

SUSTAINABILITY AT TK ELEVATOR

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SUSTAINABILITY AT TKE CONTINUED

SHAPING THE FUTURE OF URBAN MOBILITY

Urbanization is increasing — and to be sustainable, it must happen in a way that limits global warming and supports communities’ long-term needs. Sustainable urban environments improve quality of life through greater accessibility and efficient resource use, while reducing environmental impact and enhancing resilience.

Our solutions are designed for exactly this challenge — improving how people move through buildings, metros, and airports, reducing congestion, enhancing the user experience, and driving greater efficiency every day.

Ultimately, our purpose is to improve the quality of urban life around the world — through our passion for moving people.

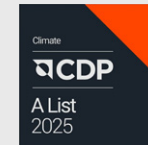
Global leader in elevators and urban mobility

At TK Elevator (TKE), we are one of the world’s leading providers of elevator and escalator technology. We design, manufacture, install, service and modernize passenger and freight elevators, escalators, moving walkways, passenger boarding bridges and chair and platform lifts, covering their entire product lifecycles.

Operating from approximately 1,000 locations worldwide and serving customers in more than 100 countries, our business provides a global sales and service network that ensures optimum proximity to clients. Infrastructure projects like the metro lines in Cologne (Germany), Pune (India), Nanjing (China) and Bangkok (Thailand) or the airports in Dubai (UAE) and Denver (USA), as well as iconic buildings such as the Edge in London (UK), Camp Nou in Barcelona (Spain) and the Titans’ Stadium in Nashville (USA), which are equipped with our elevators, escalators and passenger boarding bridges, illustrate our strengths and global reach.

GRI 2-1 **GRI 2-6**

External recognition



Recognized in CDP Climate A-List for 6 consecutive years



Recognized as CDP Supplier Engagement Leader for 5 consecutive years



Recognized with EcoVadis Gold medal for 5 consecutive years

Our largest contributions to the UN Sustainable Development Goals

Environment



Social



Governance



SUSTAINABILITY AT TKE CONTINUED

KEY GLOBAL TRENDS
SHAPING OUR BUSINESS

The global context in which we operate is rapidly evolving, and several key trends are shaping our industry and our customers. We monitor these developments closely to keep our strategy relevant and our business resilient.



1 Urbanization and densification. By the year 2050, close to 70% of the world's population will live in urban centers.¹ While these cities will generate 80% of the world's GDP, they are likely to account for more than 70% of its greenhouse gas emissions.² The expansion of urban areas is increasing the strain on land and natural resources, highlighting the need for tall, resource-efficient buildings and sustainable transportation systems that are designed for the future. TK Elevator is addressing these challenges by providing safe, seamless and sustainable urban mobility solutions.

2 Public investments in infrastructure.

As urbanization accelerates, countries are expanding and upgrading transport, public buildings, and essential services – creating long-term demand for elevators and escalators. In fast-growing regions like India and the Middle East, large-scale infrastructure and smart-city programs are opening significant opportunities for modern mobility solutions. At the same time, mature markets are modernizing aging infrastructure, with over half of elevators in Europe and North America already more than 20 years old – driving sustained modernization needs.

3 Demographics and accessibility for all.

As cities grow, age, and diversify, mobility solutions must ensure seamless access for people of all ages and abilities. At TK Elevator, inclusivity is built into our product design – from improving accessibility in existing buildings to enhancing the user experience in new ones. By addressing a wide spectrum of mobility needs, we help create environments where everyone can move freely and with confidence.



4 Energy efficiency and circular economy.

Buildings generate over one third of global energy-related emissions³, making efficient mobility solutions increasingly important. Higher product efficiency and lower resource use help customers cut operational and embodied carbon. Circular economy principles – extending lifespans, improving recyclability, and minimizing waste – further reduce environmental impacts. Embedding efficiency and circularity into our design, manufacturing, and modernization supports more sustainable cities and advances our decarbonization journey.

5 Digital Transformation and AI. Digitalization is

transforming how we move in cities – making mobility smarter, safer, and more sustainable. With AI-enabled, connected technologies, TK Elevator boosts uptime, cuts CO₂ emissions, and enhances efficiency across buildings worldwide. By integrating digital-native solutions into our portfolio, we deliver future-ready mobility that meets rising expectations for performance, sustainability, and user experience.

¹ United Nations, World Urbanization Prospects 2025: Summary of Results (released Nov 2025).

² United Nations Sustainable Development Goals Report 2022.

³ Global Alliance for Buildings and Construction.

SUSTAINABILITY AT TKE CONTINUED

OUR FRAMEWORK FOR SUSTAINABLE VALUE CREATION

Our strategy guides TK Elevator's growth and enables us to create long-term, sustainable value for customers, employees, and shareholders.



At the core of our strategy is our industry-leading service business, the backbone of our customer relationships and a key driver of long-term success. We are continuously raising the bar for service excellence across our global network, ensuring consistent, best-in-class quality while fostering a culture grounded in continuous improvement.

To unlock future growth, we are expanding into attractive customer segments and bringing innovative, sustainable mobility solutions to market. This includes pioneering technologies for new buildings – from **TWIN**, the world's first elevator system with two independently operating cabins in a single shaft, to **EOX**, our eco-efficient, digitally native platform for the low- and mid-rise segment, and **HELIX**, our newest high-rise, digitally native elevator engineered for maximum uptime, energy efficiency, and advanced service performance. Together, these solutions set new benchmarks for flexibility, sustainability, and user experience. We also help extend the life cycle of existing infrastructure through tailored modernization and accessibility solutions. Complementing this, our digital offerings – including **MAX**, our cloud-based predictive maintenance platform, and **AGILE**, our smart building interface – make buildings more intelligent, efficient, and responsive to the needs of everyone who lives and works in them.



