

A group of four diverse employees (three men and one woman) are smiling and standing in a modern office environment with large windows and glass railings. The woman on the left is wearing a grey t-shirt with the 'dormakaba' logo. The man behind her is wearing a white shirt. The woman in the center is wearing a bright green jacket and glasses. The man on the right is wearing a light blue shirt. The word 'People' is overlaid in large white text on the left side of the image.

People

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

Fair Employment

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

Our approach

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

Our approach towards our employees is governed primarily by our [Code of Conduct](#), as well as by country-based labor regulations and the local employee handbooks, where available. Our Group-wide **Responsible Labor Directive** regulates the minimum business standards during recruitment, hiring, and employment in terms of freely chosen employment, working hours, wages, and benefits, and the prevention of child labor, freedom of association, and workers' accommodation. Furthermore, the **Zero Recruitment Fees Directive** regulates the business standards regarding fees and costs associated with recruitment governed by the Employer Pays Principle. The Directives came into force in September 2021.

Key activities

Engaging our employees

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

To monitor any changes in the level of employee engagement, we use a global norm as a benchmark¹. Our target is to **maintain our Employee Engagement score at or above the Global Norm (currently 72% favorable) until 2027**. In FY 22/23, we launched the third round of our global employee survey, the dormakaba dialogue, and achieved an employee engagement score of 71%, a slight improvement versus our baseline.

Over 12,000 employees participated in the dormakaba dialogue, which represents a participation rate of approximately 74%. The survey consisted of a total of 32 items on topics such as Me & My Work Environment, My Manager, and Engagement. New this time were questions on Shape4Growth, our Behaviors, and three questions related to the topics of Inclusion and Well-being.

The main findings were:

- All three of the items on Inclusion and Well-being were rated very positively, two of them scoring above the Global Norm.
- The items on My Manager were answered very positively, with the vast majority of answers lying above the Global Norm.
- Compared to the previous survey in 2020, a strong increase can be seen in the responses on whether employees understand how they contribute to the overall success of dormakaba.
- The new Behaviors implemented this fiscal year proved to be a driving force for employee engagement, stressing their great importance.

- While more than half of the employees agree that we do act as one global team, this item needs our focus so we can grow together as a global organization.
- Another focus point is our external customers as our top priority in day-to-day decisions. The responses to this item show a slight decrease compared to the last survey in 2020, taking it below the Global Norm.

Based on the survey results, relevant teams will develop and follow up on action plans to improve the working environment at all levels of the organization. Senior management teams have reviewed and discussed their respective survey results and are addressing the development areas through a variety of actions. Furthermore, change management materials will further support the development of stronger teams.

There are further examples across the organization of measures that ensure a culture of open dialogue. In the Scanbalt countries, for example, the weekly employee engagement and satisfaction pulse checks have a constant participation rate of 85–90%. The tool helps local leadership gain a better understanding of the well-being of the employees, job satisfaction, and about topics such as health and safety, DE&I, remote working, and personal development. Since 2019, when the tool was implemented, employee turnover decreased from 35% to 6.5%, and sick leave from 18% to 5% by January 2023.

¹ The Qualtrics Global Norm is a composite of employee responses from 850+ companies across organizations from all industries and all geographies. It provides comparative results that represent the average scores across all organizations in the database running employee surveys for multiple years.

Our employees help create homes with Habitat for Humanity

For every place that matters. Our purpose reflects the contribution we make to society: we are where our communities come together – from locations across town to locations across the world. In this spirit, our employees worldwide have been taking action to help make a difference for families in need with the non-profit organization, Habitat for Humanity.

Over a period of three months, dormakaba employees had the chance to contribute to a charitable cause by completing our Sustainability eLearnings. During the #EveryActionMatters global campaign, dormakaba pledged to donate USD 10 to Habitat for Humanity International after each completed module. Thanks to the engagement of the employees globally, dormakaba donated USD 10,000 to the non-profit.

Besides this charitable campaign, our employees in the USA have been volunteering with Habitat for Humanity's Greater Indy chapter since 2017 by building homes for those in need. So far, approximately 400 employees and more than 50 business partners have taken part in activities to make an impact in the community. Of these, almost 200 volunteers participated in FY 22/23.

As well as volunteering for construction work, our local entity also fits out the homes with dormakaba hardware, specifically intended for multi-housing light-commercial applications. "The spirit of giving back is in our core, and helping to create homes in our communities gives even more purpose to what we do at dormakaba," says Justin Crotzer, SVP Global Product Development at dormakaba, who has been leading the partnership with Habitat for Humanity in the USA.

Read more about our employees' community engagement work [here](#).



