Sustainability statement

Sustainability is central to our business strategy, enabling us to minimize our environmental and carbon footprint while continuing to drive business growth. Our long-term commitment to sustainability will unlock significant opportunities to reduce costs, mitigate climate risks, and develop more sustainable solutions to meet the needs of our customers. Sustainability is integrated into everything we do. When executed effectively, sustainability is a key business enabler.

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Highlights 2024

Dow Jones Sustainability Index Europe

ASSA ABLOY is a constituent of the Dow Jones Sustainability Index Europe for the fourth year in a row. The index tracks the performance of the top 20 percent of the 600 largest European companies in the S&P Global Broad Market IndexSM that lead the field in terms of sustainability.

Reduced carbon footprint

In 2024, the Group has reduced its absolute Scope 1 & 2 carbon footprint by 36 percent, against the 2019 baseline.

Reduced water consumption

During 2024, water intensity reduced by 56 percent, against the 2019 baseline.

Reduced waste

In 2024, non-hazardous waste intensity in the Group decreased by 29 percent, against the 2019 baseline.

INJURY RATE

↓ 0%

Our injury rate remained flat vs. 2023.

WATER INTENSITY

↓ 10%

Our water intensity has decreased by 10 percent vs. 2023.

ENERGY INTENSITY

↓ 10%

Our energy intensity has decreased by 10 percent vs. 2023.

CARBON FOOTPRINT

↓ 20%

The Group's Scope 1 & 2 absolute greenhouse gas emissions decreased by 20 percent vs. 2023.

SUSTAINABILITY AUDITS

701

The Group carried out 701 sustainability audits of direct material suppliers during 2024.

ENVIRONMENTAL PRODUCT DECLARATIONS

267

By the end of 2024 the Group had 267 Environmental Product Declarations verified and published.

Recognition and memberships

ASSA ABLOY is included in FTSE4Good, the OMX GES Sustainability Sweden PI Index, and in the Kempen SNS SRI Universe.

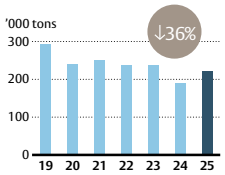
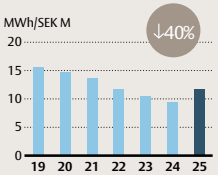
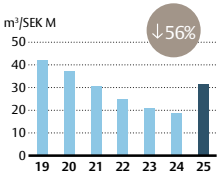
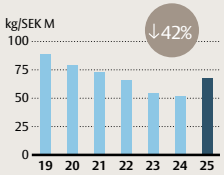
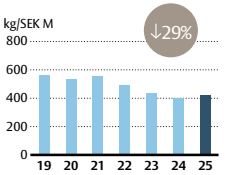
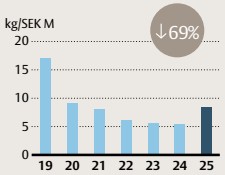
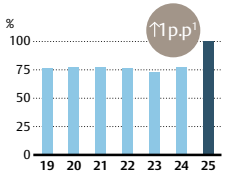
In 2017, ASSA ABLOY became an official regional partner in the World Green Building Council's Europe Regional Network. The Network represents a confederation of over 20 Green Building Councils, eight Regional Partners and close to 5,000 company members.

Other important main memberships include:
The Confederation of Swedish Enterprise (Svenskt Näringsliv), The Royal Swedish Academy of Engineering Sciences (IVA), The Connectivity Standards Alliance (CSA), FiRa Consortium, and Security Industry Association (SIA).

Performance and 2025 targets

Throughout the year, we made significant advancements towards most of our 2025 goals, based on our 2019 baseline, though we aim to achieve even more moving forward. In particular, we made strong improvements in our water and energy intensity.

Operations

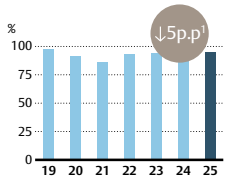
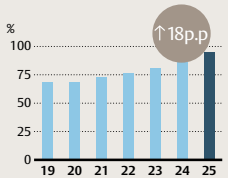
	Carbon footprint (Scope 1 & 2, '000 metric tons absolute)	Energy intensity (MWh/SEK M)	Water intensity (m^3/SEK M)	Hazardous waste intensity (kg/SEK M)	Non-hazardous waste intensity (kg/SEK M)	Organic solvents intensity (kg/SEK M)	ISO 14001 – percent of sites certified in reporting scope
2025 TARGET	↓ 25%	↓ 25%	↓ 25%	↓ 25%	↓ 25%	↓ 50%	100%
DEVELOPMENT 2019–2024							
COMMENTS ON 2024 VS. 2023	In 2024, there was a 20 percent decrease in Scope 1 & 2 absolute carbon emissions. Where 2 percent is due to focused energy efficiency improvements and 18 percent is linked with implementing the most recent emission factors.	Energy intensity reduced in 2024 by 10 percent, due to continued focus of energy effectiveness and efficiency initiatives and increased production output resulting in higher value added.	Water intensity reduced by 10 percent in 2024. This stemmed from ongoing efforts to enhance water efficiency across the Group and continued improvements in water infrastructure.	In 2024, hazardous waste intensity reduced by 5 percent. This was accomplished through waste reduction efforts, where production methods were further refined to minimize waste hazardous waste.	Non-hazardous waste intensity reduced by 8 percent in 2024. All locations adhere to the waste hierarchy, prioritizing waste prevention as much as possible, followed by maximizing reuse and recycling.	In 2024, organic solvents intensity reduced by 5 percent. This is a result the continued effort to convert to water-based paint in our door operations.	In 2024, 77 percent of our sites defined as requiring ISO 14001 were certified. We continue to roll-out ISO 14001 to all relevant sites.
LINKED SDGs	6 12 13	8 12 13	6 8 12	6 12	6 12	6	12

[1] Acquisitions will be given 3 years to become certified.

LINKED SDGs

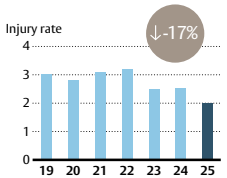
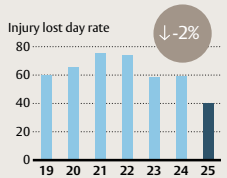
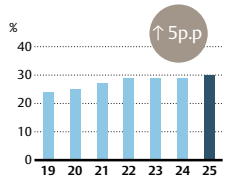
Performance and 2025 targets, continued

Supply management

2025 TARGET	**95%** Supplier sustainability audits (percent of direct material spend[1])	**95%** Code of Conduct for Business Partners (percent of direct & indirect material spend)
DEVELOPMENT 2019–2024		
COMMENTS ON 2024 VS. 2023	In 2024, 92 percent of our relevant direct material suppliers by spend have been audited with our supplier sustainability audit.	In 2024, 86 percent of our direct and indirect material suppliers by spend have signed our Code of Conduct for Business Partners. We are continuing to roll this out to our indirect suppliers.
LINKED SDGs	8	8

[1] Spend in identified risk countries.

People

2025 TARGET	**↓ 33%** Injury rate (number of injuries per million hours worked)	**↓ 33%** Injury lost day rate (number of lost days related to injuries per million hours worked)	**30%** Gender diversity (percent of females in management positions)
DEVELOPMENT 2019–2024			
COMMENTS ON 2024 VS. 2023	Our injury rate remained flat in 2024.	Our injury lost day rate remained flat in 2024.	Diversity and inclusion is a key focus for the Group. The portion of females in management positions increased to 29 percent in 2024.
LINKED SDGs	8	8	8

LINKED SDGs

Performance against targets

Sustainability program to 2025 progress:

Area		2019	2020	2021	2022	2023	2024[1]		Target 2019–2025	Change 2019–2024	Linked SDGs
Environmental KPI											
ISO 14001 – % of sites certified in reporting scope[2,4]		76%	77%	77%	76%	73%	77%	100%	●	+1 p.p.	12
Carbon footprint – Scope 1 & 2 greenhouse gas emissions (metric tons absolute)[3,4]		293,508	240,604	249,482	237,209	236,065	189,230	–25%	●	–36%	6 12 13
Energy intensity (MWh/SEK M)[4]		15.7	14.9	13.7	11.8	10.5	9.4	–25%	●	–40%	8 12 13
Water intensity (m^3/SEK M)[4]		42.2	37.5	30.9	25.1	20.8	18.8	–25%	●	–56%	6 8 12
Hazardous waste intensity (kg/SEK M)[4]		89.7	79.0	73.6	66.1	54.4	51.6	–25%	●	–42%	6 12
Non-hazardous waste intensity (kg/SEK M)[4]		559	530	557	490	432	399	–25%	●	–29%	6 12
Organic solvents intensity (kg/SEK M)[4]		16.9	9.1	8.3	6.0	5.6	5.3	–50%	●	–69%	6
Social KPI											
Injury rate (number of injuries per million hours worked)[4]		3.0	2.8	3.1	3.2	2.5	2.5	–33%	●	–17%	8
Injury lost day rate (number of lost days related to injuries per million hours worked)[4]		60.0	65.5	75.0	73.9	58.5	58.8	–33%	●	–2%	8
Portion of spend in identified risk countries represented by sustainability audited direct material suppliers		97%	91%	86%	93%	94%	92%	95%	●	–5 p.p.	8
Portion of spend of direct and indirect material suppliers who have signed the Group's Code of Conduct for Business Partners		68%	68%	73%	76%	81%	86%	95%	●	+ 18 p.p.	8
Gender equality Portion of females in management positions	Level 2: Level 3: Level 4: Level 5: Level 2–5:	20% 17% 20% 25% 24%	9% 21% 21% 26% 25%	9% 12% 25% 28% 27%	18% 11% 26% 30% 29%	18% 14% 26% 30% 29%	9% 16% 27% 30% 29%	 30%	 ●	–11 p.p. 0 p.p. +7 p.p. +5 p.p. +5 p.p.	8

[1] For comparable units in 2024, defined as all legal entities acquired up to (June 30, 2023), excluding HHI.

[2] Acquisitions will be given 3 years to become certified.

[3] Scope 1 & 2 greenhouse gas emissions related to energy consumption and industrial processes, not including Scope 1 fleet.

[4] The historical numbers have been adjusted with proforma data.

● KPI is on track

● KPI is at risk

General information

ESRS 2

General basis for preparation

The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) meeting all mandatory requirements, issued by the European Financial Reporting Advisory Group (EFRAG). This report functions as ASSA ABLOY's statutory Sustainability Report under the Swedish Annual Accounts Act, clarifying that it addresses the Swedish Annual Accounts Act's requirements as they were prior to July 1, 2024, while also incorporating the new CSRD (Corporate Sustainability Reporting Directive) requirements following the implementation of the directive. As this is the first time of adoption, there are gaps between ESRS and ASSA ABLOY disclosures. Please refer to page 105 for the ESRS index and page 106 for the data points that derive from other EU legislations. Our disclosures in Environment, Social and Governance are a result of our double materiality assessment. Our Scope 1, 2 and 3 greenhouse gas (GHG) emissions have been calculated according to the Greenhouse Gas Protocol. We have set near-term (2030) and long-term (2050) carbon emission reduction targets, which have been ratified by the Science Based Targets initiative (SBTi).

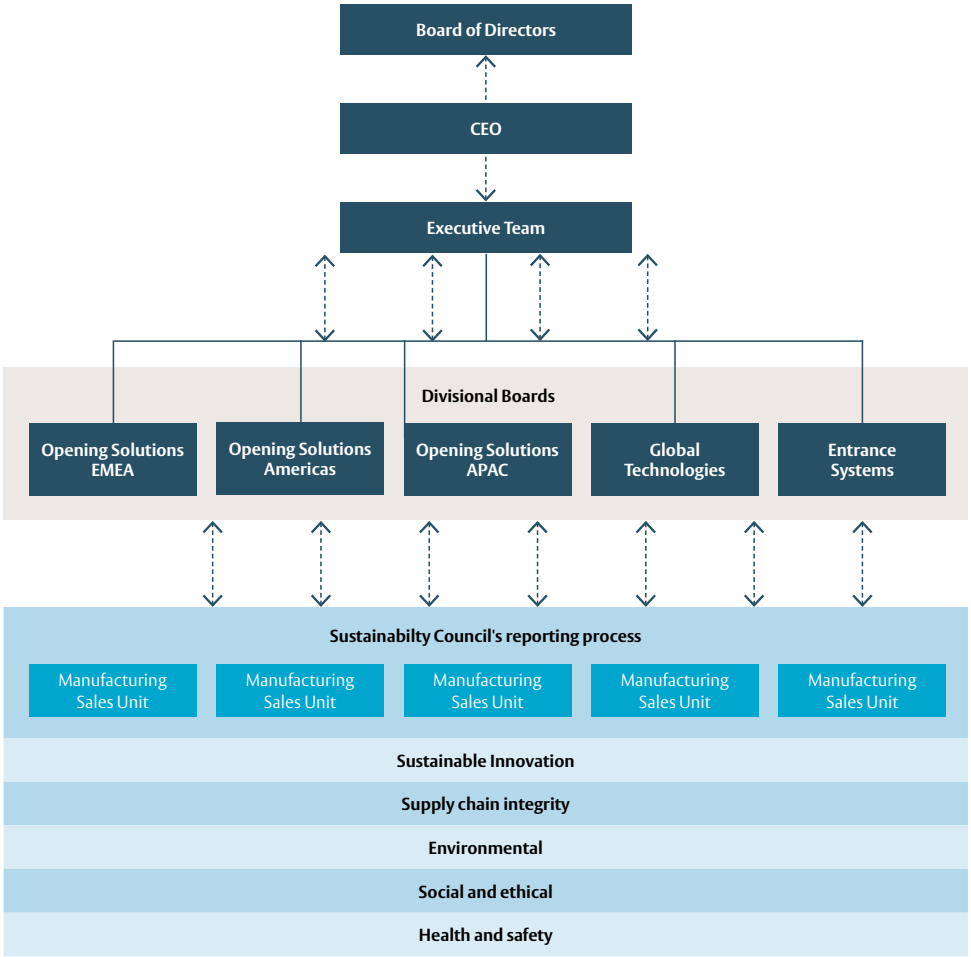
We evaluated our innovation policy, processes, and results, and chose to omit sensitive details that could compromise our competitive advantage, in line with ESRS 1, section 7.7. We will continually monitor our disclosure practices and reassess the need for omissions as our business and regulatory landscape evolve, maintaining our commitment to transparency while protecting our intellectual property. The accounting policies are aligned with financial reporting, for the financial year. The data is consolidated on a Group level, consistent with the same financial principles as the financial statements., except for the acquisitions mentioned in Note 34 of the Annual Report with an acquisition date from July 2024 onwards, as they are still in the process of being integrated into our sustainability reporting. The units not included in 2024 are not deemed to have a significant impact on the consolidated numbers with the exception of what is stated, if any, at each disclosure in this report.

Our sustainability statement provides an overview of our practices and performance, covering both upstream and downstream value chains.
This approach ensures we address impacts and opportunities throughout the product lifecycle.
ASSA ABLOY engages with suppliers from a sustainability perspective, requiring adherence to the Code of Conduct and conducting audits. We prefer suppliers focused on resource efficiency, waste minimization, and emissions reduction. We collaborate with suppliers to develop sustainable solutions, reducing our value chain's emissions footprint. We also engage with customers to understand their sustainability needs, developing solutions to reduce their emissions through energy efficiency, product transparency, and extended product life. Our products are designed using our Sustainability Compass tool to optimize their footprint and maximize recyclability at end of life.

