

GOVERNANCE

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RESPONSIBLE BUSINESS CONDUCT

Not only is it our responsibility to comply with the laws and regulations of the jurisdictions in which we work, but we often work to an even higher standard. We are convinced that ethical business practices lead to long-term positive results for the company, our employees, customers, business partners, and society as a whole.

Our values guide how we do business and interact with everyone, internally and externally. We strive for excellence not only in our products and services but also in how we operate, while our robust governance structures, including a compliance management system, support a values-driven company culture.

Our policies

As a signatory of the United Nations (UN) Global Compact since 2021, we are committed to advancing a sustainable future, tackling global corruption, and upholding human rights and labor standards.

Our code of conduct, compliance and data protection management system, and Ethics Line, all of which are supported by various internal policies, provide the framework for ensuring we follow the highest standards of business ethics.

Our [code of conduct](#) defines clear standards for our behaviors, as employees and as a company, and reflects how we act toward customers, suppliers, and other stakeholders. It applies to all activities that are relevant to our business: providing the best and safest products and services possible to our customers, protecting the environment, and creating an atmosphere in which future generations will want to work. It also includes our commitment to compliance with measures to combat fraud, bribery, corruption, and anti-competitive behavior. It is posted in 25 languages on our website and our intranet.

Our group policies, regulations, and other supporting documents contain additional information and guidance on core compliance topics that include anti-corruption and antitrust, steps to prevent money laundering, trade control, and data protection.

GRI 2-24 **SASB RT-EE-510a.1**

All our employees can access our compliance policies and documents. During 2024/25, we conducted a comprehensive review of all policies to reflect recent legislative developments and address risks identified by advisory reviews.

Where we require our subcontractors to adhere to particular standards, we clarify it in our contracts with them and provide relevant documents such as the supplier code of conduct.

We take our responsibilities across our supply chain seriously, rejecting contracts that require breaking the rules of our code of conduct. Our commitment to compliance is reflected in our code of conduct and supplier code of conduct, which set the ethical standards we apply to all employees, partners, and ourselves. Compliance with the requirements defined in the supplier code of conduct is verified through our supplier self-assessments. We apply a zero-tolerance policy to human rights violations. This is integrated in our sustainability approach, which is aligned with the ten principles of the UN Global Compact, the UN Universal Declaration of Human Rights, and the core labor standards of the International Labour Organization (ILO). We have formulated a statement on slavery and human trafficking in which we firmly commit ourselves to combating all kinds of child and forced labor and violations of core labor standards in our value chain.

GRI 2-23

Our commitment to human rights spans three areas:

1 Health and safety throughout our value chain – this involves ensuring safe working conditions for both our own employees and our subcontractors.

[Read more on page 33 →](#)

2 A working culture based on fairness and inclusiveness – we ensure fair working conditions for all our employees.

[Read more on page 37 →](#)

3 Respect for human rights throughout our supply chain – we work with our suppliers to ensure due diligence.

[Read more on page 50 →](#)

We also expect all our business partners to acknowledge and respect human rights and apply equivalent principles. In 2020, TK Elevator signed a global framework agreement (GFA) with the group's employee council and the IndustriALL Global Union in which we pledged to safeguard human and employee rights worldwide.

Human rights violations can be reported to TK Elevator using our [Ethics Line](#). This makes it easy for all internal and external stakeholders to report suspected breaches.

[Read more about our grievance procedures on page 48 →](#)

RESPONSIBLE BUSINESS CONDUCT CONTINUED

TK Elevator's principal tools for ensuring due diligence with respect to human rights are:

- Code of conduct
- Supplier code of conduct
- Minimum requirements for human resources and working conditions
- Supplier audits
- Safety standards and tools for all business units
- Grievance mechanisms (such as the TK Elevator Ethics Line)
- The Global Elevator Industry Safety Forum, which we co-founded
- A global framework agreement (GFA) with the IndustriALL Global Union
- Our slavery and human trafficking statement: this statement was replaced by our broader Human Rights and Modern Slavery Statement, which was most recently updated in September 2025 and combines the requirements of all relevant jurisdictions in which TK Elevator operates. |