To support this transformation, we are strengthening our global supply chain, investing in world-class manufacturing, and improving productivity through more efficient installation methods. We are also sharpening our organizational setup with leaner support structures and simplified processes to further boost agility and customer focus.

Geopolitical tensions highlight the need for strong, transparent supply chains. Enhanced traceability helps address sustainability challenges while strengthening resilience. Through close collaboration with our partners, we increase transparency, identify risks early, and strengthen long-term supply chain stability.

Safety and sustainability remain non-negotiable foundations of everything we do. Digitalization serves as a key enabler across the company, driving efficiency, elevating customer service and user experience, and accelerating innovation. At the heart of our transformation is the development of the TKE Business System: a unified, enterprise-wide approach that leverages our global scale, drives operational excellence, and anchors a high-performance culture across the organization.



SUSTAINABILITY AT TKE CONTINUED

CEO STATEMENT



We are investing in the capabilities that matter most for the future — with sustainability firmly embedded in how we operate, innovate, and grow.

Dear Stakeholders,

2024/25 marked another defining chapter in our multi-year, multi-dimensional transformation journey. We continued to reshape TK Elevator toward service and modernization, launched our new digitally enabled service model in the U.S., expanded the reach of our EOX platform, opened a new Product Competence Center in Germany, and established a landmark partnership with Alcatel to accelerate growth in Saudi Arabia and the wider Middle East. At the same time, our teams delivered new all-time highs in financial results. This continued momentum underscores our progress in building a more sustainable, high-performance franchise for the future.

Sustainability firmly embedded in our transformation

Our passion is to move people — seamlessly and sustainably. From improving accessibility to modernizing outdated systems and maximizing uptime through proactive maintenance, we improve the quality of urban life and directly reduce the environmental footprint of the buildings and cities we serve. And we keep pushing ourselves to get better — most visibly with the launch of our new service delivery model in the U.S. By creating a fully connected, AI-supported ecosystem behind every technician, we are driving uptime, customer satisfaction, and productivity — while optimizing routing to reduce travel time and mileage, directly lowering fleet emissions.

EOX — driving efficiency across the entire value chain

EOX remains a key driver of our transformation and an increasingly powerful lever for decarbonization. Over the past four years, we have invested around €400 million in our digitally native, eco-efficient EOX platform, fundamentally reshaping the value chain for our low- and mid-rise portfolio — reducing complexity and cost, strengthening competitiveness and delivering better solutions for our customers. At the same time, its leaner

manufacturing footprint and eco-efficient design are advancing our environmental performance, contributing to a 31% reduction in Scope 1 and 2 emissions versus our 2019 baseline and a 19% reduction in Scope 3 emissions from the use of sold products versus 2021. We are now extending EOX into modernization — the natural next step — and are already seeing early traction.

Our people — the driving force

What energizes me most is the passion, energy, and commitment I see across the organization. Over the past years, we have cultivated a mindset of continuous improvement — an essential foundation for delivering sustainable value creation. To sustain this momentum and anchor a unified cultural framework aligned with our ambitions, we have introduced sharpened and actionable TKE values. Building a high-performance culture is not about slogans; it is about accountability, clarity, capability, and trust — and about fostering a high level of engagement across our teams. With 81% participation in our latest employee survey, I am encouraged by the strong level of engagement across the organization, which underpins our ability to execute and perform.