To measure and report on our sustainability performance, we track key metrics. For upstream, we measure the percentage of suppliers signing our Code of Conduct for Business Partners and conduct sustainability audits of 92 percent of direct suppliers in identified risk countries. For downstream, we assess the energy efficiency of our solutions using national grid mix emission factors. We plan to develop metrics for sustainable innovation as part of our next Sustainability Program to 2030.

We are committed to improving our sustainability performance across the value chain by setting ambitious targets, reviewing progress, and engaging with

Organizational responsibility



stakeholders. Our sustainability statement will be updated annually to reflect our efforts and achievements. By addressing sustainability in both upstream and downstream value chains, we aim to positively impact the environment, society, and the economy, contributing to carbon emissions reduction, resource conservation, and social well-being throughout our products' lifecycle.

We have reported according to the Global Reporting Initiative (GRI) since 2010, which provides the foundation for our sustainability accounting framework and aligns to the disclosure requirements of the CSRD. We use verified data from our onsite meters and our utility providers where possible, using average proxy data for smaller entities where direct data is not available. Our Scope 3 emissions are calculated using both spend-based and average-data methods, to increase our reporting accuracy. We are working towards capturing direct data from our supply base, to further increase data accuracy.

As ASSA ABLOY continues to grow through acquisition, new acquisitions are required to report their sustainability data within six months of being in the Group. Usually this means companies acquired in the first six months of the year will be included in the full year data, while companies acquired in the second half of the year will be included the following year. For larger acquisitions it may take longer than six months to get their sustainability data into our system. The reason for this is the companies acquired by ASSA ABLOY typically do not possess a mature corporate structure and, consequently, lack formal sustainability reporting processes. ASSA ABLOY conducts training sessions and collaborates closely with local management to ensure alignment with the Group's policies.

Our sustainability statement and related data has been verified as part of a limited assurance, performed by ASSA ABLOY's auditor EY.

Governance

Our divisions have operational responsibility for their sustainability work, including business conduct. The work and progress is overseen by the Executive Team, led by the CEO, and ultimately by the Board of Directors of ASSA ABLOY AB. Our strategy, sustainability objectives, the Code of Conduct and the Code of Conduct for Business Partners form the foundation for our

ESRS 2 Board composition [1,2]

Name	Position	Background	Independent of the company and its management	Independent of the company's major shareholders	Gender
Johan Hjertonsson	Chairman	President and CEO of Investment AB Latour since 2019. Previously President and CEO of AB Fagerhult and Lammhults Design Group AB and various management positions within the Electrolux Group. Other appointments: Chairman of Alimak Group AB and Tomra Systems ASA. Board member of Investment AB Latour and Sweco AB.	Yes	No	Male
Carl Douglas	Vice Chairman	Self-employed. Other appointments: Board member of Investment AB Latour.	Yes	No	Male
Erik Ekudden	Board member	Senior Vice President, Chief Technology Officer and Head of Group Function Technology at Telefonaktiebolaget LM Ericsson since 2018. Previously a number of management positions within the Ericsson Group since 1993. Other appointments: Fellow and vice Chair of the Presidium of the Royal Swedish Academy of Engineering Sciences (IVA) as well as member of the Broadband Commission for Sustainable Development.	Yes	Yes	Male
Sofia Schörling Högberg	Board member	Other appointments: Vice Chairman of Melker Schörling AB. Board member of Securitas AB and Hexagon AB.	Yes	No	Female
Lena Olving	Board member	President and CEO of Mycronic AB 2013-2019. COO and Deputy CEO of Saab AB 2008-2013. Various positions within Volvo Car Corporation 1980-1991 and 1995–2008 of which seven years in the Executive Management Team. CEO of Samhall Högland AB 1991–1994. Other appointments: Chairman of Nodica Group AB. Board member of Investment AB Latour, NXP Semiconductor N.V., Stena Metall AB and Vestas A/S. Fellow of the Royal Swedish Academy of Engineering Sciences (IVA).	Yes	No	Female
Victoria Van Camp	Board member	Runs her own consulting firm Axa Consulting since 2022 with focus on advising within technology development in order to accelerate green transition. Previously a number of management positions within AB SKF 1996–2022. Other appointments: Board member of Billerud AB, Alleima AB, SR Energy AB, LumenRadio AB and the Chalmers foundation. Adjunct professor in machine elements at Luleå University of Technology. Fellow of the Royal Swedish Academy of Engineering Sciences (IVA).	Yes	Yes	Female
Joakim Weidemanis	Board member	Executive Vice President and Corporate Officer of Danaher Corporation 2017-2024. Previously various management positions within Danaher 2011–2017. Head of Product Inspection and Corporate Officer of Mettler Toledo 2005–2011. Previously various operating and corporate development roles within ABB 1995–2005.	Yes	Yes	Male
Susanne Pahlén Åklundh	Board member	President of the Energy Division of Alfa Laval AB 2017–August 2021. Previously various positions in the Alfa Laval Group Management since 2009. Other appointments: Chairman of Alfdex AB. Board member of Alleima AB and Sweco AB.	Yes	Yes	Female
Gender diversity ratio (male:female)					4:4
Gender diversity (percentage of females represented)					50%

[1] The Board also consists of two employee representatives with one deputy each, who are appointed by the unions.

[2] Appointments at 31 December 2024.

sustainability work. Related Group policies, adopted by the Board of Directors, as well as other guidelines, processes and tools as set out in the sustainability statement provide further guidance. Sustainability goals and targets are set at Group level and are not performed on a divisional level. The responsibility for overseeing the management of sustainability-related Impacts, Risks, and Opportunities is clearly defined within our governance structure. The CEO and Board of Directors ensure sustainability is integrated into the company's decision-making processes, operations, governance structure, risk management processes, and strategic decision-making. This approach ensures transparency and accountability in managing sustainability risks and opportunities.

The Board of Directors and the CEO are responsible for the reported information in the sustainability statement in accordance with the CSRD. They oversee the preparation of the sustainability statement and review its content, and the Board of Directors ultimately approves the sustainability statement.

The Audit Committee of the Board of Directors is responsible for the preparation of the Board of Directors' work regarding sustainability disclosures. Sustainability is an integrated part of the report submitted to the Audit Committee ahead of each quarterly Audit Committee meeting. The Chairperson of the Audit Committee reports from each Audit Committee meeting to the Board of Directors at every subsequent Board meeting. Sustainability matters including material impacts, risks and opportunities, implementation of due diligence, and results and effectiveness of policies, actions, metrics and targets adopted to address them, and sustainability disclosures are addressed by the Board of Directors as needed and at least annually.

Within the Board of Directors and the Audit Committee the members are professionals with long experience from different senior positions, including CEO and other senior management positions, in global industrial companies and as such they have extensive experience from managing the topics generally covered by the sustainability concept, including business conduct. The Board of Directors is supported by relevant functions within the Group, such as the Group's Head of Sustainability, on sustainability issues.

Our sustainability issues are managed in a systematic and consistent way, at divisional level. Each division is responsible for managing our sustainability agenda, identifying and addressing risks and opportunities in the context of their business, as well as governing the Code of Conduct and related policies. Managers for environmental sustainability, supply, and innovation at the Group and divisional levels ensure that the necessary policies, processes and tools for managing environmental issues exist and are implemented. The Human Resources (HR) functions at the Group and divisional levels have the corresponding responsibility for managing social and ethical matters. Every factory or business unit has the operational responsibility within each division. Each division is also responsible for ensuring that current and new suppliers understand and comply with our requirements.

To drive the agenda, five functional sustainability councils have been defined. The Group intranet includes two sections that focus on sustainability; one offering general information for all employees, while the other supports sustainability managers and includes tools, best practices, and access to the sustainability reporting database.

ASSA ABLOY operates a complex supply chain, sourcing raw materials, components, and finished goods. This supply chain significantly impacts our value chain, particularly in terms of greenhouse gas emissions and resource consumption. As with all supply chains, there are risks related to fair labor practices, which we work to systematically mitigate by requiring all suppliers to sign and adhere to our Code of Conduct for Business Partners and conducting supplier sustainability audits. Positive opportunities arise from collaboration and innovation, aiming to reduce sustainability impacts through the use of low-carbon materials and improved resource efficiency.

In our operations and manufacturing sites, the health and safety of our employees is our number one priority. We ensure fair treatment and equal opportunities for all employees. We work to reduce our carbon footprint, waste generation, and the use of water and potentially hazardous materials. Our governance structure and Group sustainability goals and targets provide a clear framework to help us minimize our impact.

We collaborate with logistics partners to optimize our logistics footprint, prioritizing low-carbon transport options. Our diverse customer base is served through multiple routes to market, including distributors and direct sales. Our products are designed to ensure the safety and security of our customers and their assets, with sustainability embedded through energy efficiency, low-carbon materials, extended product life, and recyclability at the end of life.

Our sustainability targets are designed to support the long-term strategic goals of the company, ensuring alignment with our vision to help people feel safe, secure, and experience a more open world. As well as create value for stakeholders while addressing global sustainability challenges. These targets focus on areas where our operations, products, and value chain have the most significant impacts and opportunities. The following sustainability-related targets have been established. Our science-based targets are our climate action goals where our near-term target Reduce Scope 1 & 2 greenhouse gas emissions (GHG) by 50 percent, and reduce Scope 3 emissions by 28 percent by 2030, against our 2019 baseline. Our long-term target is to realize net-zero greenhouse gas emissions no later than 2050, which is to reduce all scopes by 90 percent. This supports our transition to a low-carbon economy and aligns with the Paris Agreement to limit global warming to 1.5°C. This also supports our strategic objective of cost-efficiency in everything we do. Our focus on resource efficiency includes reducing energy, water, non-hazardous waste and hazardous waste intensity by 25 percent by 2025. Reduce organic solvents intensity by 50 percent by 2025. Achieve 100 percent ISO 14001 certification for relevant manufacturing sites by 2025. This supports waste reduction and optimization of resource use, as well as supporting our strategic objective of cost-efficiency in everything we do. Diversity and inclusion are an important part of our sustainability targets. To increase the representation of women in leadership roles to 30 percent by 2025. This helps to advance social equity and reflects our commitment to creating an inclusive workplace.

Our targets are informed by stakeholder engagement, double materiality assessments, and industry benchmarks. Our climate action targets are ratified by the Science Based Targets initiative. Our social targets are benchmarked against leading practices in our sector and are aligned to international standards such as the UN Sustainable Development Goals (SDGs). Progress is tracked quarterly using key performance indicators and reported annually in our CSRD sustainability statement. Our cross-divisional sustainability council reviews progress and ensures alignment with overall business objectives. Example KPIs include annual GHG emissions (metric tons CO_2eq), percentage of recycled materials used, and gender diversity metrics. All metrics are disclosed in our sustainability statement. As per our governance structure responsibility for achieving targets lies with the CEO and Board of Directors.

We are unable to present revenue per ESRS sector due to disaggregation of the Groups revenue however as seen in Note 2, revenue broken down by geography/product group. As we continue to improve our visibility of sustainability impacts on a financial level, we will review the possibility to implement ESRS mapping to revenue where practicable.

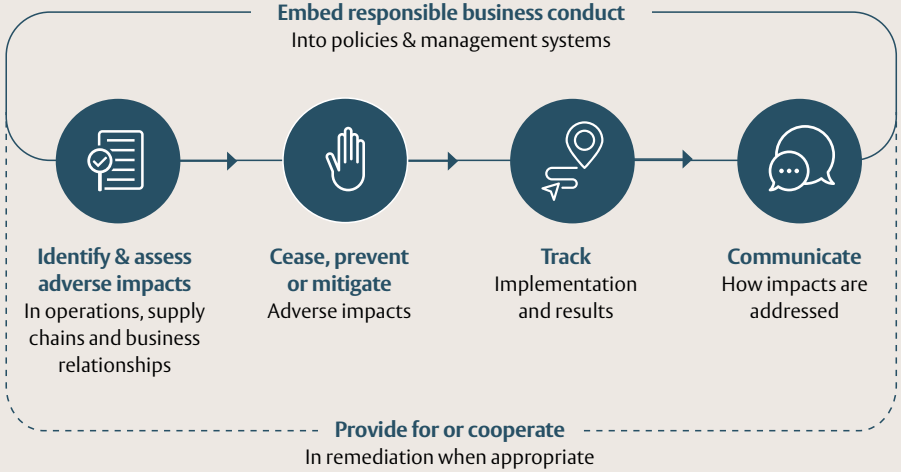
ASSA ABLOY has not assessed the financial impacts of material risks and opportunities on financial position, financial performance and cash flows and material risks and opportunities; for which there is significant risk of material adjustment within the next annual reporting period to carrying amounts of assets and liabilities reported in related financial statements due to limitation of data. Consumers and end-users of ASSA ABLOY are included in reporting of S4. ASSA ABLOY does not have a full set of internal controls in place for ESRS reporting, this will be developed during 2025.

Executive remuneration

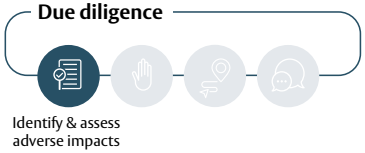
Climate and other sustainability-related targets are factored into the variable remuneration of all members of the Executive Team reporting to the CEO, as well as management teams throughout the divisions. These targets are usually linked with decreasing our energy consumption, which is a key driver for our Scope 1 & 2 emissions; the reduction targets are aligned to our annual emissions reduction as part of our science-based targets. This and other sustainability-related targets, such as health and safety and people strategy, are typically in the form of short-term variable remuneration and usually 3 to 5 percent of the total short-term variable remuneration target.

Due diligence process and supporting measures

ASSA ABLOY has adopted the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct. The OECD requirement to "embed responsible business conduct into policies and management systems" is described in the governance and policy matrix. The requirement to "identify and assess adverse impacts in operations, supply chains and business relationships" is described in the double materiality analysis. The requirements to "cease, prevent or mitigate adverse impacts" and to "track implementation and results" are covered in the environmental and social sections. This publication forms part of how we meet the requirement to "communicate how impacts are addressed."



Double Materiality Assessment (DMA) and Stakeholder Engagement



In preparation for the CSRD, we carried out a double materiality assessment during 2023 and 2024. In the past, we have conducted single materiality assessments in the form of an impact materiality assessment, which provides an inside-out perspective to assess ASSA ABLOY's impact on the world.

An impact materiality assessment forms one part of the double materiality assessment. The second part is a financial materiality assessment. This provides an outside-in perspective to assess the financial implications that potential material topics may have on the Group. We have reported according to the Task Force on Climate-related Financial Disclosures (TCFD) since 2021, which acts as a solid foundation when preparing our financial materiality assessment.

Double materiality assessment process

The following key activities take place during the double materiality assessment process, all of which help to inform the analysis.