Employees from dormakaba Indianapolis building a home for those in need

Fair remuneration and benefits

We aim to establish fair compensation that is determined based on job function and relevant local market benchmarks. It is not influenced by personal attributes such as age, nationality, or gender. The global grading system ensures that functions are evaluated in a consistent manner across the organization. In addition, we provide locally specific benefits and welfare programs. In FY 22/23, for example, in the UAE we rolled out benefits during maternity leave that go beyond legal minimum requirements, and in the Region Americas, we have developed a more competitive compensation and benefit program, including wage adjustments, retirement program enhancements, a Flex-Work Program, and rewards and recognition enhancements. As stipulated in the Group Compensation Directive, we refrain from offering excessively low wages (i.e. wage dumping).

After having conducted social audits in Malaysia and Singapore, we were confronted with the fact that an especially vulnerable group, migrant workers, frequently pay fees to agencies, i.e., for the recruitment itself, travel, passport, and visa processing. To protect them, we have developed improvement actions and the Zero Recruitment Fees Directive, which regulates the minimum business standards regarding fees and costs associated with recruitment and was published in FY 21/22. It commits dormakaba to bearing the costs associated with any services rendered by respective migrant worker recruitment agencies. Fees discovered to have been paid by migrant workers have since been reimbursed.

In FY 22/23, we identified a few workers in our plant in Senai (Malaysia) that had paid recruitment fees. Local management then conducted individual interviews with each migrant worker to determine the amounts they had paid in the form of recruitment fees. All migrant workers will now be reimbursed in full, irrespective of whether they have receipts to support their claims. Furthermore, we have been conducting awareness raising actions to educate relevant stakeholders in the organization on the requirements of the Zero Recruitment Fees Directive, including launching a global self-assessment survey to gauge the level of implementation.


An overview of best practice employment-related policies and benefits across the Group can be found in the Policies and Benefits Table.

[Policies and Benefits](#)

Employee attraction and retention

We aim to provide a working environment in which people can thrive and where everybody feels part of one team. We are proud of our diverse workforce, our openness, and our transparency and strive to create an inclusive workplace where everyone can be their authentic selves. All this is part of our company culture. We also provide our employees with professional development opportunities to retain our qualified workforce. When filling open positions, promoting from within our own workforce is preferred.

Many factors shape our culture, but the most important one is our behavior: how we work together and how we act towards our customers and colleagues. In FY 22/23 we introduced six Behaviors to describe our culture, so that we are clear on what we can expect from each other. The new Behaviors have been communicated through several channels to our employees and more than 500 managers took part in the Behaviors Management Training.

<p>Growing the business</p>  <p>We make things simple for our customers</p>  <p>We are courageous and play to win</p>	<p>Growing together</p>  <p>We act as ONE global team</p>  <p>We are respectful and communicate openly</p>	<p>Growing ourselves</p>  <p>We develop ourselves</p>  <p>We celebrate successes</p>
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Another focus of this fiscal year was to globally streamline the end-to-end hiring process, including onboarding, and to improve the candidate experience. In order to achieve this, we started to build a global talent acquisition network that openly shared best practices and potential for advancement. In the Scanbalt countries we launched a digital onboarding tool, some parts of which are accessible for new employees one month before their start date. It has enabled us to secure every step of the onboarding process and achieve a 90% approval rating based on employee surveys.

Fluctuation

In FY 22/23, a total of 1,891 employees joined the company and 2,034 left within the reporting scope. This corresponds with rates of 13% and 14% respectively, which reflects a lower joiner rate than leaver rate. This can be explained by the recent organizational changes at dormakaba.

Employee fluctuation in Asia and the Americas was higher than in other regions, as in previous reporting periods. In the Americas, this is attributed to continued consolidation of manufacturing activities. The higher fluctuation in Asia Pacific is to be expected based on regional workforce trends.