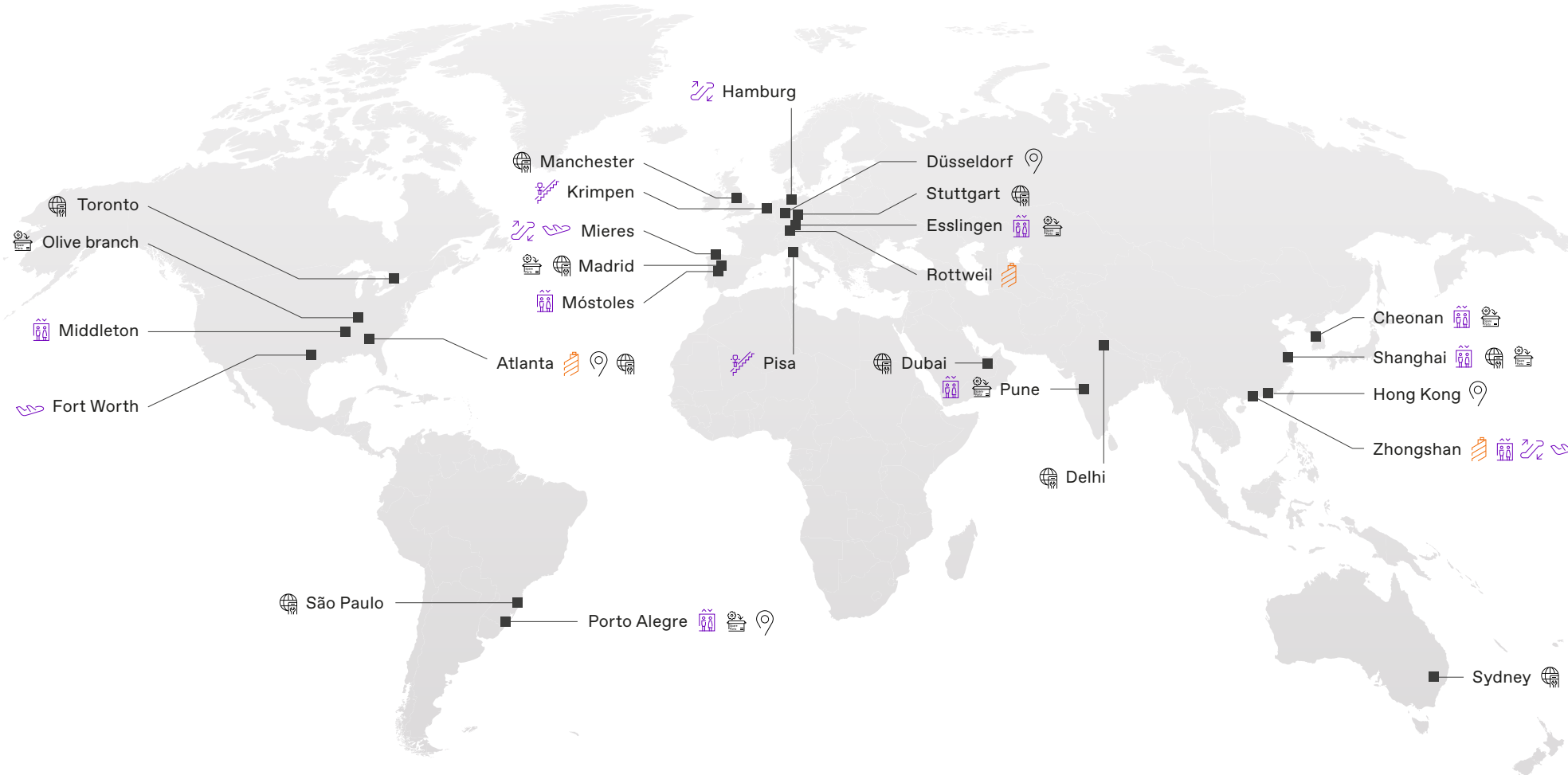
Looking ahead

Our direction is clear: we are building on our strengths, raising execution standards, and investing in the capabilities that will matter most going forward — with sustainability firmly embedded in how we operate, innovate, and grow. I am more confident than ever in where we stand today, as we enter the next phase of our transformation journey.

GRI 2-22

SUSTAINABILITY AT TKE CONTINUED

LOCAL EXPERTISE AROUND THE GLOBE



Americas

~300

locations

Europe Africa

~300

locations

Asia Pacific

~400

locations

Manufacturing and R&D facilities

- Elevators
- Escalators
- Airport solutions
- Home solutions

Research & Innovation centers and test towers

- Principal test tower
- Business support center
- International Technical Services
- Spare Parts Business Center

GRI 2-1 GRI 2-6

SUSTAINABILITY AT TKE CONTINUED

STRONG LEADERSHIP FOR A SUSTAINABLE FUTURE

Our governance structure provides strategic direction, ensures transparency, and strengthens stakeholder trust by reflecting our values, meeting legal and regulatory requirements, and aligning with global best practices. It clearly defines how authority and accountability are distributed across the company to support responsible, value creating decision-making.

Clear roles and accountability

Our governance model at TK Elevator comprises the following decision-making bodies at the top of the group: the shareholders represented by the management board of Vertical Topco II. S.A. (“Topco board”) and the management board of TK Elevator GmbH (“management board”) as the leading company of the group. In addition, the supervisory board of TK Elevator GmbH (“supervisory board”) is responsible for overseeing the activities of the management board. A set of rules and procedures governs the composition of the boards and how their members are nominated and chosen.

Topco board

The Topco board comprises managers who have been nominated by the investors. It has a remuneration committee, an audit, risk, and compliance committee, and an environmental, social, and governance (ESG) committee. The ESG committee communicates quarterly with TK Elevator’s own ESG team; its role is to help the group meet its sustainability-related and corporate responsibilities by supervising and providing advice on ESG matters and activities that are relevant to the group’s business.

Read more about how we manage sustainability topics on page 16 →

Supervisory board

The supervisory board comprises 16 seats, eight of which are appointed by the shareholders and the other eight elected by the company’s employees in accordance with the provisions of the German Codetermination Act. To date, the shareholders have appointed four representatives from Cinven and four independent entrepreneurs (2023/24: four representatives from Cinven; four independent entrepreneurs). Eight members (2023/24: eight members) of the supervisory board are non-executive directors.

More information on the members of the supervisory board is available on our website. Each supervisory board member serves for between four and five years, depending on the election schedule and when exactly their terms end. A member may be re-elected.

The chair of the supervisory board represents the shareholders, and the vice-chair represents the employees. The members of the supervisory board must have the knowledge, abilities, and expertise needed to properly carry out their duties. Supervisory board members must also be familiar with the sectors in which TK Elevator operates. At least one member of the board must also have accounting or auditing expertise.

All supervisory board members are obliged to protect the company’s interests. The chair must be immediately informed of any conflicts they may have in this regard. The supervisory board’s reports to the annual general meeting must also include information on any conflicts of interest that have arisen during the preceding reporting period. The supervisory board has the following committees: an executive committee, a mediation committee, a personnel committee, and an audit and compliance committee.

The executive committee comprises the supervisory board chair and vice-chair plus one member of the supervisory board, who is proposed and elected by the shareholder representatives, and one member who is proposed and elected by the employee representatives.

The mediation committee and personnel committee are structured the same way. The audit and compliance committee consists of two supervisory board members who are proposed and elected by the shareholder representatives, plus another two who are proposed and elected by the employee representatives on the supervisory board.

