ENVIRONMENT

In this section

TAKING ACTION ON CLIMATE CHANGE

Climate change poses a significant global challenge, and at TKE we recognize our responsibility to help address it. Reducing emissions and improving energy efficiency are key to achieving our science-based targets.

Our carbon emissions

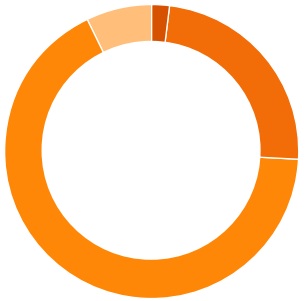
We manage carbon emissions throughout our entire value chain (Scopes 1, 2, and 3). Our direct emissions primarily result from fuel combustion by our vehicle fleet and the heating of our buildings (Scope 1). Additionally, we purchase energy, mainly electricity (Scope 2), to support our manufacturing processes and power facilities, including office buildings. Indirect GHG emissions (Scope 3) are generated across our value chain, particularly from product use and the sourcing of raw materials.

Our emission goals

We are committed to reducing emissions across all three Scopes, working closely with our partners to drive meaningful reductions within our business, for our customers, and across the industry.

TKE is committed to achieving net-zero global emissions by 2050 and has established corresponding targets to support this goal. As part of our commitment to the Business Ambition for 1.5°C initiative, we aim to reduce our Scope 1 and 2 greenhouse gas emissions by 53% by 2030, using 2019 as the baseline year. Additionally, we are targeting a 23% reduction in Scope 3 emissions from the use of our products by 2030, relative to a 2021 baseline.

TK ELEVATOR CARBON FOOTPRINT 2024/25

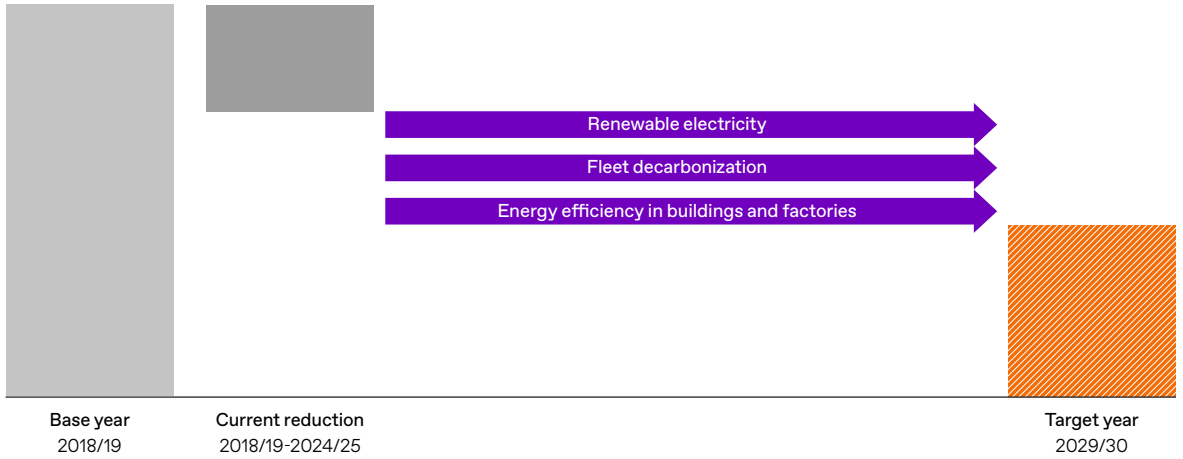


TK Elevator carbon footprint	
Scope 1 and 2	2%
Scope 3 purchased goods and services	24%
Scope 3 use of sold products	67%
Other Scope 3	7%

Our road to decarbonization

We have conducted a detailed review of our emissions sources to identify key contributors and define the actions required to achieve our targets. Reducing our Scope 1 and 2 emissions will primarily depend on decarbonizing our fleet, increasing the use of renewable electricity, and improving energy efficiency across our operations.

SCOPE 1 AND 2 EMISSIONS – PROGRESS AND KEY LEVERS FOR FURTHER REDUCTION TCO_2E



Renewable electricity

We continue to expand our use of renewable electricity. By the end of 2024/25, 83% of our electricity consumption worldwide was from renewable sources, and 94% of our factories were already operating on 100% renewable electricity, and we are progressively extending this to other facilities.

