

# SOCIAL

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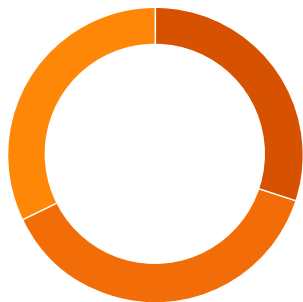
# OUR WORKFORCE

TK Elevator employees are central to our ability to create long-term value. Their talent, engagement, and wellbeing drive our performance and support our continued progress as a company. We are committed to providing a work environment and resources that enable our people to develop, perform, and grow.

As of September 30, 2025, the global TK Elevator workforce comprised 53,237 people (2023/24: 52,933), of which the vast majority were on permanent contracts.<sup>1</sup> There were 1,725 (2023/24: 1,790) service agents, temporary employees, and independent subcontractors, most of whom worked in sales, R&D, and services. Some of our installation and maintenance tasks are also performed by subcontractors.

GRI 2-7 GRI 2-8

## EMPLOYEES BY REGION IN 2024/25



### Employees per region

- Americas 30%
- Asia Pacific 38%
- Europe Africa 32%

GRI 401-1

## Strengthening talent and organizational capability

Our people are at the core of our success.

We continuously implement initiatives to attract and retain the talent that will drive our company forward today and in the future. To strengthen our capabilities, we recruit not only from within our industry but also from diverse sectors, enriching our ways of working and supporting our business priorities. We aim to bring exceptional talent from around the world into TK Elevator, valuing a wide range of perspectives and experiences. To ensure fairness and minimize bias, we exclude all information not directly related to the job and ensure that all recruitment activities comply with local requirements.

Internally, we have enriched our Talent Review approach, moving towards an extensive Organizational Capability Assessment through the company, oriented to the development of our talent and leadership pipeline.

## NEW HIRES IN 2024/25

### Combined profile by gender, region and age group

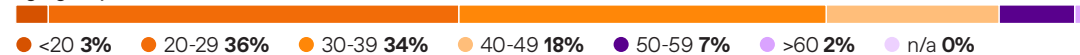
#### Gender



#### Region



#### Age group



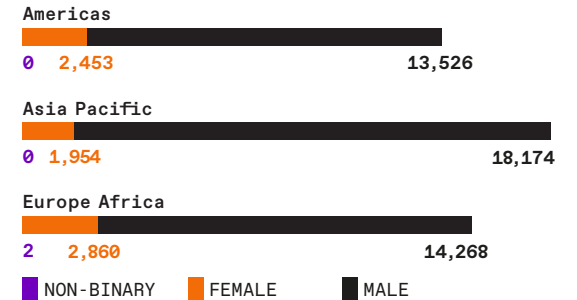
GRI 401-1

We conduct deep analysis on how the talent landscape evolves, and how we can enrich and develop the talent that has a key responsibility when achieving our purpose today and in the future.

We are constantly implementing talent programs that respond to the changing needs of our business while ensuring a sustainable development journey for our talent. We promote best practice sharing and create synergies to ensure our employees leverage on training and development programs that connect to their interests and objectives for career development.

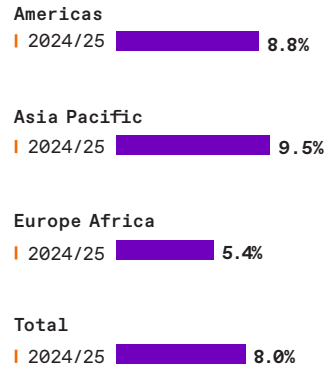
We closely monitor our voluntary turnover rates. In fiscal year 2024/25 we had an overall voluntary turnover rate<sup>1</sup> of 8.0% (2023/24: 8.4%) across all regions and entities. Workforce tenure varies from region to region and is influenced by cultural and economic factors. Overall, TK Elevator employees spend on average nearly ten years working for our organization.

## EMPLOYEES BY GENDER AND REGION 2024/25



GRI 2-7

## VOLUNTARY TURNOVER BY REGION<sup>2</sup>



1 For the purposes of this report, references to “all employees” include all internal full-time and part-time employees, unless explicitly stated otherwise. This definition excludes subcontractors and other individuals who do not have an employment contract with TK Elevator.

2 Voluntary turnover calculated as total FTEs with voluntary resignation in the reporting year / average active FTEs in the reporting year.

## OUR WORKFORCE CONTINUED

### Shaping a values-based culture

With over 140 nationalities represented among our employees and more than 19 among our top executives, we take pride in cultivating a corporate culture built on stability, mutual respect, and loyalty.

To ensure alignment across our global organization, we developed and introduced sharpened and actionable TKE values in 2024/25. Our values provide a unified cultural foundation that supports our long-term strategic direction. They underpin our global competency model, combining 12 key competencies, and guide core people processes such as recruiting, onboarding, learning, and performance development.

GRI 2-23

TK Elevator recognizes the International Bill of Human Rights and the standards of the International Labour Organization (ILO). We also conform to all applicable laws and regulations across countries and sites. Our code of conduct, supplier code of conduct, and Modern Slavery Statement are included in every invitation to bid that we extend to other companies, suppliers, and third parties. Our global framework agreement applies universally and is the basis for our fair employment practices.

TK Elevator has concluded a global framework agreement (GFA) with the group works council and the global IndustriALL trade union. The agreement continues to play a major role in protecting human and employee rights globally.

Already a member of the UN Global Compact, we joined the UN Target Gender Equality program to advance our efforts to support gender equality. We have also signed the UN Women’s Empowerment Principles (WEPs) to further our goal of supporting women’s individual career paths and self-determination. We joined the German and Spanish Charter of Diversity to benefit from the largest network focused on advancing inclusion at companies of all sizes.