[GRI 2-9](#) [GRI 2-10](#) [GRI 2-11](#) [GRI 2-12](#) [GRI 2-15](#) [GRI 2-17](#)

SUSTAINABILITY AT TKE CONTINUED

The supervisory board appoints the members of the TK Elevator GmbH management board, including its chair. The management board reports to the supervisory board, and in certain cases also to one or more of its committees. All matters that are relevant to the company and/or the TK Elevator group are reported on an ongoing basis in the form of regular reports, special reports, and requested reports. These include strategy, planning, business development, sustainability, risk management, and compliance. The supervisory board also reviews the annual financial statements.

Management board

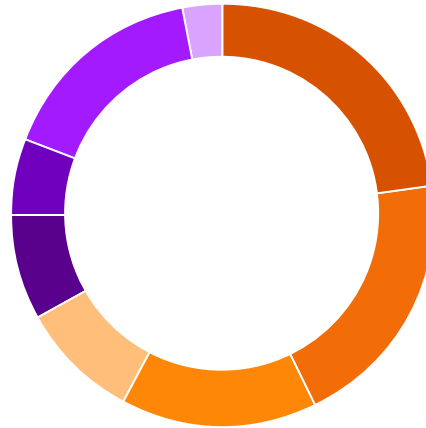
In 2024/25, the management board had four members (2023/24: four members): the chief executive officer (CEO), the chief financial officer (CFO), and the chief operating officer (COO), and the Labor Director. All our board members have a strong entrepreneurial background and mindset as well as extensive leadership experience both in the elevator and escalator sector and in other industries.

Sustainability governance

Everyone at TKE has a role to play in conducting our business with integrity and driving responsible practices across all areas of our operations.

We have therefore established a cross-functional approach spanning the entire organization for addressing sustainability topics. While TK Elevator’s management board has overall responsibility for sustainability (with support from a dedicated ESG function), everyone contributes from the top down and vice versa.

Shareholding structure – Look-through view



● Advent	23% ¹
● Cinven	20% ¹
● ALAT	15% ¹
● Luxinva (ADIA)	9% ¹
● Auba (GIC)	8% ¹
● RAG Foundation	6% ¹
● thyssenkrupp AG	16% ¹
● Other	3% ¹

TK Elevator is owned by a consortium led by the investment firms Advent International and Cinven, along with other shareholders.

¹ Approximate direct and indirect shareholder stake in TK Elevator group reflecting ultimate beneficial ownership.

To ensure that strategic decisions on sustainability receive the attention of top leadership and are aligned with all relevant internal stakeholders, our senior leadership team advises the management board on the approval and sign-off of sustainability strategies and targets. We have a dedicated ESG function that supports our business units and corporate functions to integrate our ESG strategy into their day-to-day operations, making sure actions are aligned and tracking progress against our targets.

The head of ESG coordinates the ESG Council, which comprises the heads of relevant global functions such as health and safety, human resources, compliance, and procurement and supply chain. It is tasked with reviewing stakeholders’ expectations, developing proposals, and monitoring progress in implementing strategy and achieving targets. The ESG Council is supported by workstreams dedicated to specific topics and comprises delegates from our business units, who are responsible for implementing our ESG strategy, working toward targets, capturing data for reporting purposes, and regularly preparing and submitting progress reports.

TKE’s [code of conduct](#) and other policies and guidelines on specific sustainability topics, such as our [supplier code of conduct](#), explain our approach in greater detail and provide guidance to our employees in their daily work.

GRI 2-12 **GRI 2-13** **GRI 2-14** **GRI 2-18**

Embedding sustainability

Sustainability-related key performance indicators (KPIs) are quarterly reported to our senior leadership team. This strong governance setup supports our commitment to embedding a values-based mindset across the organization – turning our sustainability ambitions into action through all TK Elevator employees.

Transparent reporting is essential: it enables us to measure progress, continuously improve, and maintain open dialogue with our stakeholders.

Details on the reporting frameworks used for this report can be found on page 56 →

TK Elevator ESG governance



SUSTAINABILITY AT TKE CONTINUED

INTEGRATING STAKEHOLDER PERSPECTIVES

Stakeholder dialogue is essential to ensure we identify and address concerns, trends, and expectations. TK Elevator's stakeholder engagement is based on both structured and ad hoc interactions, as well as regular surveys of topics including customer and employee engagement. We also obtain information through formal grievance channels.

We define a stakeholder as someone who either is affected by TK Elevator or impacts how we do business. We have identified nine stakeholder groups and mapped those that influence our activities.

We engage with our stakeholders through a broad range of formal and informal channels. These interactions help us understand expectations, identify emerging issues, and bring diverse perspectives into our strategy and daily operations. The following examples show how meaningful dialogue translates into concrete actions that strengthen our organization and support long-term value creation.

More information on the topics that matter to our stakeholders is contained in our materiality assessment on page 16 →

Listening to our people

Our employee survey gives colleagues an opportunity to voice their opinions and reflect on where and how we need to improve as a company. It covers questions on employee dedication and empowerment, innovation, safety, quality, customer focus and inclusion.

Building on our employee surveys ("Your Voice") in 2020/21 and 2021/22, both of which led to dedicated follow-up measures, we launched our third Your Voice survey in October 2024. Participation rose to 81% (up from 75% in 2021/22), reflecting our employees' strong engagement and willingness to share their views.

Our employee survey participation rate serves as a key indicator of employee engagement and is included in 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.

We also gather insights through formal grievance channels, which help us identify concerns and strengthen accountability.