Fleet decarbonization

We are reducing emissions from our vehicle fleet through measures such as right-sizing vehicles, upgrading to more efficient models, expanding electric vehicle use as infrastructure improves, promoting public transport, and training technicians in fuel-efficient driving. We also use digital solutions to optimize routes, enable remote servicing, and reduce on-site visits. By the end of 2024/25, emissions from our vehicle fleet per elevator and escalator under maintenance had decreased by 23% compared with 2018/19, despite increased service activity.

Energy efficiency in buildings and factories

We are implementing initiatives to reduce energy consumption across our buildings and manufacturing sites. This includes the use of more efficient and automated production technologies, as well as improvements to building systems and infrastructure. In 2024/25, the emissions related to the consumption of non-electric energy in our buildings and factories decreased by 20%, from 2018/19.

TAKING ACTION ON CLIMATE CHANGE CONTINUED

Governance

Our global ESG function coordinates environmental topics. It works closely with the relevant senior leaders who are responsible for putting environmental decisions into practice. Regional business units implement action plans in line with local regulations and operating environments. Each unit has an environmental coordinator, who applies local expertise to monitor initiatives and ensure alignment with our global strategy and targets. We also hold quarterly calls with our environmental coordinators to promote the active sharing of best practices among our environmental experts.

Environmental policies and management systems

We have established internal policies on the environment and climate to reduce our ecological footprint and promote sustainable practices across our operations. Our policies apply to 100% of TKE's activities and cover GHG emissions, energy, waste, water, pollution, product, environmental performance, environmental and climate risk management, and engagement with suppliers on environmental- and climate-related issues. These policies support the internal communication of our commitments, approach, and targets, and provide guidance on the responsible use of energy and resources. They also cover supply chain management, extending our environmental approach across the value chain. Global policies are adapted to account for each entity's facilities, activities, and services.

Our internal environmental regulations further define minimum requirements for our environmental and energy management systems. At TKE, environmentally relevant companies are identified based on the potential environmental impacts of their operations, while energy relevant companies are defined based on their level of energy consumption. For all companies with relevant environmental impacts and high energy use, we require the implementation of an ISO 14001 compliant environmental management system and an ISO 50001 compliant energy management system. This requirement applies to all TKE factories.

As of 2024/25, 83% (2023/24: 83%) of our manufacturing centers were ISO 14001-certified and our ISO 50001-certified factories accounted for 81% (2023/24: 84%) of their energy consumption. We continue to improve the management systems and certifications in our factories. In 2024/25 we continued with the implementation of ISO 14001 environmental and ISO 50001 energy management systems in our factory in Fort Worth and we are planning further certifications in the future.

Suppliers are expected to implement and maintain an appropriate environmental management system (compliant with ISO 14001 or a national equivalent) to minimize environmental impacts and hazards and improve environmental protection in their everyday operations.

Read more about the standards we set for our suppliers on page 52 →

Recognition

In 2025, TK Elevator was awarded with the top grade 'A' in the annual climate ranking of CDP for a sixth consecutive year. In addition, we achieved an A score in the CDP Supplier Engagement Assessment (SEA) for the fifth year in a row. CDP recognized our activities to cut emissions, mitigate climate risks, and contribute to achieving a low-carbon economy.

We are part of RE100, a global initiative that brings together the world's most influential businesses committed to 100% renewable electricity.

Our emissions reduction targets are validated by the Science Based Targets initiative (SBTi) and are consistent with the levels required to meet the goals of the Paris Agreement. These targets are a step on the way to meeting our long-term net zero target.

TAKING ACTION ON CLIMATE CHANGE CONTINUED

Turning strategy into action

We regularly monitor environmental data for all the entities, including energy and water consumption and waste, using standard software that makes it easy to centrally check progress against group targets. Entities which together account for over 80% of our total Scope 1 and 2 market-based emissions report their data at least on a quarterly basis, while others report their data annually. We use this input to monitor our environmental performance and progress in achieving the relevant targets, with results reported quarterly to our senior leadership team and the management board.

In 2024/25, we continued to enhance our environmental data reporting system. During the year, we transitioned to an integrated monthly reporting approach, enabling more timely data collection and validation through regular data checks. We also initiated quarterly internal audits and introduced additional indicators. These enhancements increased the frequency and granularity of reporting, strengthened data quality, and supported timely decision-making to advance our targets. We continued using emissions factors sourced from DEFRA (Department for Environment, Food & Rural Affairs – UK) and the IEA (International Energy Agency).

Energy transition in our operations

We aim to source 100% of our electricity from renewable sources across all of our global operations by 2030.