GRI 2-23 GRI 2-24



RESPONSIBLE BUSINESS CONDUCT CONTINUED

Our compliance management system

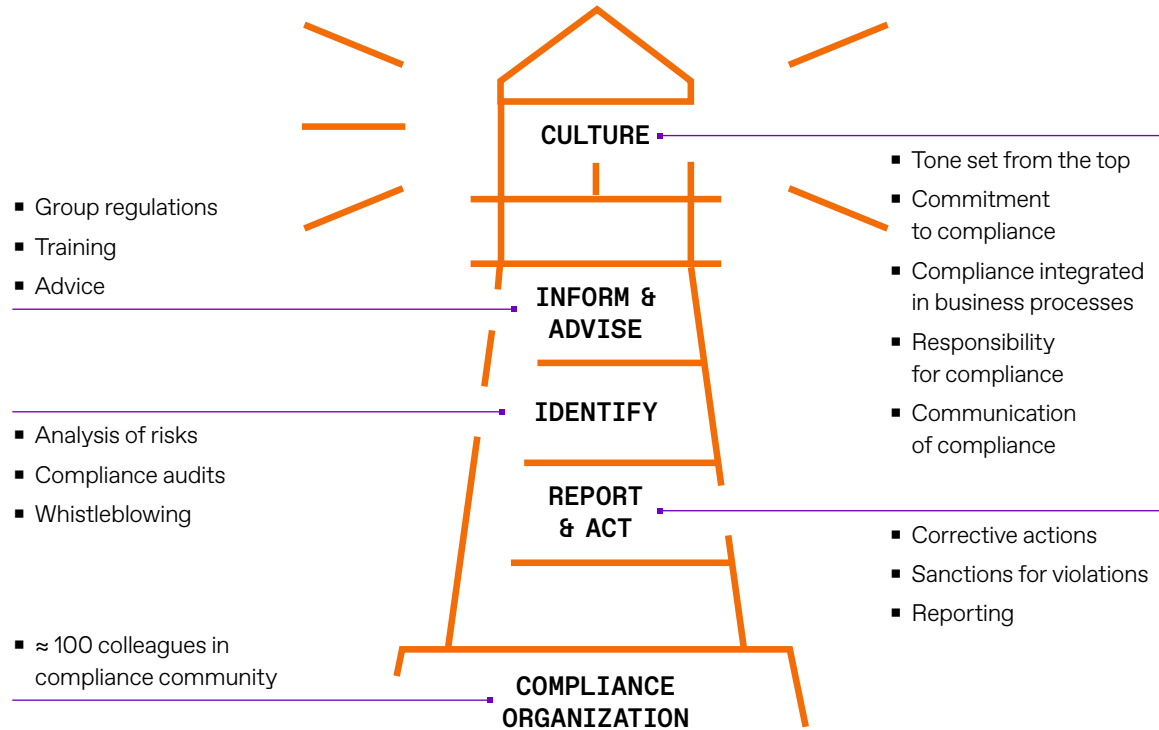
Our compliance management system is tailored to our business model and the environment in which we operate. TK Elevator has established worldwide standards and processes to ensure a consistent group-wide approach. We expect our business partners to share our high standards in promoting an open and transparent culture, ethical behavior, and compliance.

This includes adhering to international standards such as those of the UN and the Organisation for Economic Co-operation and Development (OECD), conventions against corruption, and all other anti-corruption laws. Partners are also expected to hold their own suppliers to the same standards. This is detailed in our supplier code of conduct.

TK Elevator’s compliance program has three parts: inform & advise, identify, and report & act. It is tightly interwoven with our overall risk management program, our internal control system, and our internal controls & audit function. In this way, we ensure that compliance is an integral component of every business process and that potential risks are identified at an early stage so appropriate countermeasures can be taken.