GRI 2-28

### Safeguarding human rights

We universally respect human rights and reject all forms of forced or child labor. We recognize the right of all employees to organize themselves in trade unions and other bodies to democratically represent the interests of collaborating individuals while complying with applicable national laws. Our policy on wages and salaries is based on the principle of fair remuneration while taking market conditions and individual performance into account.

As a minimum, all wages, salaries, and other benefits paid out by TK Elevator meet the requirements of the relevant national and local laws and the standards of the corresponding business or industry sectors while considering conditions in the regions where our people are employed, i.e. fair decision-making. To ensure that we live up to our standards globally, we have a global Human Rights and Modern Slavery Statement in place, which outlines our understanding and standard of human rights, our expectations of suppliers, and corresponding reporting opportunities.



## OUR WORKFORCE CONTINUED

### Performance management

Performance & Development Reviews take place for all TK Elevator employees at least once per year. An Employee Dialogue takes place between the employee and line manager to agree, monitor and evaluate not only what is achieved but how it is achieved, along with development goals and actions. A wide array of tools and initiatives are available across the business units to cover the stages of each employee’s career, including traineeship, apprenticeship, talent and potential development programs; succession planning; mentoring; job shadowing; and development days. |

GRI 404-3

Having started with our executive population, we continue to roll out our Perform & Grow program to our non-executive population across the world. Previously separate processes – setting and achieving bonus targets, evaluating merit and nominating talented individuals – are merged into one holistic Perform & Grow performance management approach. It evaluates performance based on TK Elevator’s goals and values, ensures succession planning for key positions, and simplifies the identification of talented individuals for different talent pools. |

GRI 404-2 GRI 404-2

### Employee engagement

We conduct a biannual employee engagement survey (Your Voice survey) to learn about how our employees experience TK Elevator as a workplace and to ensure their voices are systematically heard. The Your Voice survey provides a structured and consistent channel to get feedback throughout the organization, including topics like work in general, resources and enablement, information and involvement, collaboration and teamwork, respect and recognition, career and development, safety and health, customer centricity, innovation and new technologies, confidence in leadership, and inclusion. We follow up on previous editions to learn how our employees perceive improvements as a result of their feedback.

The insights obtained from the survey directly inform our Human Resources strategy and action plans across TK Elevator. All team leaders are encouraged to share their results, conduct an analysis with their teams and agree action plans for the short and mid term. This enables leaders to address specific team needs while aligning with TK Elevator priorities. We complement survey data with ongoing dialogue, including town halls, manager conversations and employee forums, to ensure that feedback is translated into meaningful and timely actions.

We are committed to transparency and accountability in how we respond to employee feedback. Survey results and key actions are discussed and agreed with employees, as well as progress updates. This reinforces our commitment to creating a workplace where all employees can thrive and contribute to long-term sustainable success. |



### TK ELEVATOR EMPLOYEE EXPERIENCE

We work hard to positively shape our employees’ experiences. This starts with the way we present ourselves in the employment market, extends across the recruiting and onboarding phases and continues by appropriately promoting their development in line with their career paths and personal goals. We offer them training and learning, rewards and recognition, and enable them to grow to their fullest potential at TK Elevator. And if employees should choose to leave the company for any reason, we guide them through an offboarding process and treat them respectfully as alumni with valuable knowledge and skills who may choose to rejoin us one day.

## OUR WORKFORCE CONTINUED

### Safety and wellbeing

At TK Elevator, safety is not just a priority – it is a core value embedded in everything we do. We are committed to ensuring that every employee and subcontractor works in an environment where they feel supported, protected, and able to return home safely each day. Through our Safety Transformation Program, we have strengthened leadership accountability, increased frontline engagement, and enhanced proactive risk prevention across the organization. Preventing serious injuries and fatalities (SIF) remains a central focus as we continue to build a company-wide culture of safety and accountability. |

### Our approach to safety excellence and governance

In recent years, TKE has continued to strengthen its global approach to occupational safety and health (OSH) with its Safety Transformation Program (STP), by evolving toward a holistic and proactive model of safety governance. Drawing on existing processes, we enhanced risk management and safety practices, developing a unified, insight-driven approach reflecting our commitment to employees, subcontractors, and partners.

Building on the Safety Transformation Program, TKE introduced a simplified OSH management system that sets harmonized requirements and focuses on the highest risks for SIF, supported by clear routines and a strengthened global assurance program to drive consistency and continuous improvement.

Our reshaped management system, launched in 2024/25, includes the Global OSH Policy that outlines our commitment to health and safety and provides the guiding principles we follow. The policy is supported by underlying Group Regulations, including the OSH Management System Framework, Critical Risk Management, Contractor and Subcontractor Management, Incident Management, and the Just & Fair Culture Framework.

The next stage on our journey is our Assurance Program, providing a consistent global framework that brings together self-assessments and independent on-site reviews to evaluate both the maturity of safety systems and the outcomes they achieve. Using a risk-based methodology, it rigorously tests the effectiveness of our controls, identifies where targeted action is required, and reinforces ownership of safety performance at every location.

By enabling a smarter and simpler approach to risk management, the system supports learning, fairness, and accountability, sustains the foundations of our safety transformation program, and embeds them across the organization, creating a clear path from transformation to safety excellence.

To support effective implementation, the program is backed by standardized tools, assessor training, and a global data platform that converts assessment results into clear, evidence-based actions addressing root causes. Implementation is phased to ensure quality, starting with self-assessments across all locations, followed by targeted on-site assurance and progressive scaling across the business.