More details about our grievance channels on page 48 →

[GRI 2-12](#) [GRI 2-26](#) [GRI 2-28](#) [GRI 2-29](#)



SUSTAINABILITY AT TKE CONTINUED

Collaborating to raise industry standards

We collaborate with external scientific and academic institutions to raise the standards for product safety, accessibility and energy efficiency. In addition, we belong to various industry associations, including the European Lift Association (ELA), National Elevator Industry, Inc. (NEII), and the Chinese Elevator Association (CEA). We are active in leading global standards organizations, including the ISO committee on the ISO 25745 standards for the calculation of elevator and escalator energy consumption, which TKE is helping to develop and improve, and CEN, ANSI, and SAC. Through this participation, we proactively contribute to the development of new codes and standards.

We strengthen our innovation capabilities by collaborating with customers and partners to develop new solutions. One example is our work with Microsoft and Databricks on Agentic AI, which combines our respective expertise to enhance service workflows and advance our digital solutions. It ensures that AI is embedded responsibly and effectively across our operations, improving uptime, accelerating issue resolution, and enhancing the customer experience.

GRI 2-28 **GRI 2-29** **GRI 3-1**

CUSTOMERS

Why we engage

We listen to our customers carefully to anticipate and best serve their needs.

How we engage

- Collaboration and advice to meet customer needs
- Customer events
- Customer surveys

EMPLOYEES

Why we engage

We aim for a diverse, talented and enabled workforce, which is essential to fulfill our mission of actively shaping the future of sustainable urban mobility.

How we engage

- Global and regional townhalls
- Employee surveys
- Performance reviews
- Global intranet (INSIDE TKE)

SUPPLIERS, SUBCONTRACTORS AND BUSINESS PARTNERS

Why we engage

Our goal to achieve high sustainability standards throughout our value chain mandates close collaboration with our business partners.

How we engage

- Supplier days
- Supplier certification
- Supplier audits
- Subcontractor trainings

COMMUNITIES

Why we engage

We act as good neighbors in our communities, promoting social collaboration, providing disaster relief and supporting local initiatives.

How we engage

- SOS Children's Village (global)
- Various local initiatives

INVESTORS AND SHAREHOLDERS

Why we engage

We report to our debt and equity investors on a regular level, updating them on our financial and non-financial progress and strategic targets.

How we engage

- Equity shareholders:
- Regular business reviews
 - Involvement in supervisory board and committees
 - Direct exchanges

Debt investors:

- Debt investor calls
- IR website
- Direct exchanges

PASSENGERS

Why we engage

Our products are made for passengers. We take pride in safely transporting everyone who interacts with our products.

How we engage

- Safety awareness trainings
- Safety events

ASSOCIATIONS

Why we engage

We are members of various industry associations and actively contribute to the development of new codes and standards in key areas such as safety and energy efficiency.

How we engage

- European Lift Association (ELA)
- National Elevator Industry, Inc. (NEII)
- Chinese Elevator Association (CEA)
- CVU (Council on Vertical Urbanism)
- Standardization committees, such as the ISO committee on the ISO 25745 series

RATING AGENCIES

Why we engage

We work with rating agencies to monitor our sustainability performance and benchmark ourselves inside and outside of our industry.

How we engage

- CDP
- EcoVadis

EDUCATIONAL INSTITUTIONS

Why we engage

We collaborate with schools and universities both in order to attract talent and to build our R&D efforts.

How we engage

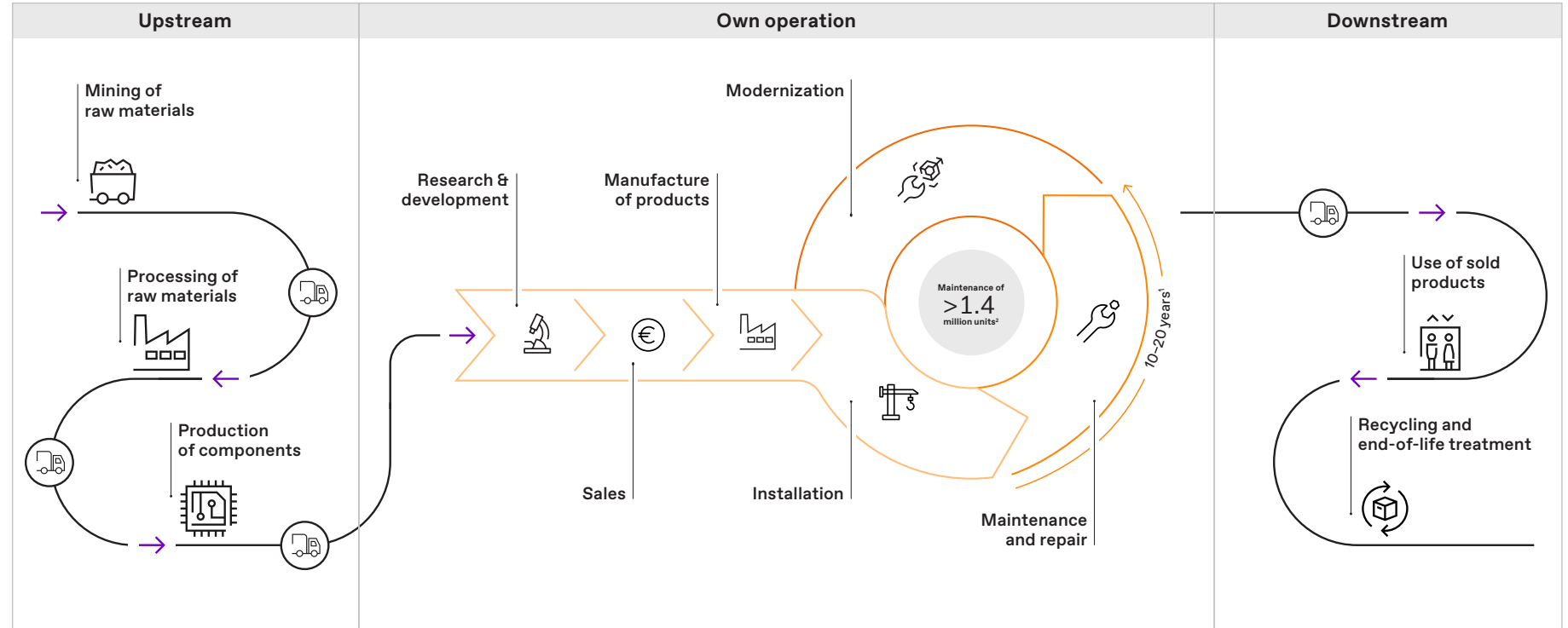
- Collaboration with different institutions, e.g.
 - University of Oviedo, Spain
 - University of Northampton, UK