Our compliance officers around the world advise, educate, and inform employees about our compliance program, including our ethical standards and all applicable legal requirements. Employees are informed about the compliance program, for example through topic-specific online and in-person training, regular newsletters, poster campaigns, and global and local intranet sites.

ELEMENTS OF THE TK ELEVATOR COMPLIANCE PROGRAM



Organization and reporting

TK Elevator’s compliance organization is headed by our chief compliance officer, who reports directly to the Labor Director, who is a member of TKE’s senior leadership team and reports directly to our CEO. As of September 30, 2025, we had 15 full-time compliance officers (2023/24: 15 compliance officers) at the corporate and business unit levels. Based in Germany, China, Brazil, the United States, and Spain, they work closely with a network of more than 70 compliance managers to implement the compliance program at all levels of the organization. In addition, our compliance officers are supported by a larger, global network of colleagues who specialize in areas such as data protection or trade controls. They also train and advise employees worldwide on applicable statutory requirements and internal group-wide policies.

Our chief compliance officer provides quarterly reports to TK Elevator’s management board and reports periodically to the supervisory board. In addition, a comprehensive compliance report is prepared on an annual basis.

Each report outlines the current status of the TK Elevator compliance management system, principal risks, incidents, and any relevant measures taken. Reports are submitted to TK Elevator’s management board and supervisory board. Similar KPIs and compliance reports are also prepared for each dedicated business unit and submitted to their respective management boards. When necessary, the TK Elevator management board, business unit heads, and other line managers are immediately notified of any material risks, violations of rules, or compliance-related developments.

RESPONSIBLE BUSINESS CONDUCT CONTINUED

Our whistleblower system

Our employees can confidentially report any incidents via internal channels by communicating with their supervisor, an HR representative, a local compliance manager, or one of our compliance officers, without fear of retaliation or repercussions. We have also set up a TK Elevator Ethics Line that employees can use to confidentially report concerns at any time of the day or night, via the internet or dedicated phone numbers. The TK Elevator Ethics Line is available in 19 different languages, and employees can submit reports in their native languages. It is also available for use by all customers, suppliers, business partners, and other parties.

Ethics Line users can anonymously submit reports on a wide range of topics, including fraud, theft, bribery and corruption, anti-competitive behavior, harassment and discrimination, data protection, environmental and safety issues, trade compliance and conflicts of interest. Reports received are carefully reviewed and processed by TK Elevator’s compliance investigation team using our secure and confidential case management system.

TK Elevator guarantees that the identity of all incident reporters acting in good faith will be protected to the greatest possible extent. They may submit information anonymously as far as this is allowed by the applicable national laws. We also protect incident reporters from any negative consequences that might result from submitting a report.



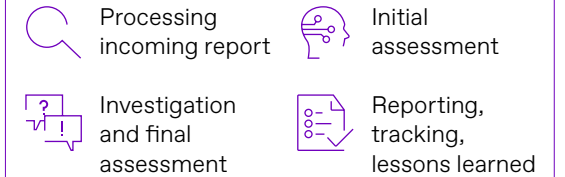
TK Elevator promptly investigates all reported concerns and takes any required corrective action, including disciplinary measures, improvements to processes, and further training. If a violation is confirmed, our zero-tolerance policy comes into effect, and we implement ad hoc measures and/or impose sanctions to the required extent. Depending on the severity of a case, disciplinary action can range from warnings or reprimands to redeployment or even dismissal. |

GRI 2-25 GRI 2-26

TK ELEVATOR’S WHISTLEBLOWER SYSTEM

INVESTIGATION AND INTERNAL AUDITING

Case Management



↑ Confidential incident report ↑

INTERNAL OR EXTERNAL WHISTLEBLOWER

TK Elevator Ethics Line



RESPONSIBLE BUSINESS CONDUCT CONTINUED

Actions to prevent corruption and bribery

TK Elevator has established a worldwide training system for compliance topics that gives each employee a personalized learning experience geared to their particular role and exposure to compliance risks. It combines classroom and onboarding courses with a comprehensive e-learning program.