With the safety transformation program completed, the assurance program ongoing, and the new OSH management system fully deployed, TKE now operates within a stronger, unified global framework, reinforced by governance and verified through the assurance program, strengthening consistency worldwide and underscoring our long-term commitment to ensuring everyone gets home safe, every day. |

**GRI 403-1**

### Progress through targets and metrics

TK Elevator reports the OSHA accident frequency rate standard, which considers all recordable cases and provides a complete perspective on our safety performance. In 2024/25, we achieved a 5.5% reduction of our Total Recordable Case (TRC<sup>1</sup> 24/25=0.69), compared to the 10% annual reduction target on our baseline (TRC 23/24 = 0.73). This reduction confirms the positive results of our STP, stronger reporting transparency, deeper incident learning, and an increased willingness among teams to speak up when something does not feel right. For 2025/26, our target remains a 10% reduction versus the 2024/25 baseline (0.69).

The reduction of our TRC 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.

<sup>1</sup> TRC calculated as (total recordables cases x 200,000) / total employee working hours. Total recordable cases include serious injuries, fatalities, lost-time incidents, medical treatment cases, and other recordable cases according to the OSHA definition. For subcontractors, serious injuries and fatalities are included in the total recordable cases.

In 2024/25, we were deeply saddened by the loss of one employee and three subcontractors during the year. Each incident is unacceptable and reinforces our commitment to preventing serious injuries and fatalities. In response, we further strengthened our focus on governance, learning, and a robust speak-up culture. This included enhanced reporting and investigation of potential SIF incidents, reflecting a maturing safety culture in which employees and subcontractors are empowered to raise concerns at an early stage. Safety concerns – including those related to unsafe conditions – can be reported through our front-end safety app or, if preferred, anonymously via our Ethics Line.

Leadership engagement continued to play a pivotal role in shaping our safety culture. Senior leaders across all business units increased their presence on job sites, reinforcing critical controls and fostering open dialogue and psychological safety. These interactions strengthened trust, improved local ownership of risk, and integrated safety leadership into everyday operational decisions.

As our data quality and learning culture improve, we are better positioned to identify risk patterns early and act proactively – strengthening our commitment to a workplace where every employee and subcontractor returns home safely, and feels confident and supported in raising concerns. |

**GRI 403-2** **GRI 403-3** **GRI 403-9** **GRI 403-10**

## OUR WORKFORCE CONTINUED

### A culture of learning and prevention

We apply a structured incident management process to all safety events in line with TKE's OSH Management System and Incident Management Regulation. Serious cases are investigated using our internal Incident Root Cause Analysis Method to identify root causes and systemic deficiencies, with a clear focus on learning and prevention. In accordance with TKE's Just and Fair Culture Framework, incidents are assessed by considering all contributing factors, reinforcing accountability while avoiding blame. Senior leadership reviews investigation outcomes, and corrective actions are implemented, tracked, and monitored to completion. Lessons learned are shared through Safety Alerts and SIF Learning Cases, strengthening operational controls and supporting continuous improvement. All employees and contractors are empowered to report hazards and stop unsafe work without fear of reprisal, reinforcing early-intervention behaviors and a proactive safety culture. This approach is embedded in our Incident Management Regulation, a core element of the TKE OSH management system, which defines clear requirements for what to report, how incidents are reported, investigated, followed up, and how learnings are systematically shared.

In 2024/25, we strengthened how we learn from incidents by introducing a more consistent and timely model for sharing critical insights, aligned with the updated OSH management system. This ensures that lessons from SIF events and other significant incidents are rapidly and transparently communicated to relevant teams. Learning cases from all SIF events are accessible to all employees via a global site and are further discussed through our quarterly global learning forum, engaging more than 1,000 global leaders who cascade

key insights across their local organizations. In parallel, concise learning cases are now disseminated through streamlined, multi-channel communication, enabling faster awareness, practical application in the field, and cross-regional exchange – reinforcing transparency and shared accountability.

To further strengthen prevention, TKE is increasingly leveraging digital tools, advanced analytics, and artificial intelligence to enhance how OSH data is used across the organization. By harmonizing safety data globally and applying intelligent analysis, we are improving the consistency of incident learning, supporting frontline leaders with better insights, and strengthening our ability to anticipate risks. These capabilities complement our established OSH processes by shifting the focus from reactive monitoring toward more predictive and informed safety management, while operating under strong governance, ethical standards, and data protection requirements.

To reinforce long-term learning, we embedded a simplified, standardized incident-to-learning process into the OSH management system framework. This approach enhances investigative consistency, improves the effectiveness of corrective actions, and ensures actionable insights are systematically captured to prevent recurrence. Guided by the Just and Fair Culture Framework, outcomes are addressed in a way that balances learning and accountability and complies with local legal requirements. Together, these measures demonstrate our commitment to a proactive and fair safety culture that prioritizes collective learning, continuous improvement, and the protection of our people.

GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-7

### CELEBRATING OUR OSH HEROES

The TKE Heroes Awards recognize individuals and teams across our global organization who contribute to strengthening our safety culture through leadership, innovation, wellbeing, and consistent safe behaviors. Covering employees, branches, factories, and subcontractors, the program highlights contributions in risk management, problem-solving, and safety leadership.

In 2025, award recipients were recognized across multiple categories, including safety leadership in daily operations, performance in manufacturing and branch

environments, and contractor safety management. Further recognition included the development of an AI-enabled multilingual training platform and initiatives promoting employee wellbeing across several countries. Frontline leadership was also acknowledged for identifying risks and reinforcing safe practices.

These recognitions reflect the breadth of contributions across the organization and underline the role of individual and collective action in supporting a safe and healthy working environment.