- Stakeholder survey
- Workshop 1: Impact materiality
- Workshop 2: Financial materiality
- Analysis of survey, workshops and written documents
- Workshop 3: Validation of draft list of material matters

Impact materiality factors

Severity factors and likelihood are graded as follows:

- Scale: *Large or small* (how grave the negative impact is or how beneficial the positive impact is)
- Scope: *Large or small* (how widespread the impact is, for example geographical extent, number of people)
- Irremediability: *High or low* (to what extent a negative impact could be remediated)
- Likelihood: *High or low* (for potential impact or actual impact)

Impact materiality threshold

A sustainability matter is determined as material when:

- There is an actual impact or a potential impact with a high likelihood
- With a value of large/high for at least two out of three negative severity factors (scale, scope, irremediability), and/or
- With a value of large for at least one out of the two positive factors (scale, scope)

Other impacts are scrutinized individually to see if scale, scope or irremediable character alone makes a negative impact severe enough to qualify as material.

Financial materiality factors

The likelihood and potential magnitude of financial effects are graded as follows:

- Likelihood: *High or low*
- Magnitude: *Large or small*

Financial materiality threshold

A sustainability matter is determined as material when:

- It has a value of high likelihood and large magnitude in terms of either being a risk or an opportunity, or both

For financially-material matters, the material sub-topics match the sub-topics that are material from an impact perspective.

Double materiality assessment outcome

Following our double materiality assessment process we have identified the following ESRS topics as being materially relevant: E1 Climate Change, E3 Water and Marine Resources, E5 Resource Use and Circular Economy, S1 Own Workforce, S2 Workers in the Value Chain, S4 Consumers and End-users, G1 Business Conduct. The identified material topics are closely aligned to our overall business strategy, where sustainability is integrated into everything we do.

We identified the following topics as not being materially relevant from a CSRD perspective: E2 Pollution, E4 Biodiversity and Ecosystems, S3 Affected Communities. Our stakeholders did not identify the topics as materially relevant to ASSA ABLOY operations and our value chain. Although the topics were not identified as materially relevant in our assessment, they are still important to ASSA ABLOY, and we take the necessary steps to mitigate the risk of pollution or biodiversity loss and we support affected communities where we operate locally and in our value chain.

Material sustainability matters

Double materiality assessment methodology

We followed the steps outlined by the ESRS to conduct our double materiality assessment:

1. **Stakeholder engagement:** We conducted stakeholder surveys with over 500 stakeholders to understand the concerns and priorities of various stakeholders, including employees, customers, suppliers, investors, industry associations and NGOs.
2. **Materiality workshops:** We carried out workshops to discuss both impact materiality (the significance of the social and environmental impact of the company) and financial materiality (the importance of sustainability issues to enterprise value).
3. **Preliminary findings:** We compiled the preliminary results from the workshops and surveys to identify the sustainability matters that are material to the company.
4. **Validation process:** We established a verification team made up of function heads and subject matter experts to validate the preliminary findings, where feedback was collected and incorporated.
5. **Reporting:** Our sustainability statement and Annual Report have been prepared in alignment with the CSRD reporting metrics and requirements, ensuring that it includes the updated materiality analysis.
6. **Continuous improvement:** We will use the outcomes of the materiality assessment to continuously improve sustainability practices and reporting.

Process steps – Impact materiality

We followed the five process steps for impact materiality as defined by the CSRD:

1. **Engagement of stakeholders:** We engaged internal subject matter experts, representatives from each division and all functional heads across the Group to attend and provide input during the impact materiality workshop. We ran a series of education and awareness sessions before the impact materiality workshop with all internal stakeholders to bring them up to speed on what disclosing to CSRD would entail. We developed a standardized survey for our wider stakeholders and received over 500 responses from stakeholders; including employees, customers, suppliers, investors, industry associations and NGOs. The output from the stakeholders was aggregated into focus areas to ensure the stakeholder input from the surveys was taken into account during the impact materiality workshop.
2. **Scoping of impacts:** We reviewed our previous materiality assessments and sustainability focus areas as a reference point, to determine if we have been addressing the materially relevant topics. This provided a stable foundation to build upon, factoring in the additionality required by the CSRD.
3. **Assessment of individual impacts:** As outlined earlier in the report we evaluated the significance of each impact, considering factors such as scale, scope, irremediability and likelihood.
4. **Calibration of material impacts:** We used the input from our stakeholder surveys, internal subject matter experts and functional heads to assess and verify the outcome from the double materiality assessment process. This ensured that the identified material topics are relevant and there were no gaps or missed relevant topics.
5. **Stakeholder and management review:** The findings from our double materiality assessment process were presented to our Executive Team and the Board of Directors. This step ensured that the assessment accurately reflects ASSA ABLOY's sustainability impacts and material issues. This resulted in the identification of fifteen negative impact material sub-topics. The findings from our double materiality assessment process were assessed with our existing business model and Group strategy, where it was clear there are no wholesale changes required for either our business model or Group strategy. Our current business model and strategy are sufficient to ensure we can disclose to CSRD as well as progress towards our sustainability goals and objectives.

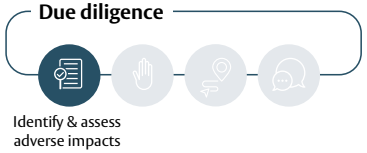
Process steps – Financial materiality

We followed the five process steps for financial materiality as defined by the CSRD:

1. **Engagement of stakeholders:** We engaged internal subject matter experts, including risk management and all functional heads across the Group to attend and provide their input during the financial materiality workshop.
2. **Scoping of impacts:** We reviewed our previous disclosures to TCFD and scenario analyses as a reference point, to determine if we have been addressing the materially relevant financial topics. This provided a stable foundation to build upon, factoring in the additionality required by the CSRD.
3. **Assessment of individual impacts:** As outlined earlier in the report we evaluated the significance of each risk, considering factors such as likelihood and magnitude.
4. **Calibration of material impacts:** We used the input from our internal subject matter experts and functional heads to assess and verify the outcome from the double materiality assessment process. This ensured the identified material topics are relevant and there were no gaps or missed relevant topics.
5. **Stakeholder and management review:** The findings from our double materiality assessment process were presented to our Executive Team and the Board of Directors. This step ensured that the assessment accurately reflects ASSA ABLOY´s sustainability impacts and material issues. This resulted in the identification of twelve financial material sub-topics. The findings from our double materiality assessment process were assessed with our existing business model and Group strategy, where it was clear there are no wholesale changes required for either our business model or Group strategy. Our current business model and strategy are sufficient to ensure we can disclose to all CSRD Minimum Disclosure Requirements (MDR) as well as progress towards our sustainability goals and objectives.

Material sustainability-related Impacts, Risks and Opportunities

We have summarized our material impacts, risks and opportunities into a set of tables per material topic, based on the outcome of our double materiality assessment process including key stakeholder's input. Timeframes considered are medium-term to 2030 and long-term to 2030. ASSA ABLOY does not consider short-term timeframes e.g. twelve months. The tables detail identified positive and negative impacts, as well as risks and opportunities for our own operations and value chain; including a description, mitigation actions and referencing policies where relevant.



Environment

E1 Climate Change

Subtopic	Material impact or risk	Description	Mitigation/action	Material for: Value Chain	Material for: Own Operations	Impact: Positive	Impact: Negative	Financial: Opportunity	Financial: Risk	Reference to policy
Climate change mitigation	Greenhouse gas emissions from operations, suppliers, transport, employee commuting and more.	Our own operations & value chain do not decarbonise to succeed in limiting global warming to 1.5 °C.	Science Based Targets commitment and actions. Sustainability Compass. Supplier sustainability audits.	Upstream & Downstream	×		×		○○●○	Environmental sustainability policy.
	Reducing emissions (mirroring the negative impact).	Our own operations & value chain need to decarbonise to succeed in limiting global warming to 1.5 °C.	Science Based Targets commitment and actions. Sustainability Compass. Supplier sustainability audits.	Upstream & Downstream	×	×		◔○○○		Environmental sustainability policy.
	Climate change with high likelihood and magnitude.	Factories at risk due to physical changes such as higher water levels. Supply chain risks, policy changes, in both 1.5° and 3.7° scenarios. Electricity/utility risk in 3.7° scenario.	Science Based Targets commitment and actions. Sustainability Compass. Supplier sustainability audits.	Upstream	×		×		○○●○	Environmental sustainability policy.
	Climate change with high magnitude.	Move to circular business model & develop new products that meet policy requirements.	Circular economy. Sustainability Compass.	Downstream	×	×		○○●○		Environmental sustainability policy.
Energy	Energy consumption in operations and supply chain.	High rate of energy consumption, where energy availability and cost is volatile.	Science Based Targets commitment and actions. Sustainability Compass. Supplier sustainability audits.	Upstream	×		×		◔○○○	Environmental sustainability policy.
	Products increase energy efficiency and reduce energy use for customers. Driving change in building codes.	Increased energy effectiveness and efficiency to reduce customers' energy consumption.	Science Based Targets commitment and actions. Sustainability Compass. Supplier sustainability audits.	Downstream	×	×		○○○●		Environmental sustainability policy.

Opportunities/risks as a % of annual sales

- Low <1 %
- Medium 2–5%
- High 6–10%
- Very high is >10%

Environment

E3 Water and Marine Resources				Material for		Impact		Financial		
Subtopic	**Material impact or risk**	**Description**	**Mitigation/action**	Value Chain	Own Operations	Positive	Negative	Risk	Opportunity	**Reference to policy**
Water	Water consumption in own operations.	Our own operations need to reduce water consumption, improve processes and efficiency, increase water reuse and recirculation.	Sustainability program and actions, best practice sharing Sustainability Compass, Supplier sustainability audit, Green Team Playbook, monitoring systems, ISO 14001 implementation, overhaul (infrastructure investments), consultations with affected communities; senior management, third-party and key stakeholder engagement.		×		×			Environmental sustainability policy.
Water	Water consumption in supply chain operations.	Reduction of water in the value chain, improve processes and efficiency, increase water reuse and recirculation.	Sustainability program and actions, best practice sharing, Sustainability Compass Supplier sustainability audit, Green Team Playbook, monitoring systems, ISO 14001 implementation, overhaul (infrastructure investments), consultations with affected communities; senior management, third-party and key stakeholder engagement.	Upstream			×			Environmental sustainability policy.

Opportunities/risks as a % of annual sales
- Low <1 %
- Medium 2–5%
- High 6–10%
- Very high is >10%

Environment

E5 Resource Use and Circular Economy

Subtopic	Material impact or risk	Description	Mitigation/action	Material for: Value Chain	Material for: Own Operations	Impact: Positive	Impact: Negative	Financial: Opportunity	Financial: Risk	Reference to policy
Resource inflows, including resource use	High usage of primary/ virgin material.	Amount of raw material use, especially using virgin raw materials in production and in the supply chain.	For the upstream phase (suppliers) we have a guideline to ensure that the right suppliers are selected from a sustainability point of view. Using the same data sets for environmental data both in development and in supplier material is key to be able to steer the sustainability optimization throughout the lifecycle of a product. By doing this during development we simplify the calculation of the carbon footprint of the products as well as calculating the carbon footprint from purchased material.	Upstream	×		×		○●○○	Innovation policy.
Resource outflows related to products and services	Life time of the products.	Unnecessary consumption of resources through lack of serviceability and upgradeability.	New products and solutions are designed for serviceability and upgradeability where possible, to extend the useful life of the product.	Downstream			×		○●○○	Innovation policy.
Resource outflows related to products and services	Prolonged life time of the products.	Potential positive impact through better product lifecycle management. Re-use and repurpose materials.	In the downstream value chain, we control the service of the products (if products need service) by trained employees and subcontractors who are obliged to maintain compliance to existing standards. This is of particular importance for safety and emergency-related products. The validation on site needs to be done by a trained service technician. By having these processes in place we ensure that our products are compliant regardless of whether they are linear or circular products. This will also make it possible to initiate reverse logistics on selected circular components, because we have control over the status of the product.	Downstream		×		○○●○		Innovation policy.
Waste generation in operations and supply chain	Waste generation in operations and supply chain.	Excessive generation of waste due to inefficient manufacturing operations.	In our own operations we maximize our resource efficiency to minimize the generation of waste. This is done by implementing efficiency by design in R&D, as well as reducing waste in operations through lean manufacturing and quality. We support our suppliers to increase their maturity in lean manufacturing and quality, in order to reduce their waste generation.	Upstream	×		×	○●○○		Environmental sustainability policy.

Opportunities/risks as a % of annual sales

- Low <1 %
- Medium 2–5%
- High 6–10%
- Very high is >10%

Social

S1 Own Workforce				Material for		Impact		Financial		
Subtopic	**Material impact or risk**	**Description**	**Mitigation/action**	Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	**Reference to policy**
Working conditions	Health and safety risks for all employees and non-employees in our operations.	Work related injuries and illnesses.	Health and safety program that focuses on prevention, behavior and culture for all employees and non-employees in our operations.		×		×		○○○○	Code of Conduct. People, safety and human rights policy.
Equal treatment and opportunities for all	Risk of lack of diversity and inclusion, human rights for all employees and non-employees in our operations.	Diverse workforce and diversity of thought, harassment, discrimination.	Whistleblowing process (for all employees and non-employees in our operations), Voice of the Employee with action planning on all levels, third-party social compliance audits.		×		×		○○○○	Code of Conduct. People, safety and human rights policy. Whistleblowing directive.
Working conditions	Health and safety, employment with adequate wages for all employees and non-employees in our operations.	We raise safety standards in our acquisitions. Employment and fair wages ensuring a good standard of living.	Health and safety program implementation as part of integration. Ensure proper working conditions for all employees and non-employees in our operations.		×	×		○○●○		Code of Conduct. People, safety and human rights policy.

Opportunities/risks as a % of annual sales

- Low <1 %
- Medium 2–5%
- High 6–10%
- Very high is >10%

Social

S2 Workers in the Value Chain				Material for		Impact		Financial		
Subtopic	**Material impact or risk**	**Description**	**Mitigation/action**	Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	**Reference to policy**
Working conditions	Improper treatment of value chain workers.	Suppliers not providing adequate wages or working conditions.	Audit suppliers in high-risk countries (optionally do sample checks in low-risk countries, if deemed necessary) and follow up on any whistleblowing reports.	Upstream			×		○●○○	Code of Conduct for Business Partners. Sustainability audits. Whistleblowing directive.
Other work-related rights	Improper treatment of value chain workers.	Risk of suppliers not respecting human rights.	Audit suppliers in high-risk countries (optionally do sample checks in low-risk countries, if deemed necessary) and follow up on any whistleblowing reports.	Upstream			×		○●○○	Code of Conduct for Business Partners. Sustainability audits. Whistleblowing directive.
Working conditions	A better life for value chain workers and their families.	Employment and living wages to ensure a good quality of life. Aim to raise standards at our suppliers.	Audit suppliers and drive improvement work to address poor-performing or non-improving suppliers.	Upstream		×		○○○○		Code of Conduct for Business Partners. Supplier sustainability audits.
Other work-related rights	Improved situation for value chain workers.	Aim to raise standards at our suppliers.	Audit suppliers and drive improvement work to address poor-performing or non-improving suppliers.	Upstream		×		○○○○		Code of Conduct for Business Partners. Supplier sustainability audits.