In 2024/25, 83% (2023/24: 76%) of the electricity we consumed worldwide was from renewable sources. This increase was primarily driven by our operations in North America, where we have achieved 100% electricity consumption from renewable sources, with an increase of 16 percentage points (from 84% in 2023/24).

While we continue purchasing energy attribute certificates (EACs), we are also seeking new options for buying and generating renewable electricity. For example, we have power purchase agreements (PPA) for onsite solar panels installed in our elevator factories in Zhongshan and Shanghai, in China, and Pune, in India, which now generate around 34% of the electricity consumption of these sites. In 2024/25 we have also installed solar panels in our branch in Vienna, Austria. The installation will generate around 33% of the electricity consumption in the building. These alternatives contribute to cost efficient, reliable energy supply, strengthening operational resilience and reducing disruption risks.

In 2024/25, our factories worldwide accounted for nearly 60% (2023/24: 60%) of our total electricity consumption, with over 94% (2023/24: 94%) coming from renewable sources.

Beyond our factories, we operate across more than 1,000 support centers worldwide, including office spaces, warehouses, and service and maintenance centers. Advancing the transition to renewable electricity remains a significant challenge, largely due to the diverse nature and relatively low electricity demand of these locations, as well as the varying availability of renewable electricity across locations. In 2024/25, we increased renewable electricity sourcing for these sites to 66% (2023/24: 50%).

Alongside our move to renewables, we are investing in measures to boost energy efficiency and reduce energy consumption in our offices, factories and vehicles.

This year, our factories have reduced their overall energy consumption by 5% compared to the previous year. We continued to upgrade their lighting systems; optimized production and auxiliary equipment; as well as performed further operational improvements to reduce energy consumption – such as reducing the number of forklifts and replacing gas forklifts to electric ones.

For our fleet, we continue reducing our fuel consumption by right-sizing the vehicles, promoting the use of low-consumption vehicles, encouraging our technicians to use public transport, especially in high density urban areas, and training them to improve their driving practices and reduce their fuel consumption. For example, during the reporting year in Spain, awareness campaigns were conducted to promote good driving habits, alongside a quarterly Best Driver Award.

We continue to optimize technicians' travel routes by improving route clustering and leveraging our digital and AI-enabled service transformation. These tools allow us to plan service visits more efficiently, reduce callbacks, and avoid unplanned site visits, and with that the fuel consumption by our fleet of vehicles. For example, in the U.S., our Digital Operations Center concept helped prevent 20,000 unplanned service visits in 2024/25. At the same time, our Spare Parts Business Excellence (SPBE) initiative further reduces travel by ensuring technicians do not need to return to their local office between jobs to collect components and spare parts.

ENERGY CONSUMPTION

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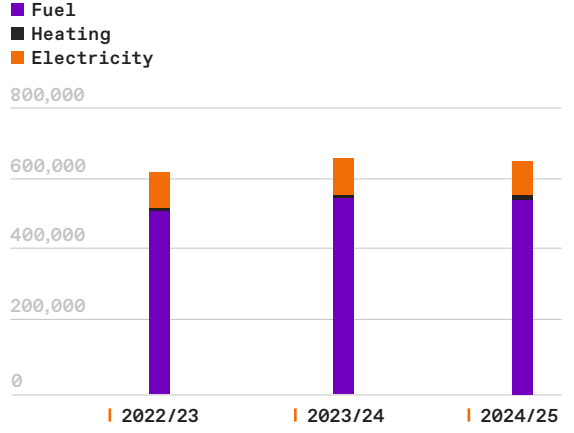
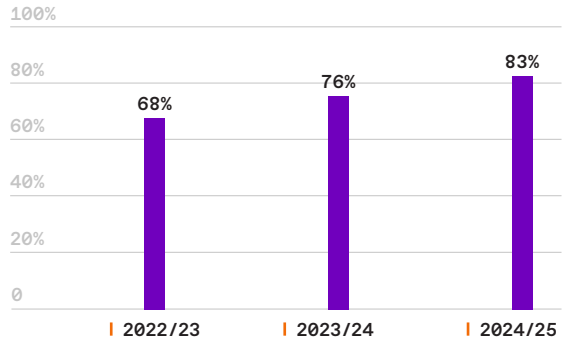