SUSTAINABILITY AT TKE CONTINUED

IMPACTS ACROSS THE VALUE CHAIN

TK Elevator manages impacts across the entire value chain, covering planning, manufacturing, installation, service, and modernization.

OUR VALUE CHAIN



Upstream

We require supply chain partners to uphold our ethical and environmental standards. Our Supplier Code of Conduct, integrated into all contracts, sets expectations on sustainability and climate risk. Oversight includes assessments, audits, and ongoing risk monitoring.

Own operations

We reduce the environmental impact of our operations by improving the energy efficiency of the equipment we install, service, and modernize. With over 30% of global elevators over 20 years old³, our targeted maintenance and modernization activities extend asset lifecycles while reducing energy consumption, emissions, and enhancing safety and performance. By combining lifecycle extension with continuous efficiency improvements, we support a more sustainable built environment while delivering long-term value to our customers.

Downstream

We enhance safety and resource efficiency by using low-energy technologies, circular economy principles, and AI-enabled service solutions. More than 68% of the materials in our products are recyclable carbon steel, reducing landfill waste and the consumption of primary raw materials.

GRI 2-6

1 Refers to elevator lifetime prior to significant modernization, not service contract duration.
2 Refers to elevator and escalator units as of 30 Sept, 2025.
3 Freedonia Group, Global Elevators 2024.

SUSTAINABILITY AT TKE CONTINUED

MANAGING NON-FINANCIAL RISKS

Our process for managing sustainability risks is integrated in our company-wide multidisciplinary risk management process. In this context, we enter sustainability risks in our risk register and review and adjust them at least once a year.

Our highest-priority sustainability risks from 2024/25 include the following:

- Our operations may be affected by supply chain bottlenecks, energy shortages, or extreme weather events, potentially leading to production delays, operational disruptions, or property damage. We mitigate these risks through preventive maintenance of our facilities, as well as targeted modernization and investments in them, supported by appropriate insurance coverage. We work closely with our suppliers to strengthen resilience in our supply chain amid geopolitical uncertainties.
- Ensuring the safety of our employees, subcontractors and customers is a core priority. To minimize any risk from accidents during production, installation, maintenance or product use, we foster a strong safety culture supported by comprehensive occupational health and safety measures, robust training programs, and careful selection and qualification of our installation and service staff. Under our Safety First approach, employees receive targeted instruction on safe on-site behavior, and our teams are equipped to deliver the highest possible safety and quality standards – providing effective protection for both our workforce and the users of our equipment.



- We actively manage risks related to product and process quality, information security, and compliance. In particular, we continuously assess and update our systems and processes to reinforce information security as digitalization and cloud-based applications progress. Regular vulnerability analyses, upgraded security technologies, and employee awareness programs further strengthen our defenses against growing cyber threats.
- Together with TK Elevator's data protection officer, we ensure that personal data is processed in line with the EU General Data Protection Regulation, the German Data Protection Act, and applicable local laws outside the EU.

- Our strong compliance framework helps us navigate export controls, sanctions, and other trade-related regulations responsibly. Through rigorous adherence to customs, export control, and trade regulations, we protect our business and support trusted partnerships.

Other sustainability risks from 2024/25 include:

- The successful execution of our growth and performance-oriented strategy depends on attracting, recruiting and retaining dedicated and highly qualified employees. We support this through competitive compensation, structured career development programs, strong university partnerships, and targeted initiatives for apprentices and young talent, ensuring a robust and sustainable talent pipeline.

- Legal risks may arise in connection with pending or potential lawsuits or regulatory and administrative proceedings involving TK Elevator. We manage these proactively through structured processes, including the systematic recording, categorization, and quarterly evaluation of all relevant cases using a dedicated software tool. These matters are reported through established risk management channels to the managing directors of TK Elevator. Claims are carefully assessed for merit, and legal matters are handled by our internal legal department, supported by external counsel where appropriate.
- Further climate-related risks arise from the evolving regulatory landscape, including rising carbon pricing associated with the transition to a low-carbon economy. We address these through measures to decarbonize our operations and products and by actively monitoring and integrating regulatory developments into our risk management and strategic planning.

In 2025, we assessed the potential impact of our operations on nature by analyzing the geographic location of our sites in relation to legally protected or registered, internationally designated, and other environmentally sensitive areas. Based on this assessment, none of TK Elevator's factories are located in such areas, indicating a low risk of adverse impacts on biodiversity from our operations.