Opportunities/risks as a % of annual sales
- Low <1 %
- Medium 2–5%
- High 6–10%
- Very high is >10%

Social

S4 Consumers and End-users				Material for		Impact		Financial		
Subtopic	**Material impact or risk**	**Description**	**Mitigation/action**	Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	**Reference to policy**
Information-related impact for consum-ers and/or end-users	Can feedback freely regarding our products and services.	Regardless of what feedback customers have they can use our channels to describe how they perceive our products.	Providing personal data protection and whistleblower functions ensures that cus-tomer and end-users can freely report any issues with product or services.	Downstream		×		○○○○		Innovation policy.
Personal safety of consumers and/or end-users	People can be hit by doors, for example.	Defective products or not serviced products could have a negative safety impact on people.	By following the innovation policy and being compliant with applicable standards from development we ensure that the products are safe. Using the service provided by ASSA ABLOY the products will contin-ue to stay safe over its lifetime.	Downstream			×		○○●○	Innovation policy.
Personal safety of consumers and/or end-users	Enables a safe and secure en-vironment for consumers and end-users.	Our products and solutions provide safety to consumers, providing both social and customer value.	By developing products that comply to relevant safety and security standards as well as following our Innovation policy we ensure privacy for our con-sumers and end-users.	Downstream		×		○○○●		Innovation policy.
Social inclusion of consumers and/or end-users	Provide equal access to prod-ucts and services.	The median age globally is increasing leading to an aging population with impairment or disabilities. Accessibility and inclusive product design is therefore key in ensuring that buildings can be accessed and used by everyone.	By incorporating our customer and end-user needs and requirement to the develop-ment process we ensure that our products supports social inclusion.	Downstream		×		○●○○		Innovation policy.

Opportunities/risks as a % of annual sales
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Governance

G1 Business Conduct				Material for		Impact		Financial		
Subtopic	**Material impact or risk**	**Description**	**Mitigation/action**	Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	**Reference to policy**
Corruption and bribery	Low risk but high magnitude. Not conducting ourselves in the right way could mean litigation, fines, reputation damage and loss of market share. Being a decentralized organization, could increase misconduct risk in newly acquired entities.	We need to ensure ethical business practices in line with the Code of Conduct and the anti-corruption policy.	Relevant policies in place. Internal audit controls. Anti-corruption reviews. Training on Code of Conduct and anti-corruption. Third-party due diligence process and the Code of Conduct for Business Partners.		×		×		○○●○	Code of Conduct. Anti-corruption policy. Third party due diligence process. Code of Conduct for Business Partners. Whistleblowing directive.
Payment practices	Fines, reputation, shortages, loss of sales.	Potential negative impact if failing to implement the Code of Conduct and responsible business practices.	It is recommended to always pay on time, but not formally a part of any currently existing policy or directive.		×		×		○○●○	–
Payment practices	Suppliers keen to continue investing in their relationship with us.	Good business conduct can have positive effects through the value chain.	Negotiate reasonable payment terms, pay invoices on time.	Upstream		×		●○○○		–

Opportunities/risks as a % of annual sales
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Task Force on Climate-Related Financial Disclosures

In 2024, ASSA ABLOY continued to explore and understand the requirements of the TCFD. We are gradually developing the process of reporting to the TCFD, to ensure it is meaningful and helpful in guiding our organization to make informed decisions based on climate-related risk and opportunity. We are firmly convinced the TCFD framework will enable us to identify and navigate climate-related financial risks and opportunities.

We carried out our third climate scenario analysis during the year. The analysis reviewed the risks and opportunities of market and technology, reputation, policy and regulation, and physical risks, to 2030 and 2050. The two different climate scenarios we reviewed were developed by the UN International Panel on Climate Control (IPCC): RCP 6 and RCP 2.6. The two scenario analyses were used to identify and assess transition risks and opportunities over the short and medium term to 2030, as well as the long-term to 2050.

RCP 2.6, called Realizing the Paris Agreement, is a scenario where emissions decline rapidly over the coming decades, resulting in a temperature increase up to 2.3°C warmer by the end of the century.

RCP 6, called The Rocky Road, is a scenario where emissions are declining at an insufficient rate and not to the level required, resulting in a temperature increase up to 3.7°C warmer by the end of the century.

Scenario analysis

During the scenario analysis we added more context, where we tried to understand both the qualitative and quantitative aspects, especially for climate-related risk. We developed the process to be able to quantify our climate-related risk, in terms of percentage of sales from low risk to very high risk. Depending on the level of risk (from low to very high), the financial risk is then determined as percentage impact on total annual sales. The analysis reviewed risks and opportunities relating to two different climate scenarios and how they could impact ASSA ABLOY's business in 2030 and 2050. The outcomes are summarized in the blocks to the right.

The Rocky Road – RCP 6

Temperature increases between 2–3.7°C

Increased extreme weather events
Fossil fuel-generated energy, poor air quality
Forced migration
Increased areas of water stress
Ocean levels rising

Opportunities

- Producing locally, a competitive advantage
- Increased solution requirements
- Technology will be a solution enabler
- New markets
- Increased focus on security

Risks: Physical Risk (PR), Transition Risk (TR)

- Coastal factories at risk of flooding (PR)
- Supply chain uncertainty (TR)
- Materials availability (TR)
- Customer expectation (TR)
- Ability to get insurance (TR)
- Higher costs for emissions (TR)

Realizing the Paris Agreement – RCP 2.6

Temperature increases between 0.9–2.3°C

Lower frequency of extreme weather events
Large-scale installed renewable energy
Robust energy legislation and carbon taxes
High energy effectiveness and efficiency

Opportunities

- New solutions reducing customers' environmental footprint
- Transition to circular economy
- Local production will be an advantage
- Increased resource efficiency

Risks: Physical Risk (PR), Transition Risk (TR)

- Availability of low-carbon materials (TR)
- Need to upgrade and retrofit older sites (PR & TR)
- Carbon taxes and market regulations (TR)
- Customer expectation (TR)
- M&A in higher risk geographies (TR)
- Energy quality and availability (TR)

Opportunities/risks as a % of annual sales

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For the climate scenarios we have applied two time horizons (2030) and (2050) which is in line with the Paris Agreement. However, for greenhouse gas reduction targets the time horizon is 2030.

When conducting the scenario analyses, we reviewed several parameters to determine our resilience, both for RCP 6 and RCP 2.6. For both scenarios we reviewed the potential impact on our supply chain, our own operations and our market and our customers; as well as assets and business activities. The focus areas were based on material financial risk and opportunity across the value chain. This included assessing countries where we operate, source from and markets where we are present. For example, by 2030 for our factories we assessed locations that are potentially exposed to acute risk such as flooding, sea-level rise and exposure to cyclones in regions that are at and close to sea-level; as well as locations that are exposed to chronic risk such as prolonged extreme heat and drought in countries such as United Arab Emirates and India.

To perform the analysis, we assembled a cross-functional internal team with deep knowledge and global sector expertise for their function, to represent the stakeholders in our value chain. Based on their knowledge and expertise, we determined what the financial risk or opportunity was likely to be for the assessed categories of market and technology, reputation, policy and regulation, and physical risks. Our strategy and business model, coupled with our focus to increase our sustainability maturity in our supply chain, our own operations and innovation, through our sustainability target commitments and objectives, will ensure our company is resilient to the potential risks presented by both RCP 6 and RCP 2.6. There are no obvious uncertainties resulting from our analysis. For both scenarios, there is potential physical risk in our supply chain and own operations. Our operations have very limited exposure to acute and chronic risks, while our agile supply chain and innovation strategy will enable us to adapt to and/or mitigate risks as well as realize opportunities.

We have implemented a process for upgrading facilities with lower energy efficiency to reach a higher energy efficiency and reduce our emissions in the coming five years. We will review the potential for trainings and ongoing learning opportunities for our personnel to make sure that our workforce remains resilient for future climate change challenges. The output and results from the scenario analysis RCP 6 and RCP 2.6 are presented graphically in the TCFD table on page 78.

ASSA ABLOY has not identified which assets and business activities are incompatible with or need significant efforts to be compatible with transition to climate-neutral economy.

Policy matrix

Policy	Description	Intention	Owner	Actions/mitigation/risks connected
People, safety and human rights policy	Includes references to Code of Conduct, UN Guiding Principles on Business and Human Rights at work and connected UN Conventions. UN Global Compact, ILO Declaration on Fundamental Principles and Rights at work, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, OECD Guidelines for Multinational Enterprises.	Promote safe, equal and fair working conditions. Own workforce (employees and non-employees), value chain workers, people safety and human rights policy. Identify impacts and risks and address those. Accident prevention. Elimination of discrimination including grounds of discrimination. Employee engagement through Voice of the Employee – employee survey. Whistleblowing/ grievance mechanism.	Board of Directors/Chief Human Resources Officer.	Code of Conduct. Whistleblowing. Social compliance audits. Supplier sustainability audits. Health & Safety program. Voice of the Employee.
Environmental sustainability policy	Obligatory and available for all divisions, entities, employees within the ASSA ABLOY Group and third parties; defines the commitment, roles and responsibilities regarding environmental impact and KPIs (energy, water, waste, solvents, CO_2 emissions, etc.); if the local/third parties standard is more restrictive we follow it. Includes references to Code of Conduct, Code of Conduct for Business Partners materiality analyses, ASSA ABLOY Supplier sustainability audit, Green Team Playbook. The policy factors in the requirements of all stakeholders. The policy is available to all stakeholders and is located on our intranet and ASSA ABLOY's website. The policy does not specifically address climate change adaptation, energy efficiency renewable energy deployment or detail exactly how climate change will be mitigated.	Mitigating the environmental footprint from own operations, value chain, logistics, products and solutions.	Board of Directors/Executive Team.	Code of Conduct. Sustainability audits. Lifecycle assessment. Sustainability Compass. Science Based Targets and actions. Green Team Playbook. Due diligence process. Sustainability program (targets). Innovation policy. Double materiality assessment and consultations. Following local laws and regulations (considered as third parties standard).
Trade compliance policy	Policy to prevent and counter illegal or unacceptable activities, such as breaches of international law, human rights violations, internal repression, terrorism, and proliferation of weapons.	To act in a responsible manner and always comply with applicable export control and sanctions regulations.	Board of Directors/Chief Financial Officer.	Supplier selection/ termination. Use of appropriate contract clauses.
Whistleblower directive	Includes references to Code of Conduct; Code of Conduct Case Management process; and Investigation Guideline.	Describes how whistleblowing reports are handled and which the reporting channels are, (including that all corruption reports are to be treated as high risk).	Chief Human Resources Officer.	All employees are expected to report all suspected Code of Conduct violations. No retaliation policy.
Third-party due diligence process	Step-by-step guide for the divisions to use, in order to appropriately apply adequate, consistent and reasonable due diligence, when vetting and partnering with business representatives. Includes references to: Code of Conduct. Code of Conduct for Business Partners.	Business representatives must be carefully reviewed and used only for a legitimate business purpose, on arms-length commercially reasonable terms.	Group Legal.	Actions needed: 1. Define business need. 2. Who can fill need? 3. Are they reputable? 4. Written agreement. 5. Divisional requirements. 6. Sign Code of Conduct for Business Partners.

Environmental information

EU Taxonomy

During 2024, we conducted several reviews of the established and emerging legislation of the EU Taxonomy classification system. In the Taxonomy Report Technical Annex 1, under Climate Change Mitigation, we interpret our relevance in section 3.5, Manufacture of energy efficiency equipment for buildings; relating to doors with U-value lower or equal to 1.2 (W/m^2K). We deem our sales from doors, where insulation is relevant, to be Taxonomy eligible. In 2024, we measured the percentage of our eligible revenue.

It is important to note a thermal efficiency U-value of 1.2 W/m^2K is not achievable for all types of doors. For example, industry best in class revolving doors have a U-value of around 4 W/m^2K. Despite having a U-value higher than 1.2 W/m^2K, this does not mean a revolving door is not a more sustainable solution for a building compared to another door type. It is more important to have the right door for the right application. Taking the application and how people interact with a door into consideration has a much bigger overall environmental impact, than just measuring the thermal efficiency of a door in isolation. Due to uncertainties and limitations required of achieving the criteria required for Taxonomy alignment, it will be challenging to align our economic activities (Turnover, CapEx, OpEx) with the criteria established in Commission Delegated Regulation 2021/2139. We will prioritize our focus and resources to realizing our science-based targets, which will have a material impact on our total greenhouse gas emissions.

Due to the updated requirements in the EU Taxonomy, we do not meet the criteria required to disclose aligned percentage. The change of requirements in Do No Significant Harm (DNSH) Appendix C is ambiguous; we will require more guidance from the EU to ascertain how we can apply and interpret these new requirements. We have reviewed the technical screening criteria for the four remaining EU Taxonomy objectives. We did not identify ASSA ABLOY economic activities in the screening criteria. CapEx decreased in magnitude between 2023 and 2024 due to capitalization of acquisitions in 2023, while turnover and OpEx remain at the same level as in 2023.

The EU Taxonomy is an evolving legislation, and we will continue to monitor its development and prepare to disclose in alignment with the Taxonomy accordingly.

2024 EU Taxonomy KPI results

	Total (SEK M)	Eligible %	Non-eligible %
Turnover[1]	150,162	18%	82%
CapEx[2]	8,236	10%	90%
OpEx[3]	7,267	2%	98%

Nuclear energy and fossil gas related activities

	Nuclear energy related activitiex 2024	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Definitions:

[1] The Taxonomy Turnover equals the Group's revenue, which mainly consists of product sales. Service related to products sold represents a limited share of revenue. Revenue for the sale of the Group's products is recognized at a given point in time when the customer gains control over the product, usually at the time of delivery. ASSA ABLOY also carries out installation services, which are recognized over time. Refer also to note 2 of the consolidated financial statements.

[2] The Taxonomy Capital Expenditures (CapEx) is determined on the basis of investments and acquisitions of leased assets, tangible assets and intangible assets excluding goodwill, that are included in the consolidated financial statements as of 31 December 2024. Refer also to notes 14, 15 and 16 of the consolidated financial statements.

[3] The Taxonomy Operational Expenditures (OpEx) are calculated on the basis of non-capitalized research and development costs, costs for building renovation measures, costs for repairs and maintenance of plant, machinery, equipment as well as expenses that are attributable to short-term leases (<12 months) and not recognized as right-of-use assets in the balance sheet as of 31 December 2024.