GRI 302-1 SASB RT-EE130a.1

RENEWABLE ELECTRICITY CONSUMPTION

% OF TOTAL ELECTRICITY



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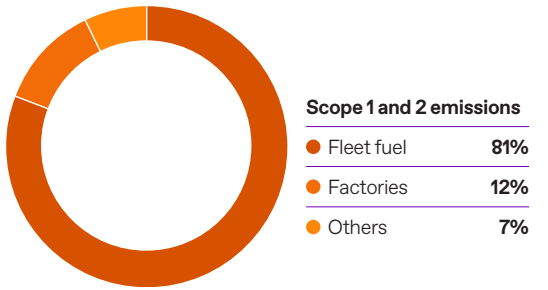
TAKING ACTION ON CLIMATE CHANGE CONTINUED

Reducing Scope 1 and 2 emissions

In 2024/25, our manufacturing centers represented 12% (2023/24: 12%) of TK Elevator's total Scope 1 and 2 emissions. Our fleet of nearly 18,000 vehicles, most of which are service vehicles used by technicians, cars driven by sales representatives, and other company cars available for use by employees, accounted for 81% (2023/24: 79%). The remaining emissions are related to our energy consumption in other buildings and facilities spread over 60 countries.

By the end of 2024/25, our market-based Scope 1 and 2 emissions were 3% lower than the previous year (2023/24: 2%) and had fallen by 31% compared to 2018/19 (2023/24: 28%). Our emissions reduction was primarily driven by a higher share of renewable energy. Despite our increase in service activity and units under maintenance in 2024/25, our emissions from our vehicle fleet decreased thanks to a higher share of hybrid and electric vehicles (+8ppt) and more efficient activity. Emissions from our factories also declined by 10%, mainly as the result of lower energy consumption.

SCOPE 1 AND 2 EMISSIONS 2024/25 BY SOURCE



Scope 1 and 2 emissions	
Fleet fuel	81%
Factories	12%
Others	7%

We regularly monitor the opportunities and challenges for the electrification of our fleet in each country and aim to increase the use of battery electric vehicles (BEVs) where possible. In 2024/25, we increased the share of BEVs in our fleet, with a successful 28% share in Austria, 35% in Norway and 39% in China. We also increased the use of hybrid electric vehicles (HEV), with great success in USA and Canada where we have replaced more than 700 combustion vehicles to new HEVs. We continue our efforts for the decarbonization of our fleet and analyze whenever possible to pilot EVs and continue to replace old combustion vehicles with newer and more efficient ones.

Despite its effectiveness in reducing fleet emissions, electrification is not yet technically or economically feasible across all our markets, due to the limited availability of suitable vehicle models, insufficient charging infrastructure, and the high upfront associated costs. As a result, we regularly explore other alternatives to reduce fleet emissions, such as the use of biofuels. In 2024/25 we further increased the consumption of ethanol in Brazil by 11% (2023/24: 54%), meaning ethanol is responsible for 74% of all fuel used in the country.

The reduction of fuel consumption, by optimizing technicians' travel routes, right-sizing vehicles, promoting low-consumption options, encouraging public transport, and improving driving practices through training, also contributes to reducing our fleet emissions.

The reduction of our Scope 1 and Scope 2 emissions is incorporated into our sustainability index. In addition, payouts under our long-term incentive (LTIs) program, the "Value Creation Incentive Plan", are linked to TK Elevator's sustainability index, which incorporates both environmental and social factors, including carbon footprint, accident rate, and employee engagement.

GRI 305-1 GRI 305-2 SASB RT-EE-130a.1

Reducing Scope 3 emissions

Reducing Scope 3 emissions is central to our decarbonization efforts, as they account for the majority of our overall emissions (98% of TKE's emissions). Progress depends on advancing product efficiency, influencing how our products are used, and strengthening collaboration with suppliers across the value chain.

Our Scope 3 target focuses on emissions from product use. Our products are powered by electricity, and the Scope 3 emissions related to our products' use are therefore mainly driven by two factors: the carbon intensity of the electricity used and the amount of electricity consumed during operation. While we do not control the electricity mix in the markets where our products are used, we are continuously improving the energy efficiency of our portfolio.

In 2024/25, our Scope 3 emissions from the use of sold products fell by 16% year-over-year and are now 19% below the 2020/21 base year. This development reflects a slight decline in shipped units – mainly due to the market downturn in China. Additionally, the continued shift towards more energy-efficient products and lower volumes in more energy-intensive segments contributed to reduce our Scope 3 emissions related to the use of sold products.

One important driver of this shift is the rapid expansion of EOX, our eco-efficient and digitally native elevator platform. EOX order intake unit volumes grew by more than 50% in 2024/25, and the platform now represents over 80% of elevator order intake units in Europe and around 40% in the Americas. Compared with other low- to mid-rise solutions, EOX uses up to 45% less energy in North America and up to 28% less in Europe and Latin America, making it a key contributor to lowering operational emissions.