Our Compliance Values training course focuses on values and expectations related to ethical behavior and the prevention of corruption. The topics covered in the training are informed by the core compliance topics, which themselves have been identified as core risk areas for TK Elevator. It is applicable for everyone in the company, including the members of our senior leadership team. It features scenarios that reflect everyday situations our employees might face, shows how our values matter in their everyday work (especially in challenging situations), and guides participants in how to respond in cases of doubt, and the consequences of non-compliant behavior.

TK Elevator employees have access to this Compliance Values training course in over 100 countries through our global learning platform in 12 different languages. For employees who lack access to the global learning platform or are not competent in any of the available languages, separate in-person training sessions are available locally. As of the end of the 2024/25 fiscal year, the course had been completed by 87% (2023/24: 87%) of invited employees.

Further modules on our global learning platform are an anti-corruption training module, an antitrust module, a dedicated module on data protection, as well as additional training modules on trade control and anti-money-laundering. At the end of 2024/25, the completion rates, as a percentage of the invited employees for these courses in their target groups, were 94% (anti-corruption), 91% (antitrust) and 91% (data protection), 92% (trade control), and 86% (anti-money-laundering) (2022/23: 91%, 91%, 93%, trade control and anti-money-laundering were reported for the first time in 2024/25). Employees may also be required to attend courses on other topics depending on their personal risk profiles. After the initial rollout, employees who have participated in courses receive annual refreshers on each topic.

All employees must repeat the entire course every three years. In addition to the online courses, every year our compliance officers also conduct in-person courses and workshops on specific risk topics.

There were no confirmed cases of active corruption in 2024/25. |

GRI 205-3 **GRI 2-16** **GRI 2-24**



RESPONSIBLE BUSINESS CONDUCT CONTINUED

Legal proceedings, fines and other sanctions

When core compliance topics arise, our compliance officers manage them. They must also be informed of any ongoing external investigations. No material fines or other sanctions were imposed on TK Elevator in 2024/25, nor have any other relevant legal proceedings or external investigations come to our knowledge. TK Elevator has also not received any complaints about substantial breaches of customer privacy or leaks, thefts, or losses of customer data during the period under review.

The legal predecessor of TK Elevator was penalized by the European Commission for violating EU antitrust rules. The European Commission initiated investigations in 2004, and a fine was paid by thyssenkrupp in 2007.

Similar proceedings were launched concurrently by Austria's Federal Competition Authority, but the thyssenkrupp group testified as a key witness and was granted immunity from fines in return.

Possibly damaged parties asserted claims for compensation both in and out of court. Proceedings are still pending in Belgium. All proceedings in Germany, the Netherlands and Austria have been concluded. Claims have been settled or dismissed by the court or else the lawsuits have been withdrawn. The last proceeding in Austria was concluded in August 2024.

GRI 2-27 **GRI 206-1** **GRI 418-1**
SASB RT-EE-510a.2 **SASB RT-EE-510a.3**



Our risk management

The central body responsible for risk management is the interdisciplinary risk and internal control committee (RICC), which regularly performs comprehensive assessments and analyses of the overall risk situation at TK Elevator. The RICC includes TK Elevator's CFO as well as the heads of the relevant global functions.

The basic principles for corporate governance and risk management are defined in our governance, risk and compliance policy. These principles serve as guidelines for appropriately and responsibly managing risks.

Our risk management process is based on a three lines of defense model, with each line covering various risk management responsibilities at TK Elevator.

The compliance program is included in the second line of defense and interlinked with TK Elevator's risk management function and internal control system. This ensures that compliance is an integral component of every relevant business process. Our compliance officers act as strategic business partners, providing advice on compliance to our employees and management.