EU Taxonomy tables

2024 – Turnover		Year		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
ECONOMIC ACTIVITIES (1)	Code (2)	Turnover (3) SEK M	Proportion of turnover (4) Y; N; N/EL	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year N-1 (18) %	Category enabling activity (19) E	Category transitional activity (20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5																	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																			
Of which transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activites (not Taxonomy-aligned activities)																			
				EL															
Manufacture of energy efficiency equipment for buildings	CCM 3.5	26,965	18%	18%													19%		
Turnover of Taxonomy-eligible but not environmentally sustainable activites (not Taxonomy-aligned activities) (A.2)	CCM 3.5	26,965	18%	18%															
Turnover of Taxonomy-eligible activities (A.1+A.2)		26,965	18%	18%													19%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		123,197	82%																
Total		**150,162**	**100%**																

2024 – Capital expenditures (CapEx)	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
ECONOMIC ACTIVITIES (1)	Code (2)	CapEx (3) SEK M	Proportion of CapEx (4) Y; N; N/EL	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Capex, year N-1 (18) %	Category enabling activity (19) E	Category transitional activity (20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5																	E	
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)																		[redacted]	[redacted]
Of which enabling																			[redacted]
Of which transitional																		[redacted]	
A.2 Taxonomy-eligible but not environmentally sustainable activites (not Taxonomy-aligned activities)																			
				EL						[redacted]									
Manufacture of energy efficiency equipment for buildings	CCM 3.5	814	10%	10%													2%		
Capex of Taxonomy-eligible but not environmentally sustainable activites (not Taxonomy-aligned activities) (A.2)	CCM 3.5	814	10%	10%															
Capex of Taxonomy-eligible activities (A.1+A.2)		814	10%	10%													2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities (B)		7,422	90%																
Total		**8,236**	**100%**																

2024 – Operational Expenditure (OpEx)	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
ECONOMIC ACTIVITIES (1)	Code (2)	OpEx (3) SEK M	Proportion of OpEx (4) Y; N; N/EL	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, year N-1 (18) %	Category enabling activity (19) E	Category transitional activity (20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5																	E	
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)																		[redacted]	[redacted]
Of which enabling																			[redacted]
Of which transitional																		[redacted]	
A.2 Taxonomy-eligible but not environmentally sustainable activites (not Taxonomy-aligned activities)																			
				EL						[redacted]									
Manufacture of energy efficiency equipment for buildings	CCM 3.5	145	2%	2%													2%		
Opex of Taxonomy-eligible but not environmentally sustainable activites (not Taxonomy-aligned activities) (A.2)	CCM 3.5	145	2%	2%															
Opex of Taxonomy-eligible activities (A.1+A.2)		145	2%	2%													2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities (B)		7,081	98%																
Total		**7,226**	**100%**																

E1 Climate Change

Due diligence

Cease, prevent or mitigate

ASSA ABLOY has made a long-term commitment to address climate change by setting both near-term and net-zero science-based targets consistent with the Science Based Targets initiative. Our targets are aligned to a 1.5°C trajectory, the most ambitious aims of the Paris Agreement.

We are fully committed to delivering on our ambitious science-based targets, to halve our absolute Scope 1 & 2 carbon emissions and reduce absolute Scope 3 emissions by 28 percent by 2030, as well as achieving net-zero no later than 2050. Our four-pronged strategic approach to Scope 1 & 2 emissions is delivering positive results. We have reduced our Scope 1 & 2 emissions by 36 percent, against our 2019 baseline. We have reduced our Scope 3 emissions by 10 percent, against our 2019 baseline.

Our Scope 3 emissions make up the vast majority of our total emissions and represent the carbon footprint of our wider value chain. Our Scope 3 target is challenging. To address this, we have assembled cross-functional science-based targets teams who are dedicated to driving the most important activities in our Scope 3 action plan to deliver on our targets. We have set up a science-based targets governance structure, which includes our Chief Financial Officer, to ensure we are on the right path to achieving our goals. Our environmental sustainability policy is aligned with our climate commitment.

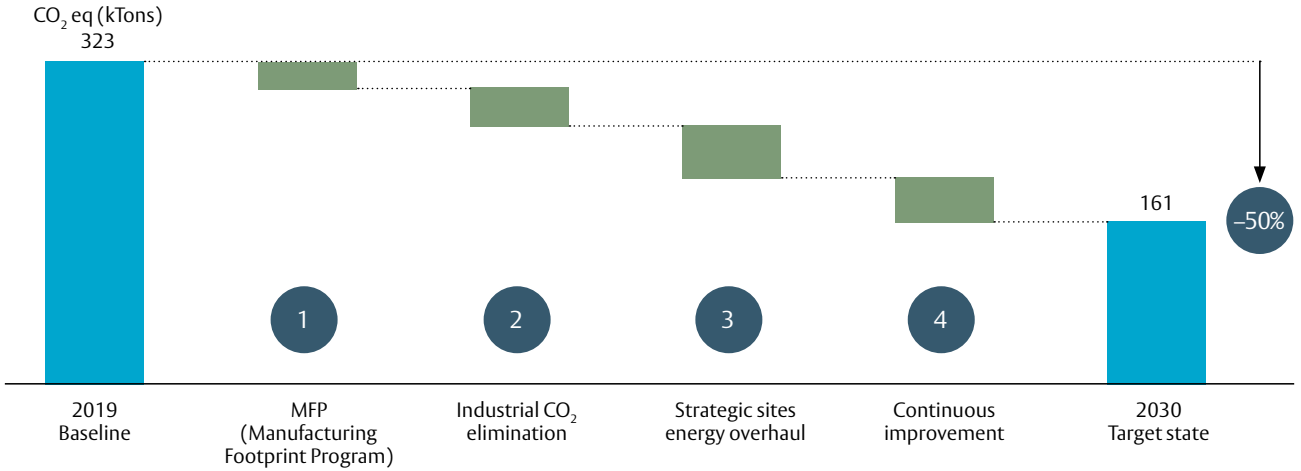
There are potential locked-in greenhouse gas emissions in our own operations in the form of our operations infrastructure such as heating, ventilation and air conditioning (HVAC) systems, space heating equipment, compressors, transformers, heating and electrical process equipment. When this plant comes

Visualizing our Scope 1 & 2 emissions reduction pathway

We use a standardized approach to identify and visualize the key levers required to enable the Group to achieve its 50 percent Scope 1 & 2 reduction target to 2030. The four-pronged strategic approach is replicated in all divisions, all business units and at the factory level. This standardized approach is applied throughout the Group and tracked on a quarterly basis, ensuring we are on track to achieving our climate targets. The investments needed to realize this plan are related to lever three and four. We do not have a separate investment vehicle to realize the plan, all investments are made through our capital expenditure process and follow the same rules as all other capital investments. Due to difference in the definition of CapEx and OpEx between EU Taxonomy and our financial statements, and the fact all capital investments must follow the same rules, our financial statement CapEx and OpEx does not tally with investments in carbon improvements.

ASSA ABLOY Scope 1 & 2 emissions reduction waterfall

Our 4-pronged strategic approach to achieving a 50 percent reduction by 2030



1 **MFP (Manufacturing Footprint Program)**
Growth through acquisitions can result in a duplication of production processes. Our MFP program consolidates sites to eliminate unnecessary duplication and maximizes our operational efficiency.

2 **Industrial CO_2 elimination**
In the past, a limited number of sites used freon as a blowing agent in the door insulation process. Freon is a potent source of greenhouse gas emissions. By eliminating the use of Freon in our operations, we have dramatically reduced our Scope 1 emissions.

3 **Strategic sites energy overhaul**
ASSA ABLOY operates over 1,000 sites in 70 countries. The top 25 most energy-intensive sites account for more than 60 percent of Scope 1 & 2 emissions. Our workstream focuses on improving energy effectiveness and efficiency to significantly reduce the energy consumption of these sites.

4 **Continuous improvement**
In our revised Operational Excellence strategy, sustainability is one of the four key pillars. Sustainability is a key part of our global operational excellence maturity assessment, ensuring a focus on sustainability, and energy reduction is an organic part of how we operate every day. This results in hundreds of little ideas for improvement, which add up to a big impact.

to its end of life, we will work to upgrade with low-carbon and increased energy efficiency alternatives to mitigate future locked-in emissions.

We calculated our greenhouse gas inventory across our entire value chain for the first time, including our Scope 3 footprint, in 2022. Our Scope 3 footprint makes up 96 percent of our total footprint. More than 70 percent of our Scope 3 footprint is upstream in our supply chain, coming from purchased goods and materials. Some of our largest purchasing categories, which include steel, electronics, aluminum, brass, zinc and other metals and materials, are traditionally carbon intensive.

This year we have made a significant change to our calculation methodology, moving from spend-based to a mix of spend-based method and average-data method, predominantly item weight data, but also material information. We have also expanded the list of possible materials from 20 to 190. Materials used more seldom may only appear once in this list, but for common materials like steel, we have many different types of steel, many different geographies for the origin of the material, all with individual emission factors. Further, the emission factors have been revised.

In general, the methodology is that we use item quantity multiplied with item weight multiplied with the emission factor for the material in scope. If either the item weight and/or the material is unknown, we have methods to estimate these. Weight is estimated using a median value for the weight of other items within the same item category and the material is estimated by applying a default material, which we have done for all our category codes. These default materials are the most conservative option, meaning the one with the highest emission factor of the relevant options, available, in order not to underestimate.

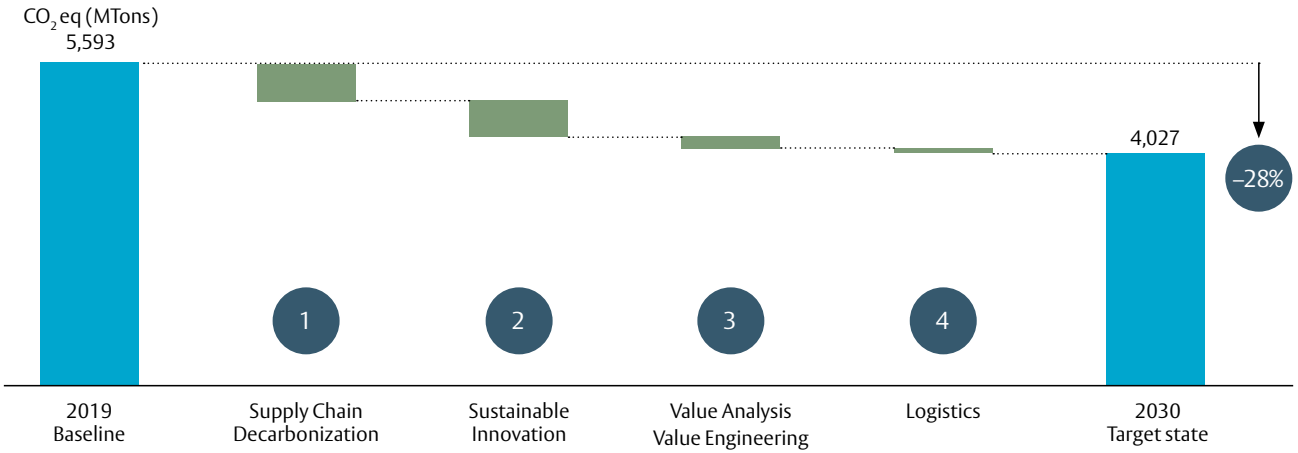
For the spend-based component, that we still use if we don't know the item weight, we have a much larger sample size, causing the conversion factors to be far more accurate than in the past. All these changes combined have led to significantly lower numbers than we have presented before. It is, however, worth

High level approach to reduce Scope 3 emissions by 28% by 2030

During 2024, we identified key levers to reduce emissions and help meet our Scope 3 target. We engage in value analysis/value engineering in product development to increase material effectiveness, choose low-carbon materials for our new products as much as possible, and prioritize the use of low-carbon transport and logistics. Together, these help us to develop energy-efficient products and solutions with a lower carbon footprint throughout their lifecycle compared with their predecessors.

ASSA ABLOY Scope 3 emissions reduction waterfall

Our 4-pronged strategic approach to achieving a 28 percent reduction by 2030



1 **Supply Chain Decarbonization**
Our supply chain is the most material source of our Scope 3 emissions. We work systematically with our supply chain partners to identify and implement effective initiatives to reduce our Scope 3 footprint, such as sourcing materials with higher recycled content or low-carbon alternatives. In addition, we support them to reduce their Scope 1 & 2 emissions, which has a knock-on benefit for our Scope 3 footprint.

2 **Sustainable Innovation**
All new products and solutions are developed using our Sustainability Compass, which ensures sustainability is embedded into all new products launched. We have developed a sustainability portfolio planning tool, which enables our product management teams to have a targeted approach to driving improvements on the most carbon intensive product portfolios couple with the highest sales volumes.

3 **Value Analysis / Value Engineering**
Value analysis / value engineering is a mature continuous improvement process that enables us to design waste out of our product and manufacturing processes. We leverage this process to do more with less, reducing waste and lowering our products' greenhouse gas emissions footprint.

4 **Logistics**
We work with our logistics partners to optimize both inbound and outbound transport, enabling us to service our customers in a faster way while reducing our Scope 3 footprint. We prioritize low-carbon transport methods such as sea, rail and road.

emphasizing that almost the entire reduction is due to a change in methodology and not actual reductions.

Further, it is important to understand that the methodology is, despite being far more accurate than previously, still based on assumptions and simplifications in certain places and the emissions may still go up or down when even more accurate data will be available. Another important aspect to raise is the fact that even if we base the emission calculation on actual item weight or actual material information, this information is often not verified and could theoretically be incorrect. We believe our suppliers have a thorough understanding and correct data regarding the items they sell to us.

Although we use a science-based and data driven approach, there is a degree of uncertainty where estimates are utilized. This presents a risk to the accuracy of our Scope 3 footprint. We are continuously working to improve our data accuracy across our Scope 3 categories, while benchmarking with other complex organizations. We will also stay abreast of the development of the new GHG Protocol Scope 3 carbon accounting standard, which is due for release in 2026, to ensure our methodology is aligned.

ASSA ABLOY has included 100 percent of subsidiaries' emissions under operational or financial in the target boundary, as required per the GHG Protocol Corporate Standard; which has been verified and ratified by the Science Based Targets initiative. ASSA ABLOY does not have any significant joint ventures.

Our Scope 3 data has been restated to include acquisitions, where the data is available. Our Scope 1 & 2 data will be restated to include acquisitions during 2025. We anticipate the inclusion of Hardware and Home Improvement (HHI) will have a material impact on our baseline across all three emission scopes, when the data becomes available for us to restate. We do not anticipate significant risk or impact from acquisitions made in 2024. Our Scope 1 emissions are generated from energy burned on site in our operations such as oil and gas, CO_2eq from industrial processes and fleet emissions.

Reported normalized KPIs are based on currency-neutral monetary values and value added rather than sales – to minimize the effect of currency fluctuations and the ongoing restructuring of the Group. As a result, value added for intensity metrics is restated each year. By using value added as a measure, the normalized values are also not affected by the outsourcing of manufacturing. We believe this provides a more accurate picture of what is going on in the Group. Electricity emission factors are based on data on electricity production for 2010, as published by the International Energy Agency (IEA, 2012). These emission factors are used for calculation of emissions until end of 2016. In 2017 and again in 2024 ASSA ABLOY updated the emission factors used to calculate greenhouse gases from electricity consumption. The emission factors are based on the most recent data published by the IEA and the International Panel on Climate Change (IPCC), and are expressed in CO_2 equivalents (CO_2 eq).

Our transition plan to realize our long-term climate commitment is approved by the Board of Directors, our highest governing body with overall responsibility for sustainability.

Sustainability is part of everything we do and is organically integrated into our overall business strategy; the transition plan is aligned to our business strategy and financial plans. The progress towards our transition plan can be seen in our carbon data table E1-6 gross scopes 1, 2, 3 and total GHG emissions on page 89. We have excluded Scope 3 categories that are not relevant to our organization; for example, upstream/downstream leased assets, as well as excluding categories which represent less than 0.2 percent of Scope 3, for example, capital goods, as approved by the Science Based Targets initiative. ASSA ABLOY is not taking any other actions besides that to mitigate negative effects on the environment and/or affected communities.

We are working towards using primary data from suppliers, though to date we do not utilize primary data. We do not have a carbon pricing scheme at ASSA ABLOY.

We do not have carbon removal projects in place and do not utilize carbon credits or offsets. There are no changes in target and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data.