## OUR WORKFORCE CONTINUED

### Strengthening OSH training

We continue to reinforce our 10 Life-Saving Rules and 5 Behavioral Safety Traps as critical elements of our incident prevention strategy. The 10 Life-Saving Rules serve as essential safety protocols, promoting a culture of safety awareness by addressing specific hazards and behaviors to minimize risks. The 5 Behavioral Traps identify common unsafe behaviors and environmental factors that can lead to accidents, emphasizing the psychological and social influences that may cause unsafe actions, even when employees know the correct procedures. |

GRI 403-1 | GRI 403-8



Every service technician, mechanic, operator, and subcontractor involved in installing or servicing our products receives instruction on these rules, which are crucial for controlling major risks such as working at height and on electrical installations. Compliance is verified through our management safety routines, including job-site visits and safety inspections, with frequencies defined in line with our OSH management system. Any gaps identified are systematically analyzed and addressed to drive continuous improvement. As part of these routines, every technician is required to complete a last-minute risk assessment before starting a new job and receives a dedicated safety visit from their supervisor at least every six months.

We continuously onboard and refresh employees and subcontractors on these foundational safety requirements, with mandatory completion of the full OSH curriculum at least every two years, complemented by event-specific technical training and work instructions. The OSH curriculum comprises four role-based learning packages tailored to our Field and Factory workforce, Leadership, Senior Management, and OSH professionals, and is available in 24 languages. |

GRI 403-5

### Promoting a safe elevator industry

At TK Elevator, safety extends beyond our own operations. Together with Schindler, Otis, Kone, and Hitachi, we founded and actively participate in the Global Elevator Industry Safety Forum (GESF), which aims for a safe industry free of serious injuries and fatalities. The focus of the group is on sharing experiences and best practices to ensure improved safety in the elevator industry. The GESF is led on a rolling basis by OSH executives from participating companies.

In 2024/25, GESF members focused on sharing practices to prevent serious injuries and improving quarterly fatal accident reports. Root-cause information was added, covering qualifications, SIF risks, subcontractor management challenges, and fall-prevention measures. The group committed to developing a working at height reference guide to address a key safety risk, providing practical guidance and clear recommendations for safer work practices. |

GRI 403-6 | GRI 403-7

### Our approach to employee health and wellbeing

We are committed to providing safe and healthy working conditions that prevent injuries, reduce physical and psychological stress, and minimize work-related illness. Our holistic approach supports employee wellbeing and aims to foster a resilient, healthy, and productive workforce – a cornerstone of TKE's growth and long-term success.

Employee assistance programs (EAPs) are available across many of our global operations, providing support for health-related concerns and personal circumstances that may affect employee wellbeing. We are planning the implementation of a global EAP to ensure more consistent access to support worldwide.

TK Elevator also offers voluntary health programs, including vaccination campaigns, suicide prevention, mental health awareness, and cancer prevention. Regional healthcare plans may include preventive screenings, checkups, and specialist support. We encourage healthy lifestyles through fitness, sports, and educational programs on stress management and smoking cessation.

### Understanding work-related health issues

Our risk assessments currently indicate no widespread major work-related health hazards. We continue to monitor potential risks and adjust our approach as needed within our broader occupational health and safety framework. Our offering includes:

1. Employee surveys
2. Campaigns focused on mental health
3. Employee assistance programs

GRI 403-6

### Support for mental wellbeing

We promote mental wellbeing as an integral part of our responsibility as an employer of choice and a key enabler of employee engagement and retention. Through global awareness initiatives, including Mental Health Awareness Month and World Mental Health Day, we encourage open dialogue, reduce stigma, and provide practical resources to support employees' mental health at work and at home. These efforts are complemented by ongoing wellbeing communications, leadership engagement, and access to tools, training, and peer support. For example, in 2024/25 the campaign included a CEO video message and a global live event featuring an external speaker on wellbeing and resilience. Together, these initiatives foster an inclusive culture that supports wellbeing, strengthens engagement, and contributes to long-term retention.

## OUR WORKFORCE CONTINUED

### Training and development

We invest in continuous learning to build the technical, digital and leadership capabilities needed to support our business purpose. A structured learning approach enables employees to stay current and confidently adopt emerging technologies, including artificial intelligence, through targeted programs, expert-led workshops, knowledge sharing and curated digital resources.

### Building skills through structured learning

We know that dedicated, skilled, and well-trained employees are our greatest asset. This is behind the concept of SEED Campus, our learning and development organization in our Business Units. Their targeted programs enable our employees to develop their competencies under the guidance of predominantly in-house expert trainers.

Standardized, structured processes are in place for capturing learning needs and working with subject-matter experts to choose and develop the training our colleagues need. We monitor completion and continually evaluate effectiveness via testing at the end of training sessions.

Learning and development also plays a critical role in advancing our sustainability ambitions. We integrate topics such as safety, code of conduct, compliance, cybersecurity, circular economy, environmental responsibility, etc. into our training programs to ensure that employees are empowered to contribute to our long-term goals. By fostering a culture of continuous learning, we strengthen our organizational capability, support career development and enable our employees to drive sustainable performance at TK Elevator. |

### Apprenticeship and training programs

We have developed extensive technical training and apprenticeship programs to develop field technicians, around 25,000 of whom currently work for TK Elevator worldwide. In Germany, for example, our future service technicians participate in an intensive three-year apprenticeship program. TK Elevator supports them with onboarding, training, learning opportunities, and practical experience in various roles. We run additional programs in other countries to train new elevator technicians. In the US for example, we are part of the National Elevator Industry Education Program (NEIEP), which is a four-year apprenticeship program offering a mixture of on-the-job training and classroom sessions.

In Brazil, the Industrial Apprentice Program is an opportunity for people between 14 and 24 years old to prepare professionally for the job market. We have more than 170 apprentices in Brazil in accordance with official quota requirements (part-time – school and company, or full-time in the school depending on the region).

TK Elevator China has a Service Technician Internship Program in collaboration with 135 local technical schools. The program is designed to train students to become proficient service technicians. It has been in place for more than ten years and has successfully resulted in more than 2,700 service technicians provided in total. |



Our learning platform LevelUp and our in-house SEED Campus perfectly complement each other, combining digital learning with hands-on training.