TK Elevator also conducts comprehensive bottom-up risk assessments of aspects that are relevant to compliance – such as bribery and corruption – for all TK Elevator companies. Every year we hold in-depth risk assessment workshops with selected group companies to update the assessments and define specific measures for mitigating the identified risks. To advance these processes further, we have developed a new risk assessment tool, which allows for a more structured bottom-up approach. It was rolled out at the end of 2023 and enables us to more easily target all group companies and identify high-risk areas that require more attention. A second risk assessment cycle started at the beginning of the fiscal year 2025/26. The tool also allows us to constantly monitor progress and identify areas where action is needed. Our risk management systems have not identified any significant corruption-related risks during the year under review.

Our compliance officers offer strategic support to management and advise, inform, and train employees internationally on relevant laws and internal policies. Every year, they also conduct compliance audits throughout the group, together with internal audits. **I**

GRI 205-1

CYBERSECURITY AND DATA PROTECTION

Safeguarding computer systems, networks, and data from unauthorized access or malicious attacks has become a major priority for companies in an increasingly digitalized world. Cybersecurity plays a crucial role in ensuring the confidentiality, integrity, and availability of information, and TK Elevator takes these issues very seriously.

Code of conduct

Our code of conduct outlines the robust approach we take to keeping company information safe, upholding software ethics, and preventing data breaches. Only by maintaining the highest standards can we strengthen trust and bolster long-term relationships with our customers, employees, and other partners. |

Governance and policies

TK Elevator's information security and data privacy functions play important roles in protecting data in the business and ensuring we comply with relevant legislation in the countries where we operate. Our cybersecurity is governed by an IT security management system and adheres to our own strict internal standards.

These correspond to the NIST 800-53 framework and meet the requirements of NIST cybersecurity framework version 1.1 and ISO/IEC 27001. Our internal policies and standards on information and our IT security guide define how employees, managers, board members and third parties must handle related issues. Employees are made aware of these policies and standards through security training and global communications, and relevant, up-to-date information is available to all colleagues. Our information and IT security policies are supported by a robust IT security framework that guarantees structured implementation, ongoing maintenance, and continual improvements to the way our IT security standards are applied in practice.

Incident management

Should an incident take place, our security operations center and computer emergency response team will promptly investigate and address any issues that arise. They will tackle the security incident, such as a phishing or ransomware attack, with the support of our security incident and response team.

Cybersecurity risk assessments feed into our IT security strategy roadmap and are regularly carried out to check our progress. TK Elevator continually monitors public networks – such as the internet, to which it is exposed – as well as its connections with partners and third parties, to identify and assess potential threats. The company also uses security threat intelligence services to proactively respond to threats and cybersecurity-related issues, including terrorism, hacktivism (the act of hacking or breaking into a computer system for politically or socially motivated purposes), and cybercriminal activities. We have also launched a vulnerability management program to thwart any threats that could potentially impact our business activities by regularly performing penetration tests and ethical hacking assessments of our infrastructure.

Training and education

Within the scope of TK Elevator's IT security strategy, we have also defined and implemented a security awareness and education program. We reinforce our employees' awareness of information security topics through a variety of activities that include online training courses, targeted communication campaigns, and social engineering tests. Employees undergo information security foundation training when they join TK Elevator, and we have now added annual refresher training. We carry out phishing exercises at least every quarter and have created specific training materials to raise awareness among different target groups such as R&D, finance and C-level staff.

Data protection

We have adopted a global group data protection regulation that establishes internationally acknowledged data privacy and data security principles and standards (such as those defined by the European General Data Protection Regulation, the Chinese Personal Information Protection Law, the Brazilian General Data Protection Law, and the California Consumer Privacy Act) to ensure we have appropriate procedures and practices for processing personal data.

The global group data protection regulation is embedded in a global data protection management system that ensures an adequate compliance level and is globally scalable and locally adjustable. It is continuously developed to improve its efficiency and effectiveness. Our data protection dashboard provides transparency on the compliance level for every group legal entity in scope across 17 criteria. We conduct surveys among data protection practitioners to rate the maturity of the data protection management systems. Through this, we can effectively steer our data protection management system within our organization.