Sustainable operations

Energy and carbon emissions

Scope 1 & 2 emissions

	2019	2020	2021	2022	2023	2024[3]
t CO_2eq						
Scope 1 CO_2 emissions related to fleet[1]	29,591	26,423	31,232	32,184	27,864	26,560
Scope 1 Greenhouse gas emission related to substances in industrial processes[4, 5]	34,860	1,149	731	1,184	748	680
CO_2 emissions related to energy consumption						
Location-based reporting:						
Scope 1 CO_2 emissions related to direct energy consumption[2]	69,192	61,426	63,067	60,832	60,917	58,237
Scope 2 CO_2 emissions related to indirect energy consumption	189,456	178,029	185,684	175,193	174,401	130,314
Total Scope 1 & 2 emissions, Location-based reporting	**323,099**	**267,027**	**280,714**	**269,393**	**263,930**	**215,790**
Market-based reporting:						
Scope 1 CO_2 emissions related to direct energy consumption[2]	69,192	61,426	63,067	60,832	60,917	58,237
Scope 2 CO_2 emissions related to indirect energy consumption	183,730	165,752	177,990	173,618	171,165	129,124
Total Scope 1 & 2 emissions, Market-based reporting	**317,373**	**254,750**	**273,020**	**267,818**	**260,694**	**214,600**

[1] Fleet data is best estimate due to limitation of data. Plan to improve process during 2025.
[2] Biogenic emissions are not included in the Scope 1 and 2 disclosure.
[3] For comparable units, defined as all legal entities acquired up to (June 30, 2023), excluding HHI. Total location-based greenhouse gas emissions related to energy consumption for 2024 reached 262,206 metric tons. This figure includes units acquired during the year up to (30 April 2024), with HHI being the primary contributor to the increase. Total market-based greenhouse gas emissions related to energy consumption for 2024 reached 240,556 metric tons. This figure includes units acquired during the year up to (30 April 2024), with HHI being the primary contributor to the increase. Emission factors based on location-based data, and AIB and Green-e for market-based residual emissions for Europe and US respectively. Emission factors for Scope 2 were updated during the year for 2024, using the latest available emission factors from the International Energy Agency (IEA); where the majority of the reduction between 2023 and 2024 comes from this methodology update
[4] Emission factors are based on data published by the United Nations Intergovernmental Panel on Climate Change (IPCC, 2007). This indicator is the CO_2 eq sum measurement of SOx, NOx, HFC-245fa, HCFC-141b, HCFC134a (R134a), CH4, VOCs and CO_2.
[5] For comparable units. Total calculated CO_2 emissions related to substances in industrial processes amounted to 777 metric tons, including units acquired during the year where data is available.
[6] ASSA ABLOY follows the Greenhouse Gas Protocol for carbon accounting across Scopes 1, 2 & 3. We do not carbon account according to ISO 14064. Thirteen percent of market-based Scope 2 emissions are covered by contractual instruments such as Renewable Energy Certificates (RECs) or Guarantees of Origin (GoOs). ASSA ABLOY does not purchase unbundled contractual instruments.

E1-5 Energy consumption and mix

	2019	2020	2021	2022	2023	2024[1]
Energy consumption and mix						
Direct energy						
– oil (MWh)	15,054	9,707	9,056	7,620	5,854	4,699
– gas (MWh)	290,130	269,869	283,234	282,454	292,663	280,502
– coal (MWh)	10,093	61	49	–	0	0
– biofuel/biomass (MWh)	9,737	13,786	10,919	5,466	591	911
Total	**325,015**	**293,423**	**303,258**	**295,540**	**299,108**	**286,111**
Indirect energy						
– electricity (MWh)	345,248	327,561	346,465	331,901	330,629	331,558
– district heat (MWh)	38,990	32,404	24,717	19,938	18,363	15,150
Total	**384,238**	**359,966**	**371,182**	**351,839**	**348,993**	**346,708**
Total Energy Consumption[2]	**709,253**	**653,388**	**674,440**	**647,379**	**648,100**	**632,819**
Portion of renewable energy purchased (%)	12.3%	14.3%	20.2%	20.7%	19.6%	19.4%
Portion of renewable energy generated onsite (%)[3]						1%
Portion of renewable energy generated onsite (MWh)[3]						6,328

[1] For comparable units, defined as all legal entities acquired up to (June 30, 2023), excluding HHI. Total energy consumption for 2024 reached 850,436 MWh. This figure includes units acquired during the year up to (30 April 2024), with HHI being the primary contributor to the increase.
[2] This historical numbers have been adjusted with proforma data for comparable units.
[3] Reporting for this data point only started in 2024.

E1-6 gross scopes 1, 2, 3 and total GHG emissions

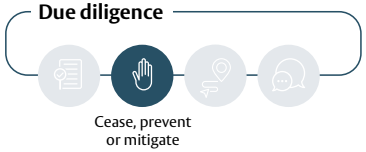
	Retrospective				Milestones and target years			
	2019	2023	2024	2024 vs. 2023 (%)	2025	2030	(2050)	Annual % target / Base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO_2eq)	133643	89529	85476	–4.5%	100,206	72,341	13,364	4.17%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	–	–	–	–	–	–	–	–
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO_2eq)	189,456	174,401	130,314	–25.3%	142,054	102,553	18,946	4.17%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	183,730	171,165	129,124	–24.6%	137,761	99,453	18,373	4.17%
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)[1]	**5,592,879**	**5,203,980**	**5,045,014**	**–3.1%**	**4,738,693**	**4,026,873**	**559,288**	**2.54%**[5]
1 Purchased goods and services[2]	4,152,197	3,894,411	3,763,353	–3.4%	3,518,043	2,989,582	415,220	2.54%[5]
[Optional sub-category: Cloud computing and data center services]	–	–	–	–	–	–	–	–
2 Capital goods	–	–	–	–	–	–	–	–
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	58,167	55,793	54,808	–1.8%	49,284	41,881	5,817	2.54%[5]
4 Upstream transportation and distribution	65,489	69,800	100,879	44.5%	55,487	47,152	6,549	2.54%[5]
5 Waste generated in operations	24,395	23,355	23,249	–0.5%	20,669	17,565	2,440	2.54%[5]
6 Business travel	25,217	30,792	30,903	0.4%	21,366	18,156	2,522	2.54%[5]
7 Employee commuting	42,061	49,063	54,298	10.7%	35,637	30,284	4,206	2.54%[5]
8 Upstream leased assets	–	–	–	–	–	–	–	–
9 Downstream transportation	85,379	89,505	129,883	45.1%	72,339	61,473	8,538	2.54%[5]
10 Processing of sold products	–	–	–	–	–	–	–	–
11 Use of sold products[3]	986,187	834,907	665,062	–20.3%	835,569	710,055	98,619	2.54%[5]
12 End-of-life treatment of sold products[4]	153,785	156,355	222,578	42.4%	130,298	110,725	15,379	2.54%[5]
13 Downstream leased assets	–	–	–	–	–	–	–	–
14 Franchises	–	–	–	–	–	–	–	–
15 Investments	–	–	–	–	–	–	–	–
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2eq)	**5,915,978**	**5,467910**	**5,260,804**	–3.8%				
Total GHG emissions (market-based) (tCO_2eq)	**5,910,252**	**5,464,675**	**5,259,615**	–3.8%				

[1] Scope 3 data has been restated to include acquisitions, where the data is available.
[2] Purchased goods and services has been recalculated in a significant way moving from only using the spend-based method to both spend-based and average-data method, with more granular assessment of materials and more accurate emission factors. Previous 2023 value 15,240,417 tCO2eq.
[3] Use of sold products has been recalculated due to an error identified in the grid energy mix emissions factor used for the US, applies 2019–2023.
[4] End of Life Treatment of Sold Products has been recalculated due to an error found in the formula used in previous years.
[5] Near-term Scope 3 target is aligned to well-below 2°C, annual target reduction rate will increase in line with ASSA ABLOY's net-zero target requirements from 2030.

GHG intensity

GHG intensity per net revenue	2023	2024	2024 vs. 2023 (%)
Total GHG emissions (location-based) per net revenue (tCO_2eq/Monetary unit)	42.04	36.41	–13.4%
Total GHG emissions (market-based) per net revenue (tCO_2eq/Monetary unit)	42.00	36.39	–13.4%

E3 Water and Marine Resources



Minimizing our environmental footprint in terms of water and marine resources, across our own operations and the entire value chain, is an integral part of ASSA ABLOY's sustainability program.

We identified water and marine resources as material for ASSA ABLOY, considering impact materiality. We assessed this based on our own operations and our value chain. For our own operations we have a process to determine our dependencies, impacts, risks and opportunities. We do not have water-intensive processes in areas with low water quality, which may jeopardize the quality of our products. We have a systematic process in place to mitigate the environmental impact and water risk of our operations in high water-stress areas and downstream value chain. Use of water is seen as material regarding our own operations, but does not impact on oceans and seas. We take necessary steps to make sure the water we use and dispose to the municipalities from our operational processes such as painting, plating and cleaning is of the same quality level as water withdrawn it to mitigate any potential negative impact and risk to water bodies.

The double materiality assessment outcomes, including water and marine resources, have been presented and consulted with our Board of Directors, stakeholders and other affected communities to engage them in the process and establish their views. Suggestions, opinions and comments regarding water and marine resources were taken into account in the final double materiality assessment.

We continue to upgrade the infrastructure at our sites e.g. piping, additional meters to reduce leaks and implement monitoring systems at top water consuming sites, as well as introducing principles and processes to improve water efficiency. During 2024, water withdrawal decreased by two percent and water intensity by ten percent as a result of improvement activities and infrastructure upgrades.

Considering our own operations, the most water-intensive processes are the painting, plating and cleaning processes. There are 20 such entities, located mainly in the US, Europe and Asia, accounting for more than 60 percent of our total water consumption. In factories with electroplating facilities, the water is used in the different process baths as well as for cleaning. In factories producing doors, the water is typically used for cleaning. An increasing portion of the water is recirculated and used again after purification. A wide range of purification methods are used across the Group, such as filtration, sedimentation, flocculation, ion exchange and reverse osmosis. The actions we take to improve our water efficiency and reduce consumption are applicable for each site which operates within the ASSA ABLOY Group including entities located in areas at water risk. In 2024 the total amount of recycled water amounted to 19 percent of the total water consumption.

An important part of our water management is to prevent water pollution across our sites. We are obliged to follow the local laws and the Group policy, to conduct regular audits and host third-party inspections. All entities across the Group are required to report known or potential site contamination mapping on an annual basis in our sustainability reporting system. The outcome of the report is being reviewed by a third party and relevant actions including remediations regarding historical contamination are being implemented and followed up. Site contamination verification is also a part of our due diligence process in regard to new acquisitions. We ensure that any work with hazardous substances is organized to the highest standards, with wastewater being regularly disposed of and stored in designated areas, and secondary containment provided to contain and control potential spills. Risk mitigation in our own operations includes work to ensure that all factories with significant environmental impact and significant water-demanding processes are ISO 14001 certified.

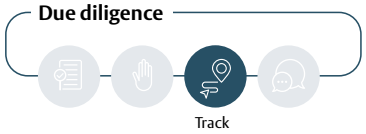
In the event that we do have a chemical spill, we have all the requisite equipment in place and spill kit to perform a cleanup immediately to remedy the incident. In the event the groundwater or local water body is contaminated, we will liaise with the relevant authorities to agree a remediation plan to remedy the contamination to the local legal level at a minimum.

ASSA ABLOY's long-term risk-management strategy covers sustainability aspects throughout our value chain, including water and marine resources. Within our supply chain, we carry out the same assessment as for our own operations. We review our suppliers' production processes, taking into account environmental dependencies, impacts, risks and opportunities. We ensure our suppliers have the same diligent controls as we do in our own operations.

Our target is to reduce water consumption by 25 percent across all entities we operate in by the end of 2025, against our 2019 baseline year. Since we set up the target in 2020 there are no changes regarding measurement methodologies, significant assumptions, limitations, sources or adopted processes in data collection. The target is not mandatory based on legislation, but it is mandatory internally, which means all the divisions are required to contribute to realize the target. In 2024, against our baseline year 2019, we reduced our water intensity by 56 percent.

For reference, please see the double materiality assessment results (pages 68–72) and material sustainability-related impacts and risks (E3 Water and Marine Resources).

Performance against targets

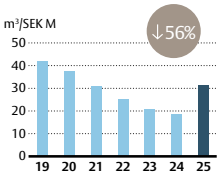


2025 TARGET

↓ 25%

Water intensity (m³/SEK M)

DEVELOPMENT 2019–2024



COMMENTS ON 2024 VS. 2023

Water intensity reduced by 10% in 2024. This stemmed from ongoing efforts to enhance water efficiency across the Group and continued improvements in water infrastructure.

We do not currently collect the data for the water storage and do not monitor water storage changes e.g. sprinklers, firefighting purposes, rainwater harvesting etc. In 2025 we are planning to add additional data points to our sustainability reporting system to be able to disclose the data.

Our sustainability reporting system collects high-quality data to track and analyze the performance of individual entities and divisions. Water withdrawal and discharge is managed in accordance with local rules and regulations. Water discharge is measured, calculated or estimated depending on available sources of information and requirements.

Water management

Water performance

	2019	2020	2021	2022	2023	2024
Purchased water (1,000 m³)	1,692	1,521	1,398	1,280	1,236	1,214
Water from on-site wells (1,000 m³)	210	117	110	86	40	40
Rainwater (1,000 m³)	9	9	10	11	9	8
Surface water (1,000 m³)	0	0	0	0	0	0
Total water withdrawal (1,000 m³)[2]	**1,911**	**1,647**	**1,517**	**1,377**	**1,285**	**1,261[1]**
KPI, water intensity (m³/SEK M)[2]	**42.2**	**37.5**	**30.9**	**25.1**	**20.8**	**18,8[1]**

[1] For comparable units, defined as all legal entities acquired up to (June 30, 2023), excluding HHI. Total water consumption for 2024 reached 2,121 (1,000 m³). This figure includes units acquired during the year up to (30 April 2024), with HHI being the primary contributor to the increase; while the balance of acquisitions have a negligible impact.

[2] The historical numbers have been adjusted with proforma data for comparable units.