We remain committed to further reducing the energy consumption of our products – through continuous innovation and by raising customer awareness of the benefits of energy efficient solutions, including in markets where adoption is still emerging. Energy-efficient elevators reduce energy consumption and operating costs.

EOX also helps lower upstream emissions. Its optimized design uses around 20% less steel in Europe than comparable products, reducing embodied emissions by over 60% in North America and more than 15% in Europe.

We have strengthened our collaboration with suppliers on climate matters as part of our refined global procurement approach. In 2024/25, we collected data related to the suppliers' GHG emissions from 46% of our purchasing volume for direct materials. The aim of this request is to engage suppliers in a dialogue on their emission reduction targets and plans, and to support them in reducing their GHG emissions.

Read more about our suppliers on page 52 →

TAKING ACTION ON CLIMATE CHANGE CONTINUED

Integrating risks into our decision-making

Following a multidisciplinary company-wide risk management process managed by our interdisciplinary risk and internal control committee (RICC), we evaluate and report risks and opportunities related to the environment and climate change. We have assessed our climate-related risks and opportunities based on the Task Force on Climate-Related Financial Disclosures (TCFD), which provided valuable insights about potential climate-related risks that might be relevant for TK Elevator.

The analysis revealed potential long-term risks associated with the transition to a low-carbon economy and extreme temperatures, as well as tropical cyclones, storms and flooding. While we first used these insights to further analyze the risks to our factories, we extended this approach to more sites in 2024/25.

Read more about how we manage sustainability risks on page 14 →

GRI 201-2

Advancing climate risk management

In 2023/24, we piloted a new approach to strengthen how we identify and assess environmental and climate risks across our companies. In 2024/25, we extended our pilot to more than double the number of companies, from seven to 19, and included opportunities in the scope. The process includes a tailored questionnaire and standardized risk and opportunity assessment template, supported by our global ESG team to ensure robust evaluations. In total, 19 entities across 11 countries participated.

The main risks identified at the selected sites were related to flooding, cyclones, extreme temperatures, and non-compliance with emerging climate legislation. The process has helped entities better understand their risks and opportunities, raise awareness, and strengthen preparedness. Building on its success, we will continue refining and expanding this approach.

The relevance of this work becomes clear with the increasing frequency of extreme weather events, such as the flooding in Brazil in 2024, which displaced over 150,000 people and impacted our factory in Porto Alegre. While operations were temporarily halted due to road damage, our assets remained unharmed, and partial operations resumed quickly thanks to a structured recovery plan and strong local leadership. This real-world event underscored the value of proactive climate risk assessment and response planning, reinforcing the need to further strengthen and embed these practices across our operations and integrate them into our company-wide risk management processes.

Read more about our climate risks on page 14 →

Operations with low air emissions

Overall, TKE's emissions to air are not material. Due to low emission production processes, air emissions from manufacturing operations have minimal environmental impact and are monitored to ensure regulatory compliance. Air emissions from the mainly service-related vehicle fleet contribute to overall air pollutant emissions. However, the impact remains limited given the predominance of normal- to medium-sized vehicles.

EMBEDDING CIRCULARITY

Our elevators, escalators, moving walks, chairlifts, and passenger boarding bridges are among the safest and most reliable mobility solutions. We continue improving their efficiency by integrating low energy technologies, applying circular economy principles, expanding digital services, and upgrading products to enhance safety and extend their lifetime. Long product lifespans – further prolonged through maintenance, repair, and modernization – support the transition to a circular economy.

Designing for lower lifecycle impacts

Buildings contribute 38% of global energy-related emissions. Although modern elevators represent only 2–5% of a building's energy use, they are essential for accessible, aging, and increasingly urbanized societies [1].

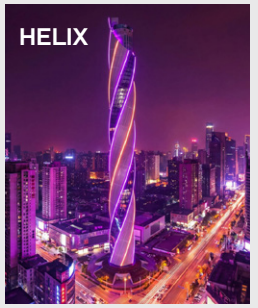
At TK Elevator, we design products that help reduce the environmental footprint of buildings and cities, minimizing the use of energy and other natural resources. Our solutions focus on lowering energy consumption and promoting the selection of materials that reduce the embodied carbon of buildings – that is, the CO_2 emissions associated with their construction and use. We also address impacts across the full product life cycle, including manufacturing, packaging, and transportation, to further reduce environmental impacts.