Transforms strategic organizational objectives into individual goals

PERFORMANCE & POTENTIAL



TALENT & SUCCESSION

BONUS & MERIT

### Strengthening skills through LevelUp

Our learning management system (LMS), LevelUp, is the one-stop solution for training and learning at TK Elevator. The platform hosts all TK Elevator's training and learning activities worldwide, developed internally or available from the offer of our content vendor. Through a wide range of digital content, curated learning journeys, and mobile access, employees can develop the skills they need at their own pace. Global learning opportunities, including mandatory training and onboarding courses, can be quickly and conveniently delivered to individuals in line with their training plans.

As a customer-centric, service-oriented company, our service technicians and blue-collar employees receive significantly more training than the average, 4.2 training days vs. 2.2 training days, recognizing their crucial roles in our organization.

We constantly improve and adjust LevelUp to meet the specific needs of our employees in different regions, jobs and skills. The mobile version, and the opportunity to download and use microlearnings anytime and anywhere have been very useful, especially for field employees. Subject-matter experts can get involved with training by creating and sharing playlists, collections of online learnings around a certain topic. |

### Building capabilities

With nearly 1.8 million hours training delivered in 2024/25, our employees received an average of 30 hours of training during the year, the equivalent of around 3.6 working days (2023/24: around 3.5 working days). |

**GRI 405-2**

## OUR WORKFORCE CONTINUED

### Inclusion and equal opportunities

TK Elevator aims to ensure excellent working conditions, recognition, and future prospects in a culture of inclusion, equal opportunities, and openness.

#### Policies for an inclusive workplace

Global Inclusion is sponsored by TK Elevator’s senior leadership team. Responsibility for the majority of initiatives, programs, and projects rests with business or operating units, which allocate responsibilities, budgets, and decision-making processes within global guidelines. We have self-organized communities that give voice to all employees. These groups create space for open dialogue – whether to share experiences or suggest workplace improvements. Ideas raised are brought to official bodies, such as the works council, or considered in the planning of inclusion activities by business units. We also run global initiatives and campaigns to raise awareness and promote inclusion throughout the organization.

We foster Global Inclusion. Our code of conduct clearly states that no employee may be discriminated against on the basis of their gender, age, color, race, ethnic or social origin, nationality, sexual orientation, disabilities, religion, worldview, or political opinions. We expect our partners and suppliers to uphold the same standards and actively engage in sharing and learning best practices through external networks. We are committed to the Women’s Empowerment Principles (WEPs) powered by UN Women and we are a signatory of the German and Spanish diversity charters. These were launched under the EU Commission’s umbrella and represent one of the largest networks to join forces for promoting inclusion in every respect. |



### Turning inclusion into action

Our global HR function promotes and drives inclusion across countries and regions by actively supporting local and regional initiatives and programs. These initiatives span the entire employee lifecycle, including inclusive recruiting practices, employer branding, a focused learning portfolio on how to continue increasing inclusion, development programs, and a performance management system.

Subject to applicable local laws, we also run initiatives such as the works council agreement on inclusion in Germany, which aims to actively support and ensure the inclusion of people with disabilities. This is another important step in strengthening a corporate culture characterized by inclusiveness.

We actively search for and promote talent based on job-related skills and qualifications, regardless of background, and do not tolerate any form of discrimination, harassment, or unfair treatment.

To better align our global inclusion efforts with employee needs, we added dedicated inclusion questions to our global employee survey, helping us benchmark internally and externally, monitor progress, and adjust programs to different maturity levels and regional contexts. |

### Fair and equal working conditions

We believe that open and honest communication is especially crucial when it comes to operational changes. That is why we make sure to follow regulations requiring us to inform employees and/or their representatives before implementing any changes that may impact them. These can extend to processes related to reorganization and restructuring. Where collective bargaining agreements are in place, they specify the applicable consultation periods. If employees feel the need to raise a grievance, they can call our TK Elevator Ethics line.

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

#### Remuneration and benefits (equal pay)

General and individual compensation decisions follow procedural policies, guidelines, and rules that are clearly communicated to employees. Our TK Elevator remuneration approach is based on two basic principles: “pay for performance” and “market orientation”.

Compensation processes and policies are locally defined and managed in line with a clear, consistent global framework to ensure comparability and adherence to the group’s principles. The total compensation that our employees receive is largely based on the relevant market situation and/or collective bargaining agreements across all major markets. We use external market information based on consolidated data from market studies to determine appropriate remuneration.

GRI 2-20 | GRI 402-1 | GRI 405-2 | GRI 407-1  
GRI 408-1 | GRI 409-1

## OUR WORKFORCE CONTINUED

Specialized external consultants provide support, independently of management, for developing major remuneration policies (long-term incentives, use of company cars, grading systems etc.). In addition, executives' positions are evaluated using a global grading system, while determining a position's level to ensure comparability and fair and appropriate compensation for an individual's position without taking personal characteristics such as gender, ethnicity, age, etc. into account. Compensation is subject to an annual review process that is also guided by our global principles of pay for performance and market orientation across all countries. Our global HR function provides economic and benchmark data to local units and provides guidance on which rates of increase to apply to different countries. Based on its proposals, an orderly discussion then takes place at the national level to ensure group-wide transparency and fairness. Merit increases reflect employees' performance in alignment with market conditions and/or are subject to tariff hikes negotiated in collective bargaining agreements.

A similar adjustment is made for executives. Employee and shareholder representatives belonging to our supervisory board are involved in making decisions on remuneration processes. Benefits are not restricted to full-time employees and can vary depending on local legislation and standards.