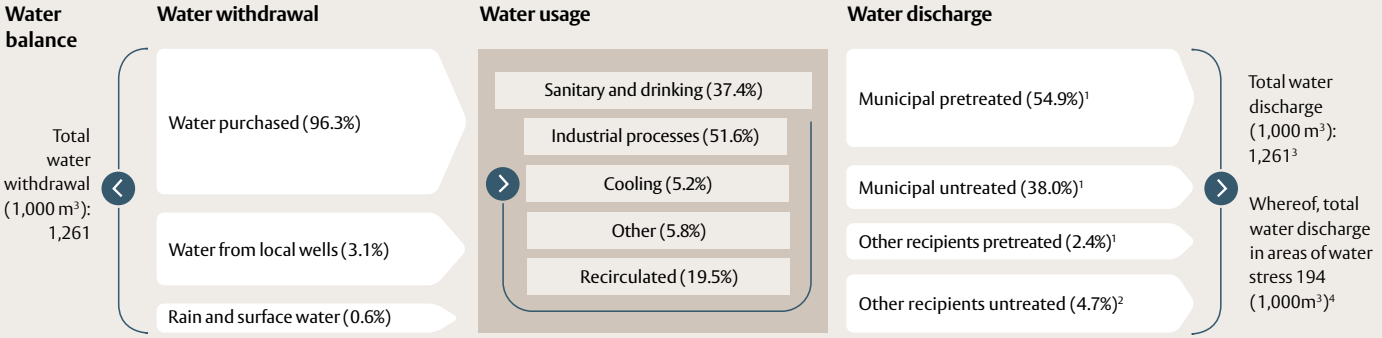
Water balance[1]

Water withdrawl	**m³**	**%**
Purchased water	1,214	96%
Water from on-site wells	40	3%
Rainwater	8	1%
Surface water	0	0%
Total	**1,261**	

Water usage	**m³**	**%**
Sanitary and drinking	472	37%
Cooling	66	5%
Industrial processes	651	52%
Other	73	6%
Total	**1,261**	

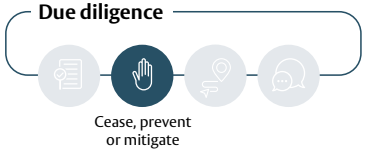
Water discharge	**m³**	**%**
Municipal pretreated	692.1	55%
Municipal untreated	479.6	38%
Other recipient pretreated	30.5	2%
Other recipient untreated	59.0	5%
Total	**1,261**	
Total water consumption in areas of water stress (1,000 m³)[1]		

[1] Water withdrawal = usage = discharge.



[1] Third-party water. [2] Surface water. [3] Other water (>1,000 mg/L Total Dissolved Solids).
[4] Water discharge to areas with water stress based on World Resources Institute 'Aqueduct Water Risk Atlas'

E5 Resource Use and Circular Economy



The purpose of a circular economy is to ensure that resources and products stay in closed loops of usage that eliminate waste, rather than eventually ending up in landfill. Utilizing circular practices to optimize resource management is a key strategy to reduce the environmental impact of our products.

Typically, a significant share of greenhouse gas emissions from a product's lifecycle is derived from material extraction. The impact is allocated to the primary product usage. We see a trend that demand for sustainable solutions is increasing, and that more customers are eager to embrace circular options. Some customers are willing to pay a premium price for circular products.

The most effective resource management strategy involves maximizing utilization and the product's longevity. We believe that sustainable design practices and design for repairability and durability, with high-quality components and regular service and maintenance is the best option for extended life expectancy of our products. Our approach to circularity also includes more advanced strategies like reuse, refurbishment, remanufacturing and increasing the share of recycled materials and parts. We believe that the processes, tools and methods that are covered later in this section cover all vital steps in the value chain so that we can eliminate the risk of sharing inaccurate data. If a person is harmed, nearly harmed or assets are damaged due to a product failure, we have the requisite knowledge and infrastructure to carry out a product recall to investigate the root cause and take the necessary steps to remediate the issue. This ensures there will not be a repeated instance and the product can be used safely.

Circularity will be a key enabler for reaching our sustainability goals and will help drive progress towards the 2030 goal of 28 percent reduction of Scope 3 carbon footprint in absolute values from 2019 baseline. To reach our 2050 net-zero goal, it will be fundamental to have adopted circular practices.

Upstream – resource inflows

We source material and components based on low Global Warming Potential (GWP), as well as on high grade of recycled content. We utilize the same environmental data sets for our internal development phase as we do when sourcing material and components. This simplifies calculations and allows us to steer sustainability optimization throughout the life cycle of a product. During 2025 we will build up the measures for recycled content in our internal systems to support reporting and awareness which is currently not possible for either products, material or packaging material.

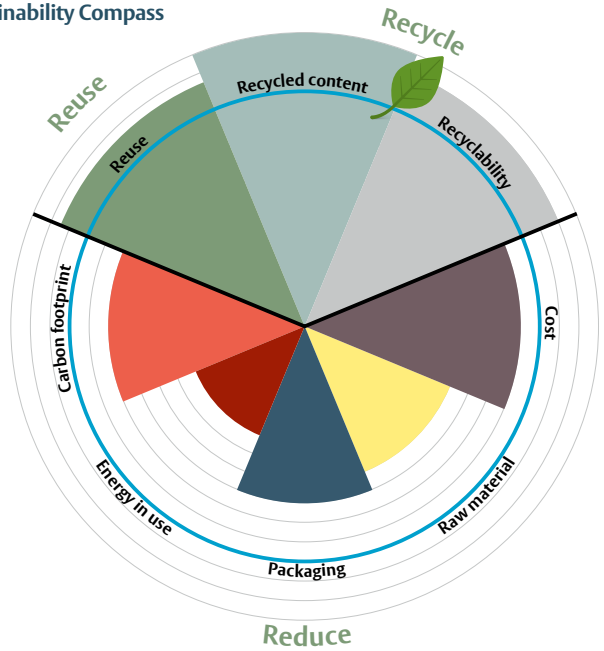
Going forward, our environmental data will be made more granular thanks to Environmental Product Declaration (EPD) based data for our most developed suppliers.

ASSA ABLOY does not currently collect data regarding the absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used. For the total weight of products, the technical and biological materials used during the reporting period is 745,000 tons and divided between technical 99.97 percent and biological 0.03 percent.

Our operations

We utilize a sustainability reporting platform to collect data related to waste management, energy consumption and material usage. In circumstances where we lack actual data, we make calculations with proxy data, based on average figures for similar sites in our organization. Waste data from our twelve waste streams, disclosed on page 93 waste management table, is obtained directly from our waste management providers. In our operations ASSA ABLOY employs advanced manufacturing methodologies such as lean manufacturing, value analysis and value engineering, and error-proofing techniques such as poka yoke to minimize waste generation and maximize resource efficiency. ASSA ABLOY has targets to 2025 compared to baseline year 2019 to reduce non-hazardous waste and hazardous waste intensity by 25 percent. During 2024 non-hazardous waste intensity reduced by eight percent, while hazardous waste intensity reduced by five percent. The targets are related to layer one in the waste hierarchy, prevention and minimization. The targets are not required by legislation. We do not currently have targets related to increase of circular product design, increase of circular material use rate, minimization of primary raw material, sustainable sourcing and use. ASSA ABLOY does not have the information to determine materials sourced from by-products or waste streams. Metal for recycling is our single largest waste stream. ASSA ABLOY does not generate radioactive waste.

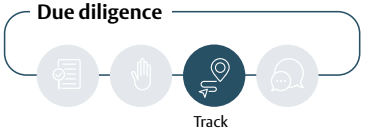
ASSA ABLOY Sustainability Compass



Innovation

Our handbook for circular economy practices gives guidance and recommendations on how to make circularity an integral part of our product innovation process.

The ASSA ABLOY Sustainability Compass visualizes sustainability aspects in every new project. The Sustainability Compass is our own sustainable innovation tool, based on lifecycle thinking and circularity principles. It helps minimize footprint, create awareness, and offer the ability to easily compare the sustainability implications of different designs. Durability of our products is both calculated and tested during development and then incorporated into our manuals. Since we develop so many products, we will not disclose this here on product basis. In many cases the durability is driven from regulations and thereby we follow the industry standard. The Sustainability Compass supports circularity in development with the sections of reuse, recycled content and recyclability that ensures that we from the start design products with circularity in mind.



Meeting the challenges of transitioning to a circular economy

As a company where linear operations have been the norm, introducing circular practices calls for an adjustment of procedures related to logistics, repair and testing. To maintain the level of safety and security compliance we will test our products after installation to ensure intended operation and compliance with standards like the CE marking. If any issues occur with the products, we follow the procedures described in ESRS S4 Consumers and End-Users.

Transitioning to a circular economy also requires a sufficient and reliable inflow of products and components to our circularity repair centers to ensure that we can satisfy market demand.

We will have to further improve the quality of sustainability related data in our entire value chain as new and more strict regulations are published. In turn, this implies new requirements for our internal data governance process, for both linear and circular products.

Plans and actions to implement circularity at ASSA ABLOY

The transformation to circular economy will be an iterative process where we first document internal best practice from the sites where we currently apply circular business models. Based on these best practices, we will develop our circularity strategy that will define the basis and starting point for our circular journey. This will also clarify resource allocation, and the funding needed going forward.

Our approach will be guided by newly developed circular economy standards like ISO 59004, ISO 59010 and ISO 59020. Offering core principles and actionable steps, these new standards include assessing circularity performance as well as guides on how to implement circular business models. Circularity will not be a universal process for all products, but rather a modular, and customizable approach. As an example, we expect that some entities will target recyclability, while others will focus on supporting customers with refurbished parts and components.

ASSA ABLOY has joined a circularity development program, a collaborative effort aimed at accelerating the implementation of circular products in the construction industry. Driven by external experts and connecting us with construction industry peers, the program conducts in-depth sharing in focus areas and provides best practices. Based on these insights with internal stakeholders, we will further develop our policy, strategies, and measurements for circularity during 2025 and onwards. ASSA ABLOY does not have a circular economy policy; this will be developed during 2025.

Waste management

Recycled metal

	2019	2020	2021	2022	2023	2024[1]
Waste metal for recycling (metric tons)	57,363	54,614	57,606	54,240	56,286	55,477

[1] For comparable units, defined as all legal entities acquired up to (June 30, 2023), excluding HHI. Total amount of metal for recycling amounted to 74,381 tons. This figure includes units acquired during the year up to (30 April 2024), with HHI being the primary contributor to the increase.

Hazardous waste

	2019	2020	2021	2022	2023	2024
Metal sludge (metric tons)	914	704	936	809	600	740
Oil for recycling (metric tons)	331	244	232	193	191	193
Electrical and electronic waste (metric tons)	89	118	137	129	171	154
Other types of toxic waste (metric tons)	2,724	2,405	2,310	2,489	2,393	2,382
Total hazardous waste (metric tons)	**4,058**	**3,471**	**3,615**	**3,619**	**3,355**	**3,470[1]**
KPI, hazardous waste intensity (kg/SEK M)	**90**	**79**	**74**	**66**	**54**	**52**

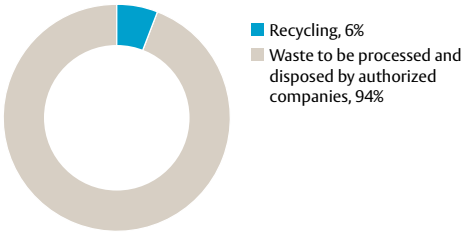
[1] For comparable units, defined as all legal entities acquired up to (June 30, 2023), excluding HHI. Total amount of hazardous waste was 5,189 metric tons. This figure includes units acquired during the year up to (30 April 2024), with HHI being the primary contributor to the increase.

Non-hazardous waste

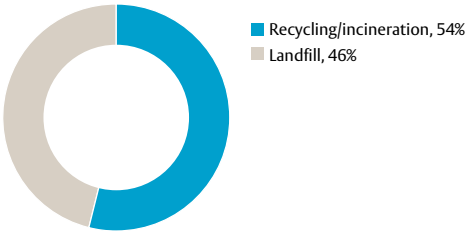
	2019	2020	2021	2022	2023	2024
Household incinerated/recycled (metric tons)	2,762	2,660	3,302	3,490	4,086	4,216
Household deposited (metric tons)	10,341	9,797	11,470	11,139	10,362	9,965
Paper and cardboard for recycling (metric tons)	4,523	4,326	4,839	4,915	4,278	4,487
Plastic waste for recycling (metric tons)	869	855	1,364	1,435	1,540	1,350
Wood waste for recycling (metric tons)	5,061	4,194	4,082	3,788	4,037	4,317
Glass for recycling (metric tons)	236	144	210	178	230	207
Other types of waste (metric tons)	1,519	1,329	2,091	1,886	2,093	2,251
Total (metric tons)	**25,310**	**23,305**	**27,358**	**26,832**	**26,626**	**26,792[1]**
KPI, non-hazardous waste intensity (kg/SEK M)	**559**	**530**	**557**	**490**	**432**	**399**

[1] For comparable units, defined as all legal entities acquired up to (June 30, 2023), excluding HHI. Total amount of non-hazardous waste was 33,970 metric tons. This figure includes units acquired during the year up to (30 April 2024), with HHI being the primary contributor to the increase.

Hazardous waste – disposal method

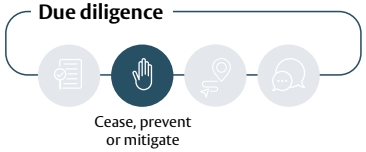


Non-hazardous waste – disposal method



Social information

S1 Own Workforce



Human rights and engagement

In the Code of Conduct, we have committed to respect human rights; making sure that our employees are treated with respect and fairness, and upholding high ethical standards in our operations. Our code of conduct addresses forced or bonded labor, children and young workers, prisoners and illegal workers. All our employees and non-employees (as defined in the ESRS) in our operations need to comply with that commitment as described in the Code of Conduct and the people, safety and human rights policy that is based on International Labor Organization (ILO) conventions and OECD guidelines.

During 2024 we updated our people and safety policy and to emphasize human rights the policy was renamed to the people, safety and human rights policy. The human rights section was expanded; the policy was also made public.

Our internal control includes relevant controls on human rights, and we conduct third-party social compliance audits at select locations every year.

In our own operations we engage our workforce continuously through the Voice of the Employee survey that is conducted annually. The employee survey gives us insights if there are any vulnerable groups that have specific impacts or being marginalized. The employee survey process includes a debrief session and triggers improvement activities to all teams within the organization. ASSA ABLOY is committed to directly engaging our workforce and workforce representatives in identifying lessons and improvements as a result of the company's performance. Through surveys, consultations, and continuous improvement programs, we ensure that employee insights are valued and integrated into our sustainability initiatives. This collaborative approach not only enhances our performance but also strengthens our relationship with our workforce and fosters a culture of continuous improvement. We engage with trade union representatives from the Board of Directors, where we have union representatives giving their perspective on decisions, the ASSA ABLOY targets and how we track against our targets. For our local business, we have a country coordination network to ensure consultation is made. ASSA ABLOY do not currently use quantitative measures to assess the effectiveness of our processes engaging our own workforce.

The risk that there is forced labor, child labor, and trafficking in any of our locations is addressed in the Code of Conduct and monitored through internal controls, Voice of the Employee and whistle-blowing process. The main human right-related risk to our employees and non-employees in our operations relates to health and safety; this is also where most of our remedy work is focused, for instance when it comes to rehabilitation, which is also part of our processes.

Any potential human rights or Code of Conduct violations can be reported in multiple ways, from directly to a manager to our whistle-blower process which is also available for external parties so that we can take action. Retaliation against any reporter in good faith is prohibited in the Code of Conduct. Employees are trained on the Code of Conduct and ethical business practices and how to report any violations on a regular basis. With the Voice of the Employee and through our dialogue with trade unions, we can gain a better

understanding about the current culture, organization-wide issues and trends, as well how we progress.

The more severe Code of Conduct issues and Code of Conduct oversight, including effectiveness of reporting is governed by the ASSA ABLOY Code of Conduct Committee which is chaired by our Chief Human Resources Officer and where union representatives from the Board of Directors are represented. Whistleblowing cases are followed up in a tool to be able to track and monitor the cases. During 2024, 105 cases were reported in the whistleblower tool, no severe human-rights incidents were substantiated, and no incidents of discrimination were substantiated. ASSA ABLOY do not have a process to capture fines, penalties and compensation relating to human rights, discrimination, and harassment issues. ASSA ABLOY is not aware of any complaints filed to National Contact Points for OECD Multinational Enterprises.