1 American Council for an Energy-Efficient Economy (ACEEE).

POWERING THE NEXT GENERATION OF SUSTAINABLE URBAN MOBILITY

New installation

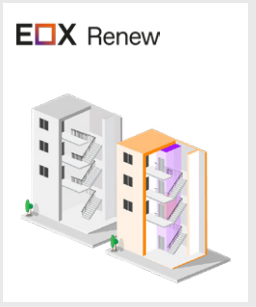
Our **digitally native, energy-efficient EOX and HELIX platforms** bring next-generation sustainability to low-, mid- and high-rise buildings.

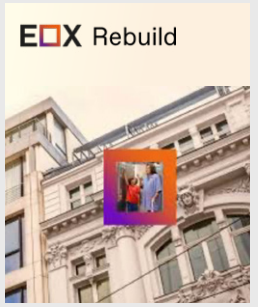


Our unique **TWIN** high-rise elevator reduces shaft space requirements and embodied carbon as the only elevator system with two independently moving cars in one shaft.

Modernization

Our **modernization solutions** upgrade existing elevator and escalator units with low-energy components and smart technologies designed to reduce material use and boost efficiency.

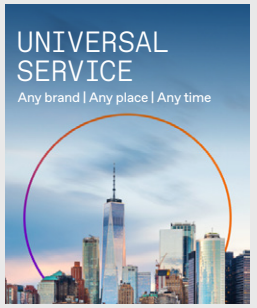


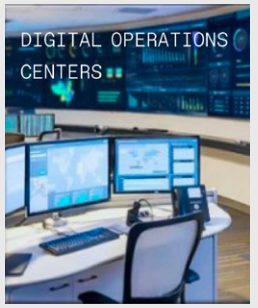


Our expanding **EOX-based modernization portfolio** for elevators delivers future-proof sustainability across diverse building types.

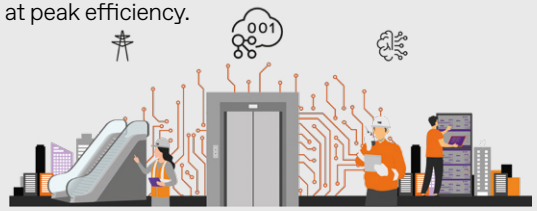
Service

With **Universal Service**, we provide multi-brand service and maintain any brand, anywhere, anytime.





We continuously advance our predictive, **AI-enabled maintenance capabilities to increase uptime**, avoid unnecessary trips and travel time, and keep equipment operating at peak efficiency.



EMBEDDING CIRCULARITY CONTINUED

Evaluating product impacts through lifecycle assessments

TK Elevator carries out ISO 14044-compliant lifecycle assessments (LCAs) on new designs to measure their environmental performance. These studies yield useful information and reveal opportunities for curbing environmental impacts.

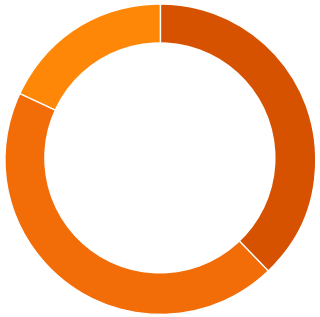
We also publish ISO 14025-compliant Environmental Product Declarations (EPDs) containing reliable, transparent, and comparable information on our products' environmental impacts. At the end of the reporting year 2024/25, we had twelve active EPDs (2023/24: 16 EPDs[1]) published on our elevators and escalators in North and South America, Europe, and China, including three newly published EPDs for our elevators in North America. We are continuously working on updating and extending our portfolio of EPDs.

Our EPDs are recognized by leading building rating schemes such as LEED and BREEAM, helping to improve the scores of buildings in which our products are used. The main elevator and escalator products we offer in Europe are approved by and incorporated in Byggvarubedömningen (BVB), a Swedish tool for assessing the environmental aspects of construction products. They are also listed in the portal for building products that can be used in Nordic Swan Ecolabeled buildings. LEED and BREEAM are widely recognized building certifications used to assess and communicate environmental performance, while the Nordic Swan Ecolabeled covers both buildings and products with a strong lifecycle focus.

TKE's most significant environmental impacts are related to the materials we use to manufacture our products and the consumption of electricity in their operation. Our R&D approach aims to ensure that all our products are made of materials that have lower environmental impacts. All new products are designed to minimize energy use and achieve the lowest energy consumption according to ISO standards.