Against this backdrop of disciplined risk management, we operate in an environment shaped by long-term structural megatrends—including urbanization, demographic change and digital transformation—that are creating significant opportunities.

Read more about how these trends shape our business and on page 5 →

SUSTAINABILITY AT TKE CONTINUED

OUR MATERIALITY ASSESSMENT

In an increasingly dynamic sustainability landscape, not all topics carry the same level of urgency or impact. Our materiality assessment enables us to identify where our responsibilities are greatest and where sustainability matters have the most significant implications for our business. It ensures that we focus our strategy – and our reporting – on the issues that matter most.

In 2024/25, TKE conducted its materiality assessment based on the process steps described below. The assessment identifies sustainability topics that are material from two complementary dimensions:

- **Impact materiality:** our actual or potential impacts on people and the environment.
- **Financial materiality:** sustainability-related risks and opportunities that could affect TKE’s financial performance.

How we conducted the assessment

We followed a structured, multi-step process to identify, evaluate, and prioritize impacts, risks, and opportunities (IROs) across our value chain.

1. Understanding TKE’s context

To understand where sustainability IROs are most likely to arise, we mapped and analyzed our own operations – including core activities, products, services, and footprint – as well as our upstream and downstream value chain, from raw material sourcing to end-user stages. Our due diligence processes helped identify high-risk supplier regions for human rights and environmental issues in raw material sourcing. Where primary value chain data was insufficient, we complemented internal information with reputable external sources, including public institutions, scientific research, and sector studies, to form an evidence-based view. We identified relevant stakeholder groups affected by our activities and gathered input through direct engagement and internal representatives. We began integrating perspectives on nature as a “silent stakeholder,” using external evidence to supplement our understanding.

2. Identification of IROs

We compiled a comprehensive list of sustainability IROs informed by ESRS 1 AR 16 sustainability matters, previous reporting, and independent ratings (e.g., Sustainalytics, CDP, EcoVadis). Each IRO was mapped to its location in the value chain and assessed across short-, medium-, and long-term horizons, while also considering interdependencies that may create new risks or opportunities.

3. Assessment of IROs

We applied a harmonized scoring methodology aligned with the European Sustainability Reporting Standards (ESRS) double materiality concept:

- Impact materiality was assessed based on severity (scale, scope, irremediability) and likelihood, with severity scored as 0–5 and aggregated up to 15. To ensure that severe impacts remain visible – particularly in relation to human rights – likelihood was not applied as a purely mathematical factor but used as a multiplier of up to 1.
- Financial materiality was assessed in line with TKE’s risk management approach, scoring financial magnitude (0–5) and applying likelihood in the same way as for impact materiality.

All assessments were performed on a gross basis, without adjusting for existing mitigation measures. A topic was deemed material if it met the materiality threshold under either perspective:

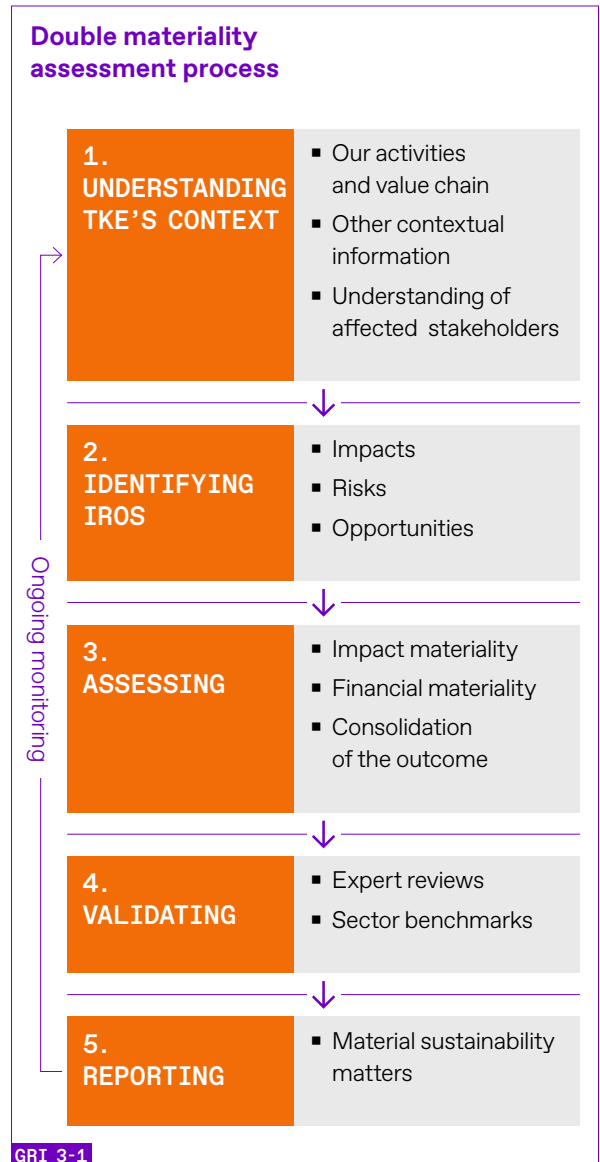
- Impact materiality: score ≥ 7.5
- Financial materiality: score ≥ 2.5

4. Validation of results

Assessment outcomes underwent internal review, with additional challenge applied where scores were near threshold levels. The final results were presented to the management board for approval.