TK Elevator offers a range of benefits, all of which at least match local standards and in many cases are more generous. Examples include insurance, pensions, health care, parental leave, disability and invalidity coverage and use of company cars. TK Elevator meets all the requirements of the German Transparent Remuneration Act (Entgelttransparenzgesetz) and we have already implemented additional tariff-based compensation structures at many major locations to increase transparency and comply with fair pay principles based on negotiated salary levels.

GRI 2-20 GRI 2-21 GRI 401-2 GRI 405-2

### Executive pay

Our compensation framework for executives includes a long-term incentive (LTI) system and a short-term incentive (STI) system, as well as an assessment process and a development program. In addition to a competitive base salary, TK Elevator's top executives receive a STI in the form of a variable one-year bonus plus a long-term incentive. Disbursement of the STI depends on the company's and the individual's performance, while generously rewarding executives for outstanding achievements in meeting ambitious goals. Company performance is based on financial KPIs and individual performance in attaining individually agreed targets. For our LTIs (under the value creation incentive plan), payouts are also based on TK Elevator's sustainability index, which reflects environmental and social factors such as carbon footprint, accident rate, and employee engagement.

Other environmental and social themes can be reflected in employees' individual STI targets, which are appropriately defined for each one's area of responsibility. Top executives can acquire financial stakes in the group via a management incentive plan (MIP). Board members have the opportunity to join an open company pension scheme called the Flexplan. Their contributions are based on their monthly salaries, and the same rates (as a share of their monthly salary) apply to all participants. The Flexplan is also available to all other employees above a defined salary threshold.

GRI 2-19

### Discrimination

We closely monitor all discrimination-related matters and ensure that appropriate follow-up actions are taken.

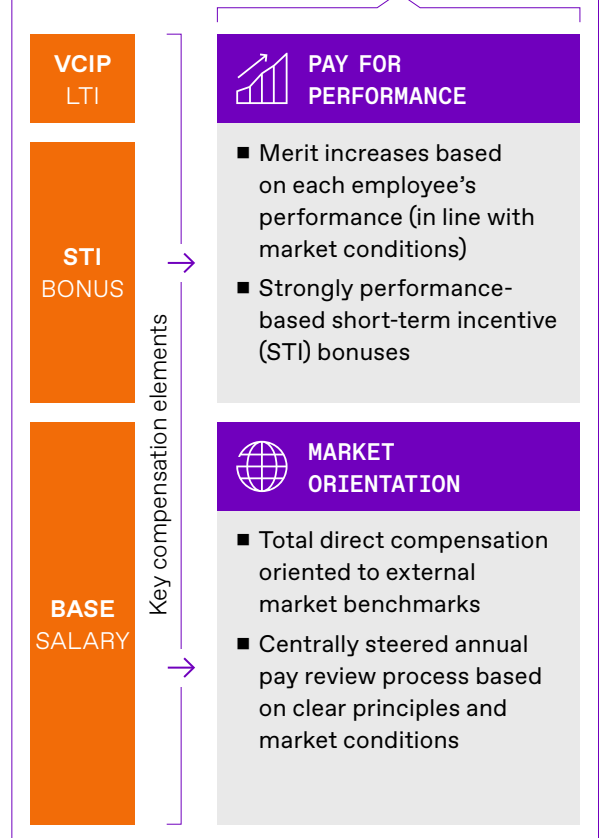
Incidents can be reported via TKE's Ethics line (online and anonymous, if desired) or directly by approaching the local HR and legal teams. TKE investigates concerns that are raised and takes corrective actions, when appropriate.

From the Ethics Line, in 2024/25 there were 142 cases that were investigated, and actions were taken according to the situation. TKE maintains that, in all instances, its actions were in full compliance with applicable laws and were not driven by any discriminatory intent.

GRI 406-1

## COMPENSATION ELEMENTS AND PRINCIPLES

TK Elevator's key compensation principles



**PAY FOR PERFORMANCE**

- Merit increases based on each employee's performance (in line with market conditions)
- Strongly performance-based short-term incentive (STI) bonuses

**MARKET ORIENTATION**

- Total direct compensation oriented to external market benchmarks
- Centrally steered annual pay review process based on clear principles and market conditions

## OUR WORKFORCE CONTINUED

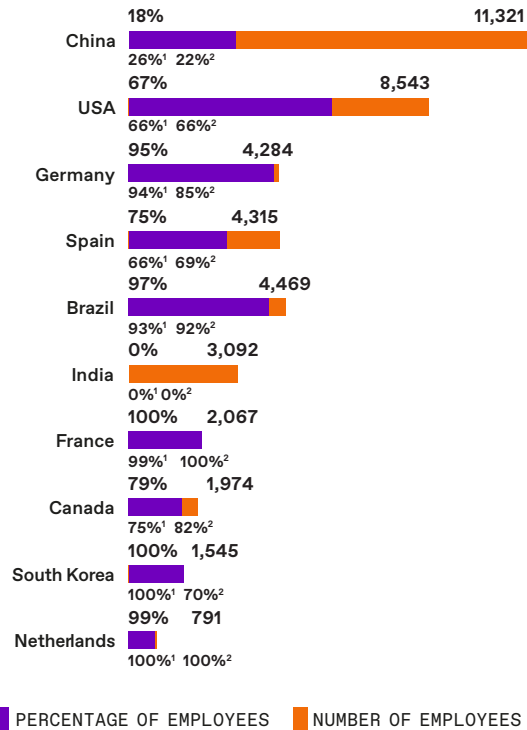
### Participation and consultation

Our employees worldwide are organized in formal structures such as works councils or safety committees, which vary depending on the region or country. In North America, regular joint safety committee meetings at branch level review progress each month. The branch manager is ultimately responsible for the oversight and effectiveness of these efforts. The committee comprises representatives of management, field workers, and office workers. In Europe, OSH information is generally discussed and updated at meetings with the group works council and European Works Council (EWC) that are held frequently throughout the year. In addition, the group works council has created an expert OSH committee to coordinate the handling of specific OSH issues with the senior leadership team.