GRI 2-25

LIFECYCLE CARBON FOOTPRINT OF EOX IN EUROPE



Lifecycle carbon footprint	
Materials and manufacturing	38%
Product operation	44%
Other	18%

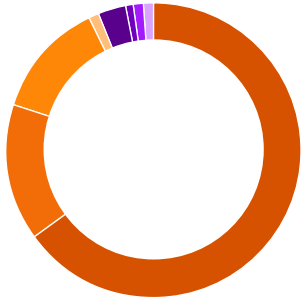
Understanding our material use

Carbon steel accounts for 65% of the materials used in our products. This is a highly recyclable material that can be kept in the supply chain indefinitely, thus diverting waste from landfill and reducing the consumption of primary resources. By recycling steel we reduce the need for new steel, which has high embodied emissions.

More than 95% (2023/24: 95%) of the materials in our products can be recovered, and roughly 11% (2023/24: 11%) of the materials used in our products are recycled.

GRI 301-1 GRI 301-2

MATERIALS USED IN TK ELEVATOR PRODUCTS IN 2024/25



Materials used[2]	
Steel/ferrous metals	65%
Concrete/inorganic materials	15%
Wood and cardboard/organic materials	13%
Plastics and rubbers	1%
Electrical and electronic components	3%
Others	1%
Aluminum/nonferrous metals	1%
Glass	1%

1 At the end of 2023/24, 8 (2022/23: 6) out of these 16 (2022/23: 14) EPDs are still active.

2 The materials used during the year under review have been estimated based on available inventories for the EPDs or lifecycle analyses (LCAs) of TK Elevator's products.

EMBEDDING CIRCULARITY CONTINUED

Policies for circularity

Our Environment and Climate Policy defines how we minimize waste and reduce resource use throughout our operations and product lifecycles. Internal R&D standards set requirements to increase material and packaging recyclability, which facilitates the reuse of materials and components. These efforts are aligned with our environmental policies, which also cover circularity principles across our operations.

In 2024/25, we strengthened our packaging guidelines with a new Operating Instruction that defines clear use cases for sustainably sourced wood, cardboard, and paper, and sets a preference for certified packaging materials. The instruction also provides guidance on reducing plastics and other non-recyclable materials. Our overarching aim is to keep products, components, and materials in circulation for as long as possible–supporting circularity and minimizing waste.

Supporting customers with low-carbon choices

We help customers reduce the operational and embodied carbon of buildings through energy-efficient products, appropriate material choices, and modernization options. Our experts prepare dedicated assessments of specific projects for customers, enabling them to optimize their existing installations and buildings. They also evaluate how our products can support buildings to earn sustainability-related certifications, such as LEED and BREEAM. To support this, we publish a wide range of energy efficiency certificates, EPDs, and Health Product Declarations (HPDs).

Through R&D, we focus on technologies that reduce energy use, material consumption, and the overall environmental footprint of buildings and cities.

EMBEDDING CIRCULARITY CONTINUED

Circularity through modernization

Elevators and escalators typically require modernization after 20–25 years. Modernization extends service life, reduces material use, and improves energy efficiency. Before any upgrade, we carefully assess which components truly need replacement to avoid unnecessary materials and embodied carbon. We offer modular modernization kits for both TKE and third-party units and continue to expand our modernization offering.

We are also extending the EOX concept from new installations into modernization, shifting from a predominantly engineer-to-order model to a more industrialized configure-to-order approach based on the EOX platform. This approach reduces complexity and the number of variants, shortens delivery and installation times, and supports more consistent scalability across markets.

Our International Technical Services (ITS) network refurbishes thousands of components annually, enabling fast replacement while reducing waste and conserving valuable resources. Refurbished parts support repair and modernization projects, meeting urgent replacement needs with lower material consumption and a reduced environmental footprint. In 2024/25, the number of refurbished parts increased by around 20% compared with the prior year, reflecting strong customer demand as well as our teams' proven delivery capability.

ADVANCING ACCESSIBILITY THROUGH EVIDENCE BASED INSIGHT IN SPAIN

To strengthen inclusive mobility and support sustainable urban development, TK Elevator conducted a nationwide study on accessibility in Spanish cities and residential buildings. The research combined a representative population survey with expert interviews to better understand how accessibility influences autonomy, social participation and quality of life. The findings reveal both strong public awareness and persistent gaps.