The system can also respond to external trends such as artificial intelligence (AI). The compliance team and IT Security recently established group regulations to help TK Elevator develop products, systems or services that incorporate new technologies such as AI in a compliant way. |

MANAGING VALUE CHAIN IMPACTS

Supply chain partners are integral to our business, and we expect them to uphold our ethical and sustainability standards. By working closely with vendors and subcontractors, we promote strong human rights practices and responsible environmental performance, aiming to embed these principles across our entire supplier network. Building on the same values-driven approach, we work with suppliers to strengthen resilience amid geopolitical uncertainties. Using market intelligence and risk-management tools, we identify critical suppliers and materials so we can respond quickly to emerging risks.

About our supply chain

! We receive our goods and services from some 52,000 supplier sites, most of which are located in our biggest markets in Europe, North America, and Asia. Because pre-engineered components comprise a large portion of the materials that we use to build our elevators, suppliers play a crucial role in ensuring uninterrupted production. Our tier 1 suppliers typically make components such as electric motors, electronic equipment, and elevator doors, while our second-tier vendors include steel producers.

Overall, we spend 4 billion EUR a year on procurement. Today, the vast majority (approximately 90%) of our total spending goes to suppliers that are located geographically close to our group’s companies. !

Setting the standard

! TK Elevator’s supplier code of conduct defines what we expect of our suppliers in terms of ethical business practices, and is included in all our supply contracts. It covers aspects including our zero-tolerance policy toward bribery and corruption, conflicts of interest, and failure by our suppliers to uphold our standards on labor and human rights, health and safety, and the environment and is available in all business relevant languages. We expect our suppliers to comply with the requirements outlined in TK Elevator’s supplier code of conduct in all their dealings with us. These also apply to their own employees and suppliers, and any involved third parties, including government officials. TK Elevator may terminate its contracts with suppliers if they fail to adhere to our supplier code of conduct.

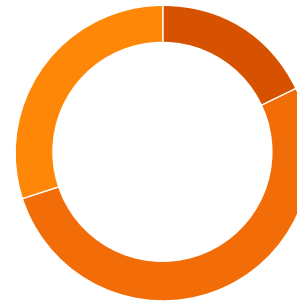
We have reviewed it against Germany’s Supply Chain Due Diligence Act and concluded that it covers all relevant aspects. However, we refined its requirements for environmental protection and working conditions when we launched an updated version in October 2025. See our updated [SCoC](#). !

Read more about how we ensure safe working conditions for our subcontractors on page 33 →

[GRI 204-1](#) [GRI 205-2](#) [GRI 414-1](#) [GRI 414-2](#)

! Sales-related business partners, and especially sales intermediaries and distributors, must submit to a compliance check before we initiate a business relationship with them. We also recheck them every three to five years. These checks are performed with our global business partner compliance tool, which is based on global standards, involves the use of questionnaires on risk-related aspects, and continually monitors all sales-related business partners by consulting relevant compliance databases. Risk-based compliance checks (due diligence) and any required measures are also applied to business partners involved in acquisitions, joint ventures, and major projects. !

PROCUREMENT SPENDING BY TYPE 2024/25



Spending by type	Percentage
Installation services	18%
Direct spend	52%
Indirect spend	30%

Supplier engagement in action

! The global procurement and supply management (PSM) function has a dedicated team focused on advancing sustainability initiatives. This includes developing relevant procedures, implementing and maintaining tools, delivering education and training, overseeing sustainability-related activities, and monitoring risk-driven action plans. The team also leads targeted campaigns – such as those on carbon footprint, conflict minerals, and sustainability assessments and audits – and ensures alignment with the broader sustainability community on key topics, targets, roadmaps, and reporting.

Regional PSM teams look after local supplier relationships, supervising supplier sustainability assessments, conducting annual sustainability audits (in collaboration with external providers), and following up on corrective action plans. !

[GRI 205-2](#) [GRI 414-1](#) [GRI 414-2](#)

Dedicated training for our strategic buyers

! Our strategic buyers are expected to possess a strong command of category management that goes far beyond operational procurement. To support this, we have established a structured training approach in partnership with a third-party provider delivered in a virtual classroom format. The standard curriculum was enhanced with a dedicated module on ESG. In 2024/25 the program engaged participants from across all business units. !