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

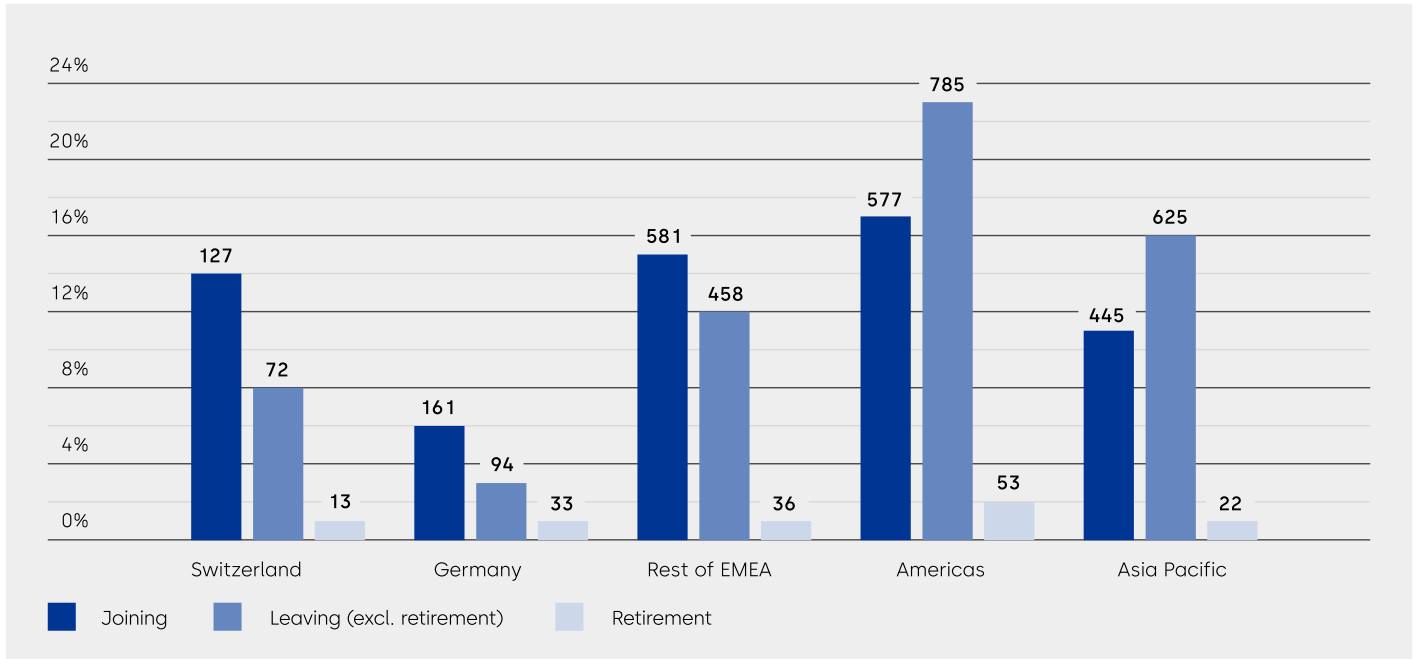
Diversity, Equity & Inclusion

Visit our new global careers page.

dormakaba careers

Further breakdown of fluctuation data can be found in the ESG Performance Table.

ESG Performance Table



Fluctuation by region (in percentage and headcount of permanent staff)

In addition, in China, employees are usually appointed on the basis of fixed-term labor contracts before being eligible for an indefinite contract. This results in a temporal shift of the fluctuation rates for Asia Pacific and to a certain extent overall, since employees with permanent contracts joining and leaving dormakaba are counted only after their contracts have been converted (usually after the completion of two consecutive fixed-term contracts, in accordance with Chinese Labor Contract Law).

Outlook

In the next fiscal year, we will further globalize the Talent Acquisition organization and work in cross-country teams to improve the candidate experience, streamline processes and reduce complexity for both candidates and employees. We will also conduct living wage assessments with an external partner in all countries with more than 50 FTEs. Furthermore, a Behaviors eLearning will be launched in the first quarter of FY 23/24.

Training & Education

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

Our approach

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

Our activities

We offer various training and development programs for our employees. While we apply some of these programs on a consistent global basis – particularly leadership development – others are developed at the regional or country level to serve local needs.

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

During FY 22/23 we launched the dormakaba Learning Hub, which restructured our approach to employee development by organizing it into functional academies, while also streamlining regional demand through campus organizations. The Learning Hub has enabled us to establish a network of colleagues focused on employee development, with regular meetings and the exchange of best practices to maximize efficiency and deliver high-quality trainings across the organization.

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

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

Leadership development

In line with our strategy and ambition, we aim to have the best leaders in key positions. We have therefore designed and delivered core leadership trainings, like Leading for Success, Leading Leaders, and we support individual executive coaching. Furthermore, we also continued to offer both agile and classical project management trainings as standard curricula. During FY 22/23, 342 employees took part in a leadership development program.

In the past fiscal year, we have prioritized the continuous development of our leadership teams across the Regions Americas, APAC, Europe & Africa by implementing regional leadership development programs. These programs included training sessions, regular

campaigns, and bite-sized topics on leadership during times of change. We also updated some of our core leadership materials, including the Leadership Toolbox 2.0, and redesigned our Leading for Success basic leadership training to be delivered in a blended learning approach. This includes incorporating the latest leadership strategies, company vision and behaviors, and a customized leadership tool that caters to our employees' unique needs. Our focus on leadership development reflects our commitment to cultivating strong, effective leaders who can help drive our company's success in the long term.

Individual development and career management

As part of our commitment to promoting individual development and career management, we have significantly increased our LinkedIn Learning licenses, providing more flexible training opportunities to a wider audience across various topics. This has enabled us to offer our employees a diverse range of learning opportunities that cater to different learning styles and preferences. This micro-learning format makes it easy for employees to fit training into their busy schedules. Within one year we reached 5,300 active users, with 44% monthly returning learners. This yielded a total number of 7,297 training hours through LinkedIn Learning. With the help of LinkedIn Learning, we are fostering a culture of continuous learning and development and aiming for a more engaged and committed workforce.

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

In FY 22/23, we extended the number of users of Perform & Grow to 4,470 employees (approx. 100 more compared to the previous financial year) and will continue with further rollouts in the coming years. In addition, performance assessments through Perform & Grow are now also linked to our new Behaviors.

