1</sup> , Jersey, Channel Islands	Board and Audit Committee Member
Jens Birgersson	NREP (DK);	Member of the Advisory Board
	Randers Reb (DK);	Chairman of the BoD
	Danish Industry Council (DK);	Member of the Confederation
Stephanie Brecht-Bergen	Flumroc (CH), an affiliate of ROCKWOOL Group <sup>1</sup>	Member of the BoD
	the foundation "Rudolf Mankel Stiftung" (DE)	Management Board Member
Daniel Daeniker	Hilti AG, Schaan (FL);	Member of the BoD
Hans Gummert	Donor Foundation of Avenir Suisse (CH)	President
	dormakaba Holding GmbH + Co. KGaA (DE)	Chairman of the Supervisory Board
	Familie Mankel Industriebeteiligungs GmbH + Co. KGaA (DE)	Chairman of the Supervisory Board
	Coroplast Fritz Müller GmbH & Co. KG (DE)	Chairman of the Advisory Board
	ara AG (DE)	Member of the Supervisory Board
	Hoberg & Driesch Röhrenhandel GmbH & Co. KG (DE);	Vice Chairman of the Advisory Board
	Chiron-Werke SE (DE);	Vice Chairman
	WIBU Wirtschaftsband Sozialer Einrichtungen eG (DE)	Member of the Supervisory Board
Autohaus Adelbert Moll GmbH & Co KG (DE)	Chairman of the supervisory board	
John Y. Liu	Digital China Holdings <sup>1</sup> (HK);	Independent non-executive Director, Chairman of the Remuneration Committee of the Board
Kenneth Lochiatto	Convergint (US)	Member of the BoD
Michael Regelski	n.a.	n.a.

<sup>1</sup> listed company

## EC members as of 30 June 2023

Name	External Interests & Mandates	
	Company	Mandate
Jim-Heng Lee	n.a.	n.a.
Christina Johansson	About You Group (DE) <sup>1</sup>	Member of the Board of Directors and Chair of the Audit Committee
	Emmi Group (CH) <sup>1</sup>	Member of the Board of Directors and Chair of the Audit Committee
Steve Bewick	Guild of Architectural Ironmongers (UK)	Director
Magin Guardiola	n.a.	n.a.
Andreas Häberli	PhenoSign AG (CH)	Chairman of the BoD
	Kardex Holding AG(CH)	Member of the BoD
	ETH Zurich (CH)	Member of the Industrial Advisory Board of the Department of Mechanical and Process Engineering
	Komax Holding AG <sup>1</sup>	Member of the BoD
Alex Housten	Swissmem (CH)	Member of the Research Committee
	Security Industry Association (US)	Treasurer
		Member of the Board of Directors and Member of the Executive Council
Stefano Zocca	n.a.	n.a.

<sup>1</sup> listed company

# Report of the statutory auditor

## to the General Meeting of dormakaba Holding AG

### Rümlang

#### Report on the audit of the remuneration report

##### Opinion

We have audited the remuneration report of dormakaba Holding AG (the Company) for the year ended 30 June 2023. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14 to 16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Ordinance) in the tables marked 'audited' on pages 91 to 94 of the compensation report.

In our opinion, the information on remuneration, loans and advances in the remuneration report complies with Swiss law and article 14 to 16 of the Ordinance.

##### Basis for opinion

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

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

##### Other information

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

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

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

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

##### Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

##### Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to article 14 to 16 of the Ordinance is free from material misstatement, whether due to fraud or error, and to

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, 8050 Zürich, Switzerland  
 Telefon: +41 58 792 44 00, www.pwc.ch

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

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

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

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

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

PricewaterhouseCoopers AG



Stefan Räsamen  
Licensed audit expert  
Auditor in charge



Sandra Burgstaller  
Licensed audit expert

Zürich, 24 August 2023