88% of respondents believe accessibility should be guaranteed in all buildings, yet only four out of ten are aware that a legal framework already exists. Accessibility barriers have a direct impact on daily life: 54% of people report having changed their usual routes to avoid areas with access difficulties. One in three respondents admits to having stopped visiting family or friends because their buildings lack elevators or present architectural barriers, while 43% avoid shopping in establishments with similar accessibility limitations. At the same time, societal support for action is high. 82% value public investment in accessibility infrastructure, and 77% identify accessibility and inclusion as the main benefit of installing elevators and escalators. These insights underline the importance of continued investment in people-centered mobility solutions that foster inclusion and more sustainable cities.

EMBEDDING CIRCULARITY CONTINUED

Reducing waste across our operations

We aim to cut down on our use of resources by preventing and reducing waste. In our operations, waste primarily consists of metal scraps from our machinery and packaging materials. We continue minimizing waste by optimizing manufacturing, working with suppliers to cut packaging, and reusing materials. When waste is unavoidable, we improve management through segregation, reduction, recycling, and reuse, and use incineration only as a last resort.

At customer sites, waste generated while installing or servicing our products mainly consists of uninstalled components, packaging materials, electronic components and oily waste. Close to 70% of the materials used in our products are recyclable, and we continue to look for ways to cut down on the waste of packaging materials, supported by our new packaging Operating Instruction that favors certified, recyclable materials and supports circularity.

Driving progress efficiency and waste reduction

We are committed to reducing landfill waste and made further progress in 2024/25 with a reduction of landfill waste in our factories from 6% in 2023/24 to 5% in 2024/25 and a decrease of 18% of total waste generation across our factories, while their volume of waste sent to landfill declined by 31%. We recognize that achieving zero landfill waste across all our facilities will require time and sustained effort. Lasting progress depends on structural process changes. We have therefore embedded our zero-landfill ambition into our factory transformation plan to support long-term, sustainable progress.

We continue working to reduce our landfill waste with waste separation, reduction, and recycling initiatives, and expect to make further progress reducing our landfill waste.

GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5 SASB RT-EE-150a.1

In 2024/25, we implemented several initiatives to reduce and improve our waste management. We developed a program to reuse wood pallets and boxes, recycle wood crates, and improve processes that minimize landfill waste and improve packaging efficiency. Additional initiatives included the use of waste decomposer machines, reuse of scrap materials, cafeteria waste reduction campaigns, wood donations to local cultural centers, environmental training on hazardous waste management and traceability. In 2024/25, our factory in Brazil was re-certified as a zero-waste factory by the Zero Waste Brazil Institute (Instituto Lixo Zero Brasil – ILZB), following its first certification one year earlier. This certification is granted to companies that implement efficient waste management practices, reducing waste generation and promoting the circular economy.

All TK Elevator entities disclose their waste data within the scope of their regular environmental data reports. Disclosures cover hazardous and non-hazardous waste, recycled waste, and waste that goes to landfill.

In 2024/25, 61% (2023/24: 61%) of our factories operated with zero landfill waste throughout the entire reporting year, and four more factories achieved zero landfill waste by the end of the year. At these sites, we continued to optimize processes, promote waste reduction initiatives and training, and implement alternative treatment solutions such as waste-to-energy.

WATER CONSUMPTION AND DISCHARGE

TK Elevator uses water in its manufacturing processes, offices, and other facilities. Only 56% of our factories use water in the production processes, mainly for painting and coating, while all our entities use water for cleaning, watering plants and for other purposes.

Our manufacturing facilities mainly obtain water from municipal water networks, but also from rainwater or groundwater, and release their wastewater into municipal wastewater treatment systems. They all comply with environmental laws, regulations, and requirements in connection with discharging water.

In line with these rules, 56% of manufacturing facilities regularly take samples of their water discharge and report analysis findings to the authorities and 39% of them have their own wastewater treatment systems.

Our materiality assessment indicates our impact on water is not material. However, we monitor all TK Elevator companies water consumption and wastewater on an annual basis. Any significant variations from previous years are analyzed to determine their causes and identify possible remediations. We aim to reduce water consumption and wastewater volumes as far as possible. In 2024/25, our reported water consumption decreased by around 2% and water discharge decreased by around 6% (2023/24: water consumption 2%, water discharge 2%).

GRI 303-1 GRI 303-2 GRI 303-4 GRI 303-5

Based on the 2025 water risk assessment, 39% of the manufacturing sites at TKE were identified as operating in areas of high water stress. Given the limited water consumption at these sites, their dependency on water resources was assessed as low and the impact at these sites is considered minor. Nevertheless, the company acknowledges potential dependencies on surrounding ecosystems and local communities and remains committed to identifying and mitigating these potential risks.