Vocational and technical training

In today's rapidly changing world of work, the importance of lifelong learning is steadily increasing. For our business success, it is essential that our employees have the relevant skills for their work. The training we provide covers topics such as lean management, health and safety, and product offerings. Additionally, the increasing digitalization of our products and services also requires new competencies – for example, related to big data analytics and artificial intelligence. To ensure that our employees have the relevant skills in the long term, we continue to invest in their vocational development and in promoting their talents. For example, in FY 22/23 we continued our Sales Excellence Program in the Regions Asia Pacific, Europe & Africa, and more than 230 sales employees participated in sales trainings.

Strengthening our sustainability mindset

During FY 22/23 we introduced several training sessions for our employees that raise awareness of sustainability-related topics. Two sustainability eLearning modules were launched to make employees aware of key ESG regulations, global challenges, and trends, as well as our ESG targets, actions, and sustainability governance. To encourage engagement and more exploration of the content, we have incorporated a gamification factor into the training, where learners could decorate their garden or schoolhouse and share the image on our social network Yammer, motivating others to also complete the training. By the end of FY 22/23, 1,207 employees had completed the sustainability learning modules.

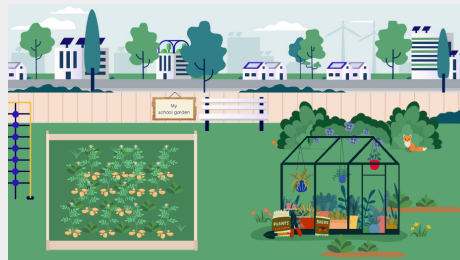
On World Environmental Day, dormakaba France organized a two-day event dedicated to Sustainability and Quality of Life at Work. More than 75 employees participated in a series of conferences, thought-provoking workshops, and enriching discussions, led by renowned guest speakers and dormakaba experts. The topics included carbon footprint reduction, promotion of equal opportunities, inclusion and disability, improvement of working conditions, and health and well-being. "We were inspired by the passion and commitment shown by our employees throughout the event. Their willingness to actively contribute to preserving the environment and improving our workplace proves their dedication to our shared values," said Christel Grall, Head of Marketing at dormakaba France.

To foster a more inclusive and diverse culture, we have launched a [Diversity, Equity & Inclusion training module](#), that was completed by over 90% of our managers and HR business partners within five months of its launch. In the future, we will develop additional training programs that focus on incorporating DE&I principles into key areas of our operations, such as recruitment. Furthermore, we launched a series of bite-size videos on Information Security to our largest target group, consisting of over 10,000 employees. Thanks to these awareness campaigns, we have seen a marked increase in employee alertness regarding phishing emails, which we measure through simulated phishing campaigns.

We have also prioritized compliance-related trainings, and identified relevant target groups for mandatory antitrust and anti-corruption trainings, especially in the Regions Americas and APAC. Overall, more than 10,400 employees participated in the compliance-related trainings, covering topics including information security. Our focus on Compliance and Information Security reflects our commitment to maintaining the highest standards of corporate governance and data protection, and we remain committed to upholding these principles in all aspects of our business operations.



Sustainability and Quality of Life at Work event in France



Build your garden! – Sustainability eLearning gamification

Our performance

Besides the initiatives already mentioned, during FY 22/23, we also developed a suite of eLearning resources to support our employees during the change process associated with our corporate strategy, Shape4Growth. These resources have been specifically designed to help our workforce adapt to new ways of working, stay informed about the latest developments, and ensure that they are equipped with the knowledge and skills they need to succeed in this new environment.

Below you can find the key results of our Learning and Development programs for FY 22/23:

- The average training hours per employee was 12.4 hours (versus 12 hours/FTE in FY 21/22). This is a marginal improvement due to an increase of almost 17,000 hours of online training and blended learning. However, the positive impact was diluted by the increase in the number of employees due to recent acquisitions.
- Over 12,500 employees have access to our Learning Management System (LMS). In total, 88% (11,131 employees) of the users who have access to the system completed at least one eLearning module in the past fiscal year, compared to 87% in FY 21/22. While there was a slight decrease of distinct individuals who completed eLearning modules, there was a significant increase in the number of completed courses recorded and carried out in our Learning Management System. The number of completed courses rose from approximately 20,300 to 79,000 this year.

- 298 new eLearning modules were added, and 537 classroom courses and 456 webinar sessions were offered on the platform. These were held both virtually and face to face. This reflects a slight decrease in new eLearning courses (-8.3%), but an increase in both classroom (+10.62%) and webinar sessions (+69%) in comparison with the previous fiscal year. Of the 837 new training courses provided, 503 (60%) were product related, similar to the last financial year.
- Combined, the compliance-related training activities (including those on the Code of Conduct, antitrust, anti-corruption, and information security) had over 10,400 participants, and over 66,000 training completions, making up 71.2% of all training completions. This is a significant increase (+50%) versus the last financial year. Many of these topics were introduced in the past and continue to be assigned to new employees.