MANAGING VALUE CHAIN IMPACTS CONTINUED

Alongside this, we continued to offer selective training sessions for those buyers worldwide who own and manage our supplier relationships. Our aim was to raise awareness of the importance of considering sustainability topics as well as our risk assessment methodology, risk management process and legal obligations relating to the Supply Chain Due Diligence Act. More than 100 buyers across the globe participated.

These training initiatives were complemented by the development of a Procurement Handbook that covers all areas of purchasing and dedicates a separate chapter to the topic of sustainability. In October 2025 we published a second edition, which further strengthens the focus on sustainability and risk management in the supply chain. We also continue to challenge our approach and capture best-in-class solutions by liaising with peers and exchanging ideas and experiences in sustainable supply chain management.

Going forward, we will further integrate these capabilities into our day-to-day operations and continue the rollout of advanced training modules.

Proactive supplier management

We have implemented a comprehensive supplier management strategy that enables us to prioritize higher impact areas within our supplier base while maintaining oversight of the broader network. Central to this strategy is our supplier segmentation framework, which categorizes suppliers into one of four segments, Focus, Watchlist, Screen, and Register, ranked by their level of significance or attention required.

This segmentation is guided by a score calculated based on three key factors:

- The nature of the supplier’s business (e.g., production typically has greater environmental impacts than services).
- The volume of business conducted with the supplier.
- Country-specific regulatory considerations that influence the likelihood of undetected issues.

We began rolling out this system in 2022/23, aiming to complete comprehensive sustainability risk monitoring of all high-impact suppliers (Focus and Watchlist segments) by 2026. Suppliers in the Screen segment will also undergo assessments, albeit with a more streamlined scope due to their lower level of sensitivity.

At the beginning of the reporting year, around 1,200 suppliers were categorized as high impact. These represent half of our total spend. Our supplier categorization is reviewed and updated, leading to minor variations in the number of high impact suppliers.

Supplier assessments and audits

We subject our high-impact suppliers to the most comprehensive risk monitoring, which entails the continuous collection of information publicly available in real time, called 360° assessment. For Focus suppliers, we carry out supplementary ESG deep-dives on a self-assessment basis, called 360° plus. These address general sustainability topics such as Compliance, Human Rights & Labor, Health & Safety, Environmental Protection and Supply Chain Responsibility as well as conflict minerals and carbon footprint.

In addition to our broader approach centered on sustainability assessments, we continue to conduct annual on-site supplier audits. Over the past two years, the comprehensive supplier management framework we have developed has allowed us to redefine the role of audits within our risk management strategy. While audits were previously our primary tool for assessing supplier risks, we now place greater emphasis on sustainability assessments, enabling more effective engagement with a wider range of suppliers. On-site audits are now used as a supplementary, event-driven spot-check tool, supporting our strategic shift toward more proactive and collaborative supplier management.

These supplier sustainability audits are conducted by an independent third party. They provide valuable insights into potential risks faced by selected suppliers and serve as an important starting point for open dialogue. This engagement marks the first step in collaborating with suppliers to enhance their performance. Our overall aim is to strengthen the resilience of our supply chain – not by ending business relationships, but by supporting and improving supplier capabilities. We are pleased to see that our focus on performance improvement in the supply chain has resulted in 91% of critical topics, identified in the two previous audit years, being corrected. We keep our focus on the remaining 9%.

In the reporting year, the key findings of our Sustainability Audits have already been incorporated into action plans for improvement and included in our monitoring.

Supplier engagement on GHG emissions

Our supply chain generates around 30% of our Scope 3 emissions.

Read more about our carbon footprint on page 18

The main lever to reducing emissions in our supply chain is using less material or materials with lower environmental impacts. However, this should be flanked by working with our suppliers to support the reduction of their own emissions.