Currently, an estimated 54% (2023/24: 55%) of our employees are covered by CBAs. This is even higher (at 60%) when looking at our ten largest countries, which account for around 80% of TK Elevator’s global workforce. We also have formal works councils in many countries, including Germany (Konzernbetriebsrat), as well as cross-country approaches, such as the European Works Council (EWC), for entire regions, and the World Works Council (WWC).

GRI 403-4

### EMPLOYEE COVERAGE IN COLLECTIVE BARGAINING AGREEMENTS BY COUNTRY IN 2024/25



GRI 2-30

Estimated for the ten most significant countries according to headcount.

- 1 Figures related to 2023/24.
- 2 Figures related to 2022/23.



# PRODUCT SAFETY AND QUALITY AT THE CORE

At TK Elevator, product safety and quality are inseparable – and fundamental to how we operate. They are deeply embedded in our culture and essential to earning customer trust and achieving long-term success. We apply a rigorous, end-to-end approach to managing quality and safety. Our internal standards often go beyond industry regulations, with stricter requirements for safety and environmental performance built into our R&D processes. This commitment not only ensures high customer satisfaction, but also supports our sustainability goals by reducing resource use and extending product lifespans.

## Our quality and safety approach

Quality at TKE is guided by a zero-defect philosophy, meaning we aim to prevent errors at the source. Our quality management system (QMS) is ISO 9001 certified at all manufacturing sites and is based on a strong quality policy covering planning, quality assurance, and quality control.

Within this framework, we have customer-focused processes and use a range of industry best-practice tools. For example, we use methods like failure mode and effects analysis (FMEA) to identify and prioritize risks, advanced product quality planning (APQP) to ensure new designs meet customer needs, and the production part approval process (PPAP) to confirm that components meet specifications.

We also apply proven problem-solving techniques such as 8D and Six Sigma, which provide structured approaches to identifying root causes and improving processes. Together these tools and processes help ensure a consistent high level of quality across all products and operations.

A key aspect of our approach is to advance quality – ensuring quality is built into processes from the start. We emphasize error-proofing (poka-yoke) in design and production to reduce human error. By integrating simple poka-yoke mechanisms, we make it highly unlikely for mistakes to occur, preventing defects before they happen. For instance, quality gates in our manufacturing lines function as checkpoints – the process cannot move to the next step until the current step meets all quality criteria. This prevention-focused strategy reduces the need for inspections, which in turn lowers the costs of quality control by avoiding rework and waste.

We have a design for safety guideline for our engineering teams, integrating safety considerations into the design process so that potential hazards are identified and mitigated at the earliest stage. This proactive approach to safety by design significantly reduces the likelihood of incidents and fosters continuous improvement, contributing to a safer and more reliable product base. |



## PRODUCT SAFETY AND QUALITY AT THE CORE CONTINUED

### Quality, safety and accessibility in action

▮ We prioritize ongoing training and a culture of quality. In 2024 we rolled out a global Quality Foundation training program to strengthen employees' understanding and awareness of quality practices. Further specialized training has been deployed worldwide in multiple languages. These efforts ensure that our teams have the skills and mindset to maintain high quality standards every day. ▮

### Governance

▮ Quality and product safety are governed at the highest levels of our organization. Each business unit's quality manager reports (directly or indirectly) into the central quality function, ensuring alignment with corporate standards. The corporate quality organization defines and deploys core quality processes and key performance indicators (KPIs) to measure progress. Meanwhile, our R&D, supply chain, manufacturing, and field teams are responsible for implementing actions within the QMS and held accountable for their outcomes.

We give high priority to any process that directly impacts quality or product safety. Every significant issue is evaluated and classified into four severity levels, Critical Safety Impact, Safety or Regulatory Impact, Availability or Performance Impact, and Minor Functional Impact, with defined criteria and corrective actions. This risk-based approach ensures that critical problems are addressed quickly and effectively. In practice, for every quality or safety concern, we assess its potential severity (impact on customers or safety) and its likelihood of occurrence, then implement appropriate countermeasures.

Issues and customer claims are prioritized by severity and impact, and responsibility for resolution is clearly assigned. We also systematically gather customer feedback (for example, through Net Promoter Score surveys for new installations and services) to track performance and identify improvements.

To drive continuous improvement, each business unit reviews key metrics, discusses issues, and tracks actions. Factories also hold regular supply chain management meetings focused on key quality drivers. Key results and strategies are reported to senior leadership regularly. Business units are empowered to act quickly on local quality challenges, and are incentivized against quality and safety targets. Global reporting structures ensure that strategic quality initiatives are implemented effectively, and that resources are allocated where needed.

We base improvement efforts on KPI trends and emerging issues, with strong focus on root-cause analysis. By investigating underlying causes, we deliver lasting solutions instead of short-term fixes. Special attention is given to high-impact issues. For example, if multiple quality complaints relate to a particular supplier or component, we implement targeted mitigation measures such as enhanced process monitoring plans. Preventive measures are continually reinforced through programs such as quality lessons learned, critical attribute management, in-process checks, supplier scorecards, and audits. This combination of accountability, risk-driven action, and prevention supports our goal of a zero-defect culture across TKE. ▮

### LEAN, SAFE, SUSTAINABLE – TRANSFORMING OUR FACTORIES FOR TOMORROW

Over the past years, we have fundamentally re-engineered our product and manufacturing model – anchored by our EOX product platform, which harmonizes components and enables a far more standardized, modular production setup. This product transformation goes hand-in-hand with our manufacturing transformation: through the TKE Production System (TKEPS), we have redesigned production lines end-to-end, reduced waste, optimized space usage, and streamlined internal logistics – boosting operational resilience while lowering resource intensity.