Outlook

At dormakaba, we believe that learning and development are essential components of our organizational growth and success, therefore we continue to invest in and strengthen our efforts in this area. During the next financial year, we are planning to roll out our basic leadership program, Leading for Success, to further target groups. In addition, we are prioritizing talent development and succession planning programs such as the Advanced Management Program and Talent Development Program, to help identify and support future leaders within the company. These programs provide our employees with the necessary skills, knowledge, and experiences to take on more challenging roles and responsibilities and to lead our organization into the future.

Another priority will be training to accompany the transformation program, which will assist dormakaba through organizational changes.

We will also place strong emphasis on strengthening the company's behaviors, values, and culture, which are all key factors in promoting growth and employee satisfaction. By creating a positive and inclusive work environment, we can foster a culture of innovation, collaboration, and creativity.

Diversity, Equity & Inclusion

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

Our approach

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

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

dormakaba Statement on Diversity, Equity & Inclusion.

[Read](#)

Our activities

We are committed to further developing Diversity, Equity and Inclusion (DE&I) at dormakaba across the following three areas.

Building an inclusive culture where employees can thrive

We want to provide an environment where employees can safely share their opinions and feel comfortable to be themselves. Through communication and training, we aim to create awareness and achieve a deeper general understanding of DE&I across the organization.

As part of a global initiative, in FY 22/23 more than 90% (1,978) of managers and HR business partners were trained on Diversity, Equity & Inclusion with an [eLearning module on unconscious bias](#). Further workshops on DE&I were conducted across Region Europe & Africa and KWS to raise awareness within leadership and identify next steps to implement DE&I initiatives at the local level. In the Region Americas we have assigned the harassment and discrimination training to every non-manufacturing employee via webinar and in-person sessions for manufacturing sites and service locations. By the end of FY 22/23, 838 employees had completed the training to gain a better understanding of the local non-harassment and discrimination policy and the different reporting channels available to them.

On International Women's Day, we launched several employee engagement activities – both on a global and local level – to raise awareness of the positive value of diverse and inclusive organizations. The key topic in 2023 was "Embrace Equity", which we celebrated globally with a "Selfie Card Challenge", that saw several employees share their photo with powerful messages. Also, on this day, virtual sessions were hosted across all Regions with guest

speakers and inspiring discussions. Moreover, in FY 22/23 we launched the DE&I Info Hub on our intranet, where we continuously share local DE&I initiatives.

In the UK, we have completed a gender equality assessment in partnership with EDGE and achieved the EDGE ASSESS level. Based on the findings in the next two years we are going to develop an action plan to improve our scoring for gender equality. A similar assessment took place in India, in partnership with AVTAR, where they identified areas for improvement that will be addressed during the next financial year.

Building a succession pipeline that supports a diverse leadership team

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

To attract a diverse workforce, we need to make sure that our recruitment processes are fair and free of discrimination and bias. Therefore, in FY 22/23 we developed a **global DE&I recruitment policy** to ensure that we select the best candidates from a diverse pool of applicants who represent different cultures, generations, ethnicities, gender identities and expressions, disabilities, family or marital status, languages, national origins, physical and mental abilities political affiliations, race, religions, sexual orientations, socio-economic status, veteran status, underrepresented communities, and other characteristics. The policy will be rolled out in the next financial year.

We are also focusing on developing an internal talent base and ensuring that all employees receive the same access to development programs. And, since our industry is traditionally predominantly male, we provide additional development platforms specifically for women that help them grow. For example, during FY 22/23 the Female Leaders Network in the Region Europe & Africa onboarded 24 new members, increasing the number of participants to 70 female leaders who have joined over the past three years. In France, we launched a French Female Network Club, "Just between us", to empower female employees to realize their potential and exchange experiences on topics such as work-life balance, time management, and self-branding.

Visit our new DE&I page on the dormakaba website.

[DE&I page](#)

Supporting professional development for women in the Region Americas

The Women's Network in the Region Americas was officially launched on International Women's Day in 2022. Its purpose is to create a place for women to bring their authentic self and achieve their full potential. The network provides mentorship, career development, and more visibility for women within dormakaba. In addition to providing monthly Lunch&Learn-style developmental sessions, the Women's Network offers peer-to-peer mentoring and development through external professional organizations. The Women's Network sponsors membership and conference attendance with the Society of Women Engineers (SWE), Women in Manufacturing (WiM), and the Women in Security Forum (WISF). These organizations support the advancement of women through networking, education, mentorship, and personal and career development.

The Women in Security Forum's Power 100 recognition program honors 100 exceptional women in security who are raising the bar, changing expectations, and breaking barriers. They model leadership, inspire others, and shape, and transform the security industry. We are proud that since its inception in 2022, seven dormakaba women have been recognized!