GRI 308-1 **GRI 308-2** **GRI 407-1** **GRI 408-1**

MANAGING VALUE CHAIN IMPACTS CONTINUED

■ To support this second option, we collected GHG data, as part of our deep-dive assessments, 360° plus, from our Focus suppliers, which represent around 30% of our purchase volume. With our carbon footprint analysis, we encourage our key suppliers to measure their own carbon emissions and to monitor and reduce them. In 2024/25, 97% of our key suppliers informed us about their carbon emissions status, which covers 46% of our purchasing volume for direct materials.

The goal of this initiative is to engage with suppliers, encourage them to set GHG reduction targets, discuss their decarbonization plans, and ultimately support them in reducing their GHG emissions. To this end, sustainability became a dedicated agenda item in our annual reviews with our global suppliers, allowing us to communicate our expectations regarding their carbon footprint. While we expect our large global partners to develop the necessary expertise and structures in-house, we offered small- and medium-sized suppliers for the first time a sustainability training course offered by the UN Global Compact.

To recognize our suppliers' efforts to reduce their carbon footprint and to raise awareness of this within TK Elevator, we also continued our Carbon Footprint Awareness Recognition Award. ■

Recognition by the CDP

■ For the fifth year in a row, we were recognized by CDP (the Carbon Disclosure Project) as a Supplier Engagement Leader for taking action to quantify and reduce climate risks within our supply chain in 2025.

We are aware that fulfilling the high sustainability standards we set can be challenging, especially for smaller suppliers, which is why we train our buyers on the ground to provide support when needed. ■

Full transparency on conflict minerals

■ The production of the components used in our products, including electronic parts and electric motors, calls for large quantities of natural resources and raw materials such as water and metals. We require our vendors to use resources mindfully and expect them to provide full and transparent information on their sources of conflict minerals on request.

To avoid purchasing components produced using minerals from illegal mines in zones where there is a high risk of inhumane treatment and/or involvement in civil wars, we assess our suppliers' sourcing practices using the Responsible Minerals Initiative's conflict minerals reporting template (CMRT). Therefore, we ask our suppliers of electrical and electronic components for transparency in the supply chain, all the way to the smelting plant. The response rate of 97% covers 70% of our in-scope purchasing volume. ■

Tracking progress

■ Having been implemented in 2022/23, our comprehensive supply chain sustainability risk management approach was in full operation since 2023/24 – providing continuous supplier risk monitoring, risk evaluation with defined action plans and tracking, and deep-dive sustainability self-assessments for our suppliers.

So far, our approach is making steady progress. In 2024/25, 95% of high impact suppliers were covered by our 360° assessment (2023/24: 71%), including all suppliers in the Focus segment and approximately 90% of suppliers in the Watchlist, which is well on the way to our target of 100% by 2026.

We also saw strong results from our 360° plus assessments, achieving an almost complete coverage of our Focus suppliers in 2024/25 – 95% (2023/24: 99%) for general sustainability topics and 97% (2023/24: 97%) for Conflict Minerals and Carbon Footprint. These rates may show slight year-on-year fluctuations, as our supplier categorization is reviewed and updated annually.

We continue to conduct on-site supplier audits as a spot check and event-driven tool. In 2024/25, we successfully completed 27 (2023/24: 29) supplier audits.

To strengthen the monitoring of ESG performance across our supply chain, we have further developed our global dashboard for the PSM community and Senior Management. It enables continuous KPI tracking, covering audit and 360° plus assessment completion, action plan progress, Conflict Minerals and Carbon Footprint transparency, as well as overall risk coverage. Drill-down functionalities support more detailed analysis, increasing transparency and providing stronger levers to steer progress effectively.

Through our sustainability efforts, we have significantly supported the transformation process in TK Elevator's procurement. We are proud that this has also garnered recognition beyond our own organization: this year, Procurement Leaders shortlisted TK Elevator in the Transformation category for the prestigious World Procurement Award, an award that honors outstanding achievements in innovation, efficiency, and sustainability in supply chain management. ■