These changes are translating into measurable, structural improvements. Across our EOX factories in Europe and the Americas, processes have become significantly more streamlined, with a visible increase in the configure-to-order no-touch rate and notably shorter lead times. Safety performance has strengthened markedly, alongside a substantial uplift in productivity per employee. Together, these outcomes clearly demonstrate that improvements in productivity, safety, and sustainability can progress hand in hand.



## PRODUCT SAFETY AND QUALITY AT THE CORE CONTINUED

### Working with suppliers

Our commitment to quality extends beyond our own operations – it also involves our suppliers. We regard suppliers as partners in quality and work closely with them from the very start of product development and production. All new suppliers undergo a rigorous qualification process and must pass joint audits conducted by our purchasing and quality teams. Only after a supplier meets our standards do we start advanced product quality planning with them, ensuring they can reliably scale up production to meet our requirements.

We help our suppliers establish robust processes that ensure consistent quality; for instance, each critical component must go through a production part approval process to verify it meets specifications before full-scale supply begins. We hold regular supplier days and continuous process audits to evaluate both their core manufacturing processes and supporting processes, confirming that our partners can achieve on-time delivery with zero defects. This collaborative, upfront approach means that quality is built into our supply chain, reducing issues later. |



### Product safety and accessibility

A large part of ensuring quality is making the right decisions early in the product lifecycle. We invest heavily in the design and launch phases to build quality and safety into our products before they reach customers. In 2023/24, for example, we published a Design for Safety guideline for our engineering teams, integrating safety into our design process so risks are identified and addressed early. This proactive approach to safety by design reduces the likelihood of incidents and supports continuous improvement, contributing to safer and more reliable products.

In 2024/25, we introduced new quality gate reviews as part of the product development process. These are structured checkpoints at key development milestones, where cross-functional teams assess the design's maturity and its adherence to requirements before moving forward.

At each gate, we evaluate the product against criteria spanning the entire value chain. Any gaps or risks are documented, and mitigation plans are put in place. This formal stage-gate system ensures that we only advance to the next phase of development with clear visibility of identified risks and actions to address them. By enforcing robust deliverables and reviews at every stage, we enhance design robustness and prevent issues from reaching customers.

Our design for quality efforts are complemented by strict adherence to product safety standards and regulations. We comply with all relevant national and international safety codes (for instance, EN 81, the EU elevator standard) and often enforce internal safety design rules that go beyond those requirements.

Each new product undergoes extensive safety testing and quality validation before launch, and we are committed to a zero-accident goal through pre-market safety design and quality gates. All of our elevator and escalator units must also be certified by independent accredited bodies before entering service, to ensure they meet all local code requirements. If any unit is found non-compliant during these inspections, we take immediate corrective action on site and re-test it before operation to ensure full compliance and safety. By proactively addressing potential issues through design improvements, risk assessment, and rigorous testing, we maintain the trust of the people who use our products – over 1.5 billion passengers every day – and underscore our commitment to safety and quality excellence. |

## PRODUCT SAFETY AND QUALITY AT THE CORE CONTINUED

### Recalls process and status

At TK Elevator, safety and reliability are fundamental commitments. Our products are installed in highly diverse environments – from residential buildings to airports and public infrastructures – where factors such as building condition, environmental exposure, electrical stability, connectivity, and local service capabilities can influence equipment performance. Because no two installations are identical, our approach to monitoring field performance is rigorous, data-driven, and globally coordinated.

We operate a comprehensive process to identify, evaluate, and mitigate any issue reported from the field. All incidents – whether detected by our technicians, remote monitoring systems, or customers – are systematically assessed and classified into three severity levels, each with predefined response measures.

When an issue has the potential to impact product safety or long-term performance, TK Elevator may launch a recall or retrofit campaign. These campaigns follow a strict internal governance model and are monitored at the highest organizational levels. Cross-functional committees regularly review open cases, validate root causes, track implementation progress, and ensure that all affected units are updated. This structured oversight guarantees that corrective actions are executed consistently across markets and that our installed base remains safe and up to date.

Because our equipment is permanently installed in buildings, recall campaigns do not involve the withdrawal of products from the market. Instead, they are executed as field retrofit actions, coordinated closely with building owners and service teams to minimize disruption for end users.



Thanks to our strong focus on prevention, early detection, and design improvements, recall campaigns remain rare relative to the size of our global installed base. When they do occur, they are resolved transparently and promptly, reflecting our commitment to safety, customer trust, and responsible lifecycle management. |

### Labeling and safety signage compliance

TK Elevator ensures that all products, components, and installations comply with the relevant international and local labeling, signage, and safety information requirements. Clear and standardized safety communication is essential to protect both the technicians who service our equipment and the passengers and end users who rely on it every day.

All elevators, escalators, moving walks, chair lifts, and boarding bridges produced by TK Elevator are equipped with the required pictograms, warning labels, and operational instructions in accordance with applicable regulations. These include, among others, the EU Machinery Regulation (and previously the Machinery Directive), EN and ISO safety signage standards, ASME and CSA requirements in North America, and additional national codes in Asia Pacific, the Middle East, and Latin America. |

### Safety and quality performance indicators

To achieve greater transparency of information on materials-related health issues in buildings, we also publish Health Product Declarations® (HPDs), which disclose any potential chemicals of concern contained in our products as well as relevant health information. As of the reporting year 2024/25, we had six HPDs (2023/24: six HPDs) published, including the HPD for EOX in North America and Europe. More HPDs are planned for the next reporting year. |

GRI 416-1 GRI 416-2 GRI 417-1

GRI 417-2 SASB RT-EE-205a.1