Wendee Molina, Plant Manager at Nogales (Mexico) is one of them. Wendee is an industrial electronics engineer, with an MBA and also has Six Sigma Black Belt certification. She has been with dormakaba for five years and has 29 years of experience in the manufacturing industry. Wendee is also active in the community, for example she is a mentor in local women empowerment programs, and the president of a support team to develop STEM curriculum for local professional schools.

Why do you think it is important to give more visibility to exceptional female leaders, for example through awards such as the Power 100?

Such recognitions put the spotlight on women, who can then become role models for other female leaders, potential female leaders, and college students, to inspire them along their career path. Female leaders, especially in STEM positions, are generally under-represented at a global level. This does not mean that women are not capable of delivering excellent results, it is rather a consequence of biases, social norms, and expectations.

Why is gender equality key within a company?

I truly believe that companies should find the best contributors to accomplish the business purpose, regardless of their gender. The optimal leadership team is a mix of both male and female managers, whose strengths combined can deliver the best results. My experience is that we can develop great teams, both horizontally and vertically, when we respect each other and understand our purpose.

What advice would you give to other women in the business world?

The key is to find the balance between personal, family, and work life. Always have clear goals and work to accomplish them every day, little by little. And it is just as important to love what you do.



The Women's Network in the Region Americas with Wendee Molina (second from the left in the first row)

Ensuring the appreciation of all minorities

We support and engage with voluntary Employee Resource Groups in which our minority groups can connect, and discuss concerns and opportunities to enable a workplace where everyone can thrive.

In France, for example, there is a Disability Committee in place, that provides support for employees with disabilities and helps in implementing a policy that promotes the integration and retention of people with disabilities.

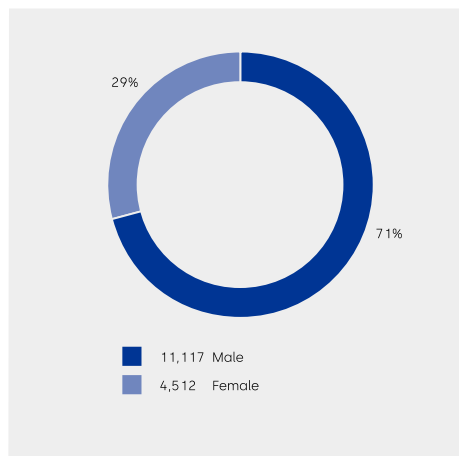
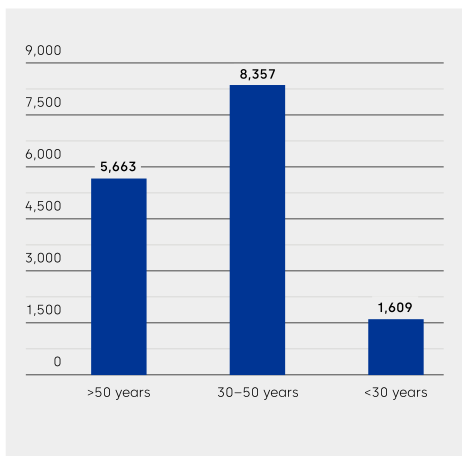
At our Indianapolis (USA) plant we have been providing our non-English speaking employees with English language and HiSET (high school equivalency test) courses since 2020. In 2023

the plant was formally recognized by the Indiana Association for Adult and Continuing Education (IAACE) for its partnership with the Warren Township School's Adult Education program. Up to June 2023, the program has increased the English language skills of approximately 25 Spanish-speaking employees, and 16 employees have earned their High School Equivalency diplomas. The Indianapolis plant currently employs 74 Hispanic or Latino employees, which is an 825% increase since 2020 (8 employees).

Our performance

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

Employees



Outlook

To achieve our target of 25% women in succession planning, additional chapters of the Female Leadership Network will be established, along with updated Employer Branding material to attract more women. Furthermore, we will roll out the DE&I recruitment policy and take measures to introduce a standard global parental leave policy based on the results of a baseline survey conducted this year.

On a regional level, all countries with more than 50 FTE will implement local measures to promote gender and/or minority inclusion in the next fiscal year. Examples include continuous training of managers on DE&I topics, like unconscious bias, the establishment and development of networks and employee resource groups, and improvements in local recruitment processes to diversify the talent pool and avoid biased decision-making.

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

[ESG Performance Table](#)

Occupational Health & Safety

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

Our approach

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

In FY 22/23 we have adopted the **Group Directive Health & Safety**, prepared in collaboration with our Environment, Health & Safety employees. It is based on recognized management systems such as ISO 45001 and the ILO Guidelines on Occupational Health & Safety. The Directive regulates the minimum business standards as regards to occupational health and safety management and processes at local level, such as the safety of the working environments and the health of our employees, contractors, and visitors within our facilities, and of our field service technicians performing their primary duties outside of our facilities. Furthermore, the Directive gives clear guidance on incident data management and on the effective control of facilities and equipment during high-risk activities. The Directive is applicable to all fully consolidated operations of dormakaba worldwide, including those of direct and indirect subsidiaries.