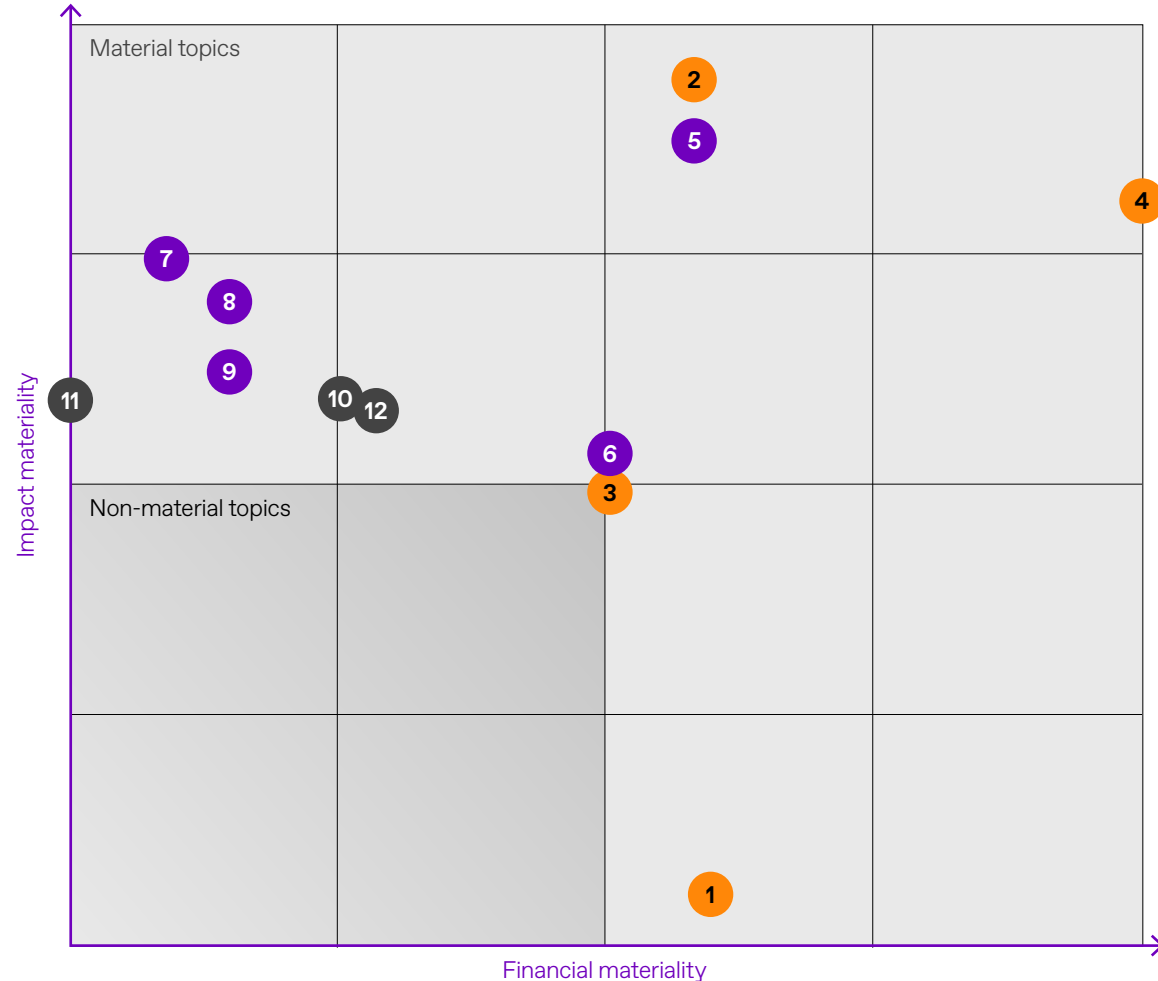
5. Reporting on material topics

The finalized list of material IROs shapes how we prioritize topics and structure our sustainability disclosures. These material issues form the backbone of our sustainability reporting and guide our focus across the value chain.



SUSTAINABILITY AT TKE CONTINUED

Materiality matrix



This report is structured around the three sustainability categories Environment (E), Social (S), and Governance (G), under which the material topics are presented. This approach supports consistency with our previous reporting structure, while further aligning the report with relevant ESRS principles and disclosure areas.

We are working towards further developing our materiality assessment and related disclosures to be fully compliant with ESRS in the future. The results presented below are a summary of the respective subtopics, material topics and corresponding sections of the report to support accessibility and transparency for readers, based on the process described on page 15.

ESRS Standard	Matrix position	Material sub-topic	TKE Sustainability Matter	Location
Environment				
E1	1	Climate change adaptation	Taking action on climate change	>pg. 18
E1	2	Climate change mitigation	Taking action on climate change	>pg. 18
E1	3	Energy	Taking action on climate change	>pg. 18
E5	4	Resource outflows	Embedding circularity	>pg. 23
Social				
S1	5	Working conditions (own workforce)	Our workforce	>pg. 30
S1	6	Equal treatment and opportunities	Our workforce	>pg. 30
S2	7	Working conditions (value chain)	Managing value chain impacts	>pg. 52
S4	8	Personal safety of consumers and/or end-users	Product safety and quality	>pg. 40
S4	9	Social inclusion of consumers and/or end-users	Product safety and quality	>pg. 40
Governance				
G1	10	Corporate culture	Responsible business conduct	>pg. 45
G1	11	Protection of whistle-blowers	Responsible business conduct	>pg. 45
G1	12	Corruption and bribery	Responsible business conduct	>pg. 45

GRI 3-2

Impact materiality: the positive and negative impacts of an organization on the environment, society and the economy.
Financial materiality: the effect that sustainability-related topics have on an organization, both in terms of risks and opportunities.