

## Communication on Progress UN Global Compact, FY 2014/2015

### CEO Statement

To our Stakeholders:

Kaba Group is pleased to present – in 2015 – its third Sustainability Report in accordance with the GRI G3 Guidelines, application Level C (see Kaba Group, Sustainability Report FY 2014/2015). We are committed to fulfilling our responsibilities towards future generations and particularly to our stakeholders in economic, environmental and social terms. In 2013/2014 Kaba set out energy saving measures for the majority of production sites, which were started to be implemented over the last financial year. As a result, in 2014/2015 1400 MWh of energy was saved. In 2013/2014 Kaba also produced a Code of Conduct for Suppliers which the production sites began to roll out to the most important A-suppliers at the end of that financial. By the end of financial year 2014/2015 351 suppliers had signed up to the code, which is around 67% of the total.

In alignment with our efforts in sustainable development, we are pleased to confirm that Kaba Group overtly affirms its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. The Kaba Principles, amounting to seven central values, remain crucial. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. The Kaba Principles set the parameters for our conduct and serve as a yardstick for our professional, customer-focused endeavors.

We are also pleased to announce that on 1 September 2015 Kaba Group has closed the merger with Dorma Group, based in Ennepetal (Germany). Together, dorma+kaba will be one of the top 3 global companies in the market for security and access solutions, with pro-forma sales of over CHF 2 billion, and around 16,000 employees. Also as dorma+kaba Group we will continue to be committed to a sustainable development of our business.

We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Riet Cadonau,

CEO dorma+kaba Group