Our activities

Our Group Directive Health & Safety is a foundation for health and safety plans at site level, and 26% of our facilities also have ISO 45001 certification. Despite our efforts to provide a safe workplace, injuries can still occur in and around our facilities, including cuts, stumbles, commuting accidents, burns in smelting operations, injuries due to heavy lifting, or exposure to toxic fumes in galvanization processes. We have been using root cause analysis of injury incidents at our sites around the world to identify and implement the corrective actions necessary to prevent repeated incidents. Our goal is that **by the year 2027, we will decrease the recordable work-related injury rate by 33%** (baseline 1.4 in FY 20/21).

Promoting a positive safety culture at dormakaba

Katie Henry, Global Lead QHSE at dormakaba, shares her thoughts on the importance of having a proactive safety culture, why it is key in reducing incidents, and some of the most important initiatives of the HSE organization during FY 22/23.

What is a proactive safety culture and why is it so important?

Our numbers prove the theory – sites that have the highest number of unsafe observations have the lowest number of injuries. Because if people see unsafe issues – actions or environments – these can be corrected, and the risk of an incident can be reduced. Our goal is to gain global transparency about proactive safety reporting, so that we can use what we learn from local observations somewhere else too, and act prior to an incident occurring. When we start unlocking this proactive thinking and risk-based analysis at every level of the organization, this can lead to better safety performance.

During FY 22/23 employees submitted 1,261 unsafe observations versus only seven in the previous year. This is true evidence of a positive shift in the safety culture. Which global initiatives would you highlight as contributing to this change?

We launched the SAFETY FIRST initiative this year with the aim of achieving behavioral change and heightened safety awareness at dormakaba. The campaign reminds us that we should always start with safety, whether we are leading a meeting, welcoming visitors, or thinking of our business decisions. Even if it is as simple as reminding people to stay hydrated and take a break when it is too hot, we should always keep safety in our mind. Furthermore, we have implemented an idea from our Singapore site on a global scale and displayed posters with QR codes across our facilities to open the safety reporting opportunity to everyone. Another key action aiming for improved safety performance is that safety performance will be included in the long-term incentives of our senior leadership beginning in the next financial year. Lastly, I would mention that from this year forward, our annual Chief Operations Officer's Special Award will be based on proactive engagement performance, highlighting the importance of addressing safety hazards before an incident occurs.

In April 2023, the first global Health & Safety Directive was published. Why was it necessary and how will it help the organization?

So far, we have had many local regulatory requirements in place for occupational health and safety across the globe, but this Directive will provide minimum internal standards for our locations. Consequently, it will increase the level of safety management and engagement at many sites, especially at the smaller ones, where the injury rate is usually higher than at our key large manufacturing sites. We have a variety of facilities, ranging from offices, through locations with basic assembly or distribution functions to more complex manufacturing plants. The Directive provides very structured baseline guidance regardless of the type of the facility or the leadership role of the responsible employee.

The Directive is the foundation on which we will develop and continue to improve our health and safety programs, as well as to standardize them. Before it comes into force on 1 July, 2023, we are launching global mandatory trainings for Site Heads and those responsible for implementing the Directive. Furthermore, we are providing them with an Applicability Matrix and other tools, to help them successfully carry out gap and risk assessments.

We have field service technicians working outside of our own facilities, who install or repair our products. What are the key considerations regarding their safety?

Our service employees are working in environments we have the least control over. Therefore, the injury rate tends to be higher among them. What we can influence though are, the mindset and the risk-based thinking of our teammates. Although the Health & Safety Directive includes guidelines for the service teams too, next year we are planning to publish a dedicated service policy and standardized program. There are some local best practices for service safety programs that we are considering expanding to a global level. For example, in the UK we have employees performing audits at the job sites based on the risk assessment that was conducted prior to deployment. Furthermore, trainings and various tools and resources support them to avoid incidents.



Katie Henry, Global Lead QHSE, reviewing a dormakaba production plant in Melaka in August 2022

To ensure our employees remain safe and healthy, we focus on three areas:

- 1 Health and safety committees
- 2 Employee engagement and training
- 3 Reducing hazardous materials

Health and safety committees

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

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

In order to fulfill these responsibilities, the committee must conduct meetings at least twice a year. During FY 22/23 health and safety committees were set up or reformulated at several sites, including in Lima (Peru), Quebec (Canada), Suzhou (China), Westerstede (Germany), and Greater Noida (India). In Rocky Mount (USA) an evacuation team has also been set up within the safety committee.

Employee engagement and training

Workplace safety trainings are essential to identifying and solving health and safety issues and to protecting our employees. Therefore, each facility must cover the following minimum training topics on a weekly basis as a minimum:

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

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

During FY 22/23, we launched several health and safety training sessions locally. These included safety awareness trainings for new employees (215 hours) in Greater Noida (India) and ergonomics training on proper lifting techniques for all employees (about 350 people) at the Indianapolis (USA) site. In France, training sessions are assigned to employees based on their job function and the key risks associated with them. The program is aimed at all new hires and provides trainings for employees over three years, on topics such as working at height, safety and electricity, driver safety, and stress management. Since the program was launched in December 2022, more than 230 training sessions have been completed.



SAFETYFIRST

Mind What Matters

Our top priority is the safety and wellbeing of our team members. We are committed to keeping Safety FIRST in everything that we do.

- 1 Safety is the FIRST Priority in all business decisions.**
 Potential risks will be considered prior to all decisions.
- 2 Safety is the FIRST Topic in all meetings.**
 All meeting agendas will include safety as the first topic, always.
- 3 Safety Review. FIRST Action with All Visitors:**
 - Nearest emergency exit and meeting spot
 - Nearest safety shelter
 - Emergency response debrief
 - Any site-specific safety information



Employee well-being

It is important to have a holistic approach to well-being that goes beyond physical health and safety. To foster a healthy workplace, mental health must also be addressed.

Therefore, in FY 22/23 we developed a Well-being Info Hub on our internal website where we continuously upload useful information and training courses – such as tips on how to deal with stress and avoiding burnout – and inspiring initiatives and events from around the world. Furthermore, we added a Well-being at dormakaba community on our internal Yammer platform, where information and announcements connected to health and well-being are posted.

In November 2022, several employees – both men and women – took part in the Movember challenge (moustache + November), raising awareness of men’s mental health and opening up discussion about the typical challenges that they face. We provided informative materials and even members of our top management shared video messages on the topic. In addition to these global initiatives, there have been various activities locally as well, particularly in India, Singapore, and Melaka (Malaysia).

Reducing hazardous materials

The potential impact on employees' health when working with hazardous materials is of special concern, and we seek to eliminate or reduce their use as much as possible. Hazardous materials are used as cooling lubricants, oils in machining, and for the cutting of raw materials. Some hazardous materials are also used to protect other materials from corrosion in electroplating. In accordance with the Group Directive Health & Safety, all facilities that work with such materials must maintain a hazard communication and chemical management program, as well as a transportation compliance policy, if applicable. Our workers responsible for the storage, clean up, or disposal of chemical releases receive specialized training and equipment.

Key activities during FY 22/23 included:

- In Quebec (Canada) at our Skyfold factory, we reduced the use of an acetone-based degreaser, used for panel cleaning containing volatile organic compounds by 60%, by substituting it with a mild dish soap.
- In Rocky Mount (USA), we have continued the evaluation of chemicals used in electroplating to improve quality, as well as to reduce the need to hand mix corrosive chemicals. We substituted a hazardous chemical (acid salt) with sulfuric acid, which has also improved the quality of the product during plating and reduced product scrap.

Further guidelines on the safe handling, movement, storage, and use of hazardous materials can be found in our Environment Directive.

[Environment Directive](#)

Our performance

Among all our reporting sites – including offices – 25% have a health and safety management system certified according to ISO 45001, and 63% maintain a health and safety management system. During FY 22/23, Singapore was the latest to achieve ISO 45001 certification and nine employees there also completed ISO 45001 internal auditing training.

In FY 22/23, 210 occupational injury cases were registered, compared to 198 in the previous reporting year. This represents a recordable injury rate of 1.5, the same as in the previous reporting year¹. The rate of high-consequence work-related injuries was 0.05². The severity rate was 19³. Additionally, seven recordable incidents related to contract or leased workers occurred. Cuts and sprains were the most common types of injuries, and most injuries were sustained to the arms and hands. Most accidents occurred in production plants, with the second-highest number occurring during installation or servicing at customer sites. The most common root cause has been reported as incidents due to technical defects or faulty equipment. Through our global injury incident reporting tool, we have logged the implementation of over 1,500 corrective actions in FY 22/23. The majority of the corrective actions were organizational safety measures, followed closely by technical protective measures.

It is profoundly saddening to report that we were not able to achieve zero fatalities in FY 22/23, resulting in a global fatality rate of 0.01⁴. While eight dormakaba employees were traveling home from their shift at the plant in Singapore, a tragic car accident occurred. One colleague was killed in the accident, with six others hospitalized for medical treatment. The safety of our employees is our top priority, and we will continue to increase our efforts to keep everyone safe at dormakaba.

63% of our locations in scope maintain a health and safety management system.

[ESG Performance Table](#)

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

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

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

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

Outlook

Besides the roll-out of the Group Directive Health & Safety, our focus in FY 23/24 will be the development of an additional health and safety directive, specifically addressing our service business and employees. We will also be implementing a new Health & Safety incident reporting tool, which will allow for increased transparency for global read across, and mobile accessibility for immediate reporting of unsafe observations and near misses. It will also be able to send automated notifications to the responsible leadership and provide connectivity to BI applications for further analysis of trends in order to target deficiencies in the safety management system at a local, regional, and global level.

Under the direct lead of the Global Lead QHSE, we will conduct trainings specifically for sub-contractors. This activity is also part of the corrective action plan following the tragic accident in Singapore.