Health and safety

Our ambition and vision is to be an injury-free workplace. We continuously improve our work environment by enhancing our processes and removing hazards and risks. We identify our risks locally and also from a Group and divisional perspective. Our health and safety scope and metrics include both employees and non-employees under our direct control. Our health and safety directive describes the health and safety management system that is based on ISO45001 that are mandatory for all ASSA ABLOY units and covers all employees. The health and safety directive includes the requirement of a yearly internal or external audit, and it is part of our internal controls.

To succeed, we work with behaviors and attitudes that collectively form our safety culture, which is grounded in our values. We build this with engagement and involvement through, for example, the roll out of workshops in our operations, focusing on risks and behaviors. Our Group-wide health and safety tool provides us with insights to risks and deeper insights into trends to further improve the safety of our people.

This work has helped us reduce our injury rate by 17 percent since 2019. In 2024 our injury rate was 2.5. Typically, our biggest risks are employees who are working outside our premises with activities that can range from driving, business travel or work at our customer sites.

The Group is very active in acquisitions. Often, the acquired companies exhibit a poorer safety performance than ASSA ABLOY. To succeed with our safety agenda, we ensure that acquired companies are onboard with our health and safety program with the implementation of the health and safety directive and activities to establish a safety culture. We typically see significant improvements once the program is in place keeping employees and non-employees of the acquisitions safer than they were before the acquisition.

As we become more mature from a safety perspective, we are broadening our scope to develop the well-being aspects in our health and safety agenda. For example, we have launched mental health first-aid programs to cater to local needs.

Talent management

Our recruitment and selection directive held by our Chief Human Resource Officer ensures that we use best practices when we recruit the candidates with the right qualifications, skills and experience and equal employment practices. In 2024 we conducted multiple workshops on biases to promote non-discriminatory recruitment practices in line with the purpose of our recruitment and selection directive.

We encourage everyone to develop transferable skills that will allow them to move between roles in other functions, divisions or countries, with the goal of increasing seniority, broadening experience or digging deeper into an area of expertise. In 2024 our employee turnover was 17.5 percent. The total number of leavers was 9,136 for comparable units, while 10,751 for all units including acquisitions.

Our graduate programs and diversity networks nurture the next generation of talent and contribute to a more inclusive future. We provide everyone with an extensive range of digital courses. Internal leadership programs and programs in collaboration with external partners is also offered. Even with this, we strongly believe that the best way to learn is on the job and through stretch assignments that go beyond one's present expertise.

Diversity and inclusion

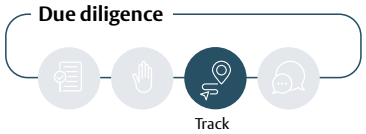
In 2024 we conducted a global inclusion and allyship awareness campaign that included webinars and training sessions. We want our people to come together to discuss topics that matter to them. Connecting with others increases the awareness of diversity, equity, inclusion, and belonging-related challenges and drives positive change.

We are focused on increasing the diversity and inclusion capabilities of managers and leaders to build inclusive teams, departments and organizations so that our products and community will benefit from our diverse perspectives. We understand that we are only at the beginning of our diversity and inclusion journey, and still have work to do to achieve our goals. We have diversity and inclusion as a part within our people strategy.

As a global organization, ASSA ABLOY is naturally diverse. ASSA ABLOY has operations in over 70 countries and serve customers in more than 180 countries. Our global environment fosters diversity of thought and inclusive open communication.

We have set specific objectives to make sure we recruit widely and give people the right opportunities to succeed. For example, we measure how many of our senior manager roles are held by women, and this increases every year. We reached 24 percent in 2019, 29 percent in 2024, and we aim to reach 30 percent by 2025. To support such efforts, we have an internal women's network and encourage a 50-50 gender balance in our graduate programs.

We take a diverse approach to hiring, being aware of diversity issues and overcoming biases.



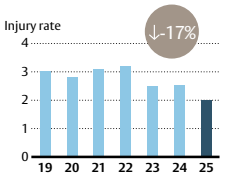
Data-driven approach

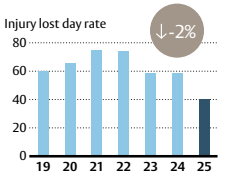
The key metrics are followed-up on a regular basis, where both the development of the metric is discussed, and activities carried out to improve the metric. We share learnings and best practices between our divisions and business units on activities that show the effectiveness of improving our metrics and mitigating risks and impacts. In general, we use our governance model (Board of Directors, Executive Team, functional councils) for follow up; but if we discover specific issues, we are flexible in creating forums for hot-spot management. Our divisions and business units may have different focus areas dependent on where they have challenges that have been identified in their data.

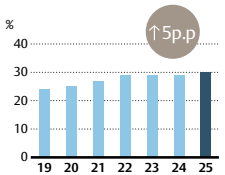
We set targets by benchmarking; the health and safety targets were set against the best performing industrial companies with similar activities while for example employee turnover we use benchmarks from Mercer with a country breakdown. Targets are set to fulfill our People strategies and policies. External targets are typically set with a five year horizon. We do not have a separate investment vehicle to realize the targets, all investments are made through our capital expenditure process and follow the same rules as all other capital investments.

ASSA ABLOY utilizes temporary workers to manage various operational needs effectively. Temporary employment allows the company to address fluctuations in workload, cover for permanent employees who may be on leave, and bring in specialized skills for short-term projects. This approach provides flexibility in workforce management, ensuring that the company can maintain productivity and meet business demands without the long-term commitment of permanent hires.

S 1-6 Number of employees per country, data is disclosed in Note 35 of the financial statement; there is no data available for table Employees by contract type, broken down by gender due to limitation of data. There is no data available for 2024 S1-7, S1-8, S1-10,S1-11, S1-12, S1-13, S1-15, S1-16 and S1-14 relating to work related ill-health and total recordables. Lost days has traditionally been reported as lost working days and we will report both lost days working days and lost days calendar days until 2025 due to the 2025 target of injury lost (working) day rate.

2025 TARGET	DEVELOPMENT 2019–2024	COMMENTS ON 2024 VS. 2023
↓ 33% Injury rate (number of injuries per million hours worked)		Our injury rate remained flat in 2024.

2025 TARGET	DEVELOPMENT 2019–2024	COMMENTS ON 2024 VS. 2023
↓ 33% Injury lost day rate (number of lost days related to injuries per million hours worked)		Our injury lost day rate remained flat in 2024.

2025 TARGET	DEVELOPMENT 2019–2024	COMMENTS ON 2024 VS. 2023
30% Gender diversity (% of females in management positions)		Diversity and inclusion is a key focus for the Group. The portion of females in management positions increased to 29% in 2024.

Own workforce

Number of employees by employment contract, employment type and gender

	% of total
Permanent	92%
Temporary	8%
Total	**100%**

Women at different levels of the organization

	Percentage of women					
Level, %	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
2 – reports to CEO	9	9	9	18	18	9%
3 – reports to level 2	21	19	12	11	14	16%
4 – reports to level 3	21	25	25	26	26	27%
5 – reports to level 4	26	28	28	30	30	30%
Level 2–5	**24**	**27**	**27**	**29**	**29**	**29%**
All employees[1]	**29**	**29**	**29**	**30**	**30**	**32%**

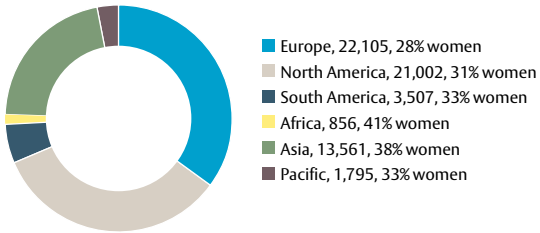
[1] Employees are defined as headcount.

Employees by contract type, broken down by region

	2024						
	Europe	**North America**	**South America**	**Africa**	**Asia**	**Pacific**	**Total**
Number of employees (headcount)[1]	22,437	17,368	3,335	851	9,884	1,853	**55,728**
Number of permanent employees (headcount)[1]	21,024	16,083	3,031	782	8,233	1,725	**50,878**
Number of temporary employees (headcount)[1]	1,413	1,285	304	69	1,651	128	**4,850**

[1] For comparable units, not including acquisitions made during the year.

Average number of employees by region



Health and Safety	**2024[1]**
Fatalities	1
Lost time injuries	256
Lost days (working days)	5,971
Lost days (calendar days)	8,457

[1]For comparable units. The total lost time injuries was 270, the total lost working days was 6,128 and the total lost calendar days was 8,644 including units acquired during the year.

Age distribution of workforce	**%**
<30 years	14
30–49 years	55
50– years	31

Turnover rate of employees who left the undertaking	**%**
Total	**17.5[1]**

[1] The number of regular employees who terminated the employment during the period.

Gender – Top management[1]

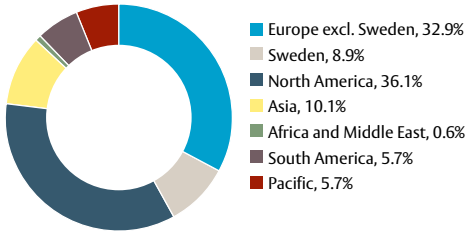
Gender	**Number of employees**	**Percentage**
Male	134	85
Female	24	15
Other	0	0
Not reported	0	0

[1] Reporting level 1–3.

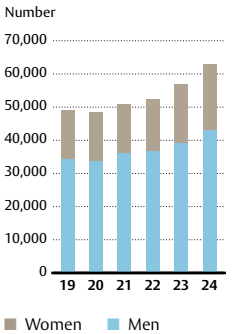
Gender	**Number of employees (headcount)[1]**
Male	40,853
Female	19,003
Other	224
Not reported	7
Total Employees	**60,087**

[1] Not comparable to financial statement, headcount defined as acutal number of people employed at the end of the reporting period.

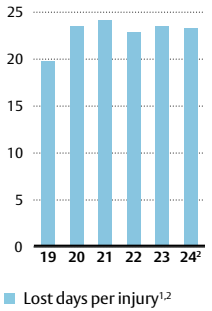
Nationalities – ASSA ABLOY's management teams



Average number of employees



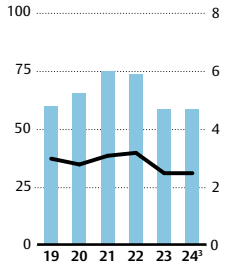
Lost days per injury[1,2]



[1] Lost days per injury calculated as total number of lost days in relation to total number of injuries.

[2] For comparable units. The total lost days per injury was 23.5 including units acquired during the year.

Injuries

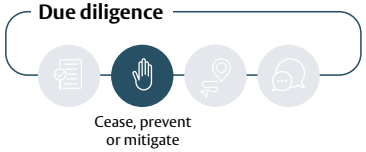


[1] Injury lost day rate in lost days per million hours worked.

[2] Injury rate in injuries per million hours worked.

[3] For comparable units. The total injury lost day rate was 50.5, total injury rate was 2.2 including units acquired during the year.

S2 Workers in the Value Chain



Our suppliers must commit to and fulfill the requirements in the Code of Conduct for Business Partners, which stipulates what we believe are necessities in terms of sustainable, legally compliant and fair business. It covers business ethics, human rights and labor standards, environment, and health and safety.

This is in line with our people, safety and human rights policy (see policy matrix) which promotes safe, equal and fair working conditions and to combat human rights violations.

The Code of Conduct for Business Partners applies to all partners that provide ASSA ABLOY with products or services, such as suppliers, consultants, distributors, agents and other representatives, and it provides a structured approach to integrating new acquisitions.

The above means that all workers at upstream tier 1 suppliers are included in the scope. It also applies to the suppliers' subcontractors while they are engaging with ASSA ABLOY. Further, agents, distributors and similar on the downstream side are also included.

The objective is to cover over 95 percent of all direct and indirect material suppliers by 2025. By the end of 2024, 86 percent of all direct material and indirect spend suppliers had signed the Code of Conduct for Business Partners, which is an improvement of 5 percent since 2023. For indirect spend, we are currently focused on improving the number of signed Code of Conduct for Business Partners from indirect suppliers to achieve the same results we deliver with direct material suppliers.

We also conduct supplier sustainability audits in identified risk countries on a regular basis. Follow-up audits depend on the total score and whether there any particular findings were made that require measures to be taken. If so, a new audit is needed for verification. If there are vital gaps, the supplier is at risk of being put on hold or can be immediately and permanently prohibited from conducting business with any ASSA ABLOY entity.

By pursuing a regular audit program like this, sustainability is always in focus and the supplier is expected to constantly maintain a high level of performance regarding ethics, human rights and health and safety.

The vulnerable worker groups that the Code of Conduct for Business Partners particularly focuses on are children and young workers. It also covers forced or bonded labor, prisoners and illegal workers. Parental rights are also covered. The Code of Conduct for Business Partners states that no discrimination is tolerated regarding race, ethnicity, nationality, sexual orientation, gender, religion, age, disabilities, political views or other factors that could be in scope.

Sustainability audits coverage went from 94 percent by spend in 2023 to 92 percent in 2024.

ASSA ABLOY currently does not have any global framework agreements in place.

Supply chain risk management

Material risks include unethical labor practices like poor working conditions, inadequate wages, lack of worker rights, which may lead to reputational damage, fines and operational disruptions. Other material risks are those related to health and safety, causing injuries and possibly loss of life, and worker well-being like mental health and work-life balance, which may impact productivity.

Actions to mitigate such risks include enforcing our Code of Conduct for Business Partners program, which outlines our demands and expectations on how the supplier should act, and our sustainability audit program, where we regularly conduct audits to verify the supplier is compliant with what they have agreed to by signing the Code of Conduct for Business Partners. We currently do not have any form training for suppliers, but auditors guide and support individual suppliers as part of the audit action plan follow-up. When necessary, we provide suppliers with information decks around topics like environment, health and safety. We currently do not have an incident reporting system for addressing health and safety incidents at our suppliers and the situation is the same for worker well-being. Regarding fair compensation, this is followed up upon in our sustainability audits.

Tracking the effectiveness of mitigation actions is primarily done through key metrics as the compliance rate (share of suppliers that have signed our Code of Conduct for Business Partners) and audit scores and ratings. We do not have metrics in place for incident rates, worker satisfaction or engagement.

We manage supply chain risks and challenges by continuing to roll out the Code of Conduct for Business Partners to improve the monitoring of supplier compliance. The supplier sustainability audit program complements our Code of Conduct for Business Partners and focuses on direct material suppliers in identified risk countries.

ASSA ABLOY uses a model to identify high-risk countries based on publicly available and annually updated indices covering topics like freedom of expression, freedom of association, political stability, government effectiveness, regulatory quality, rule of law, corruption, human development level and anti-trafficking laws. In this way we are able to rate every country and define them as high-risk or low-risk countries. High-risk countries are predominantly found in South and Central America, Eastern Europe, Africa and Asia. Our list of high-risk countries covers all countries described as hotspots for child labor according to the International Labor Organization and for forced labor according to the United States Department of State and its Office to Monitor and Combat Trafficking in Persons.

Our sustainability audits are in place to monitor the compliance of our suppliers to the requirements of Code of Conduct for Business Partners, which is referring to our people, safety and human rights policy.

High-risk countries are perceived as being at a higher risk of not complying with the Code of Conduct for Business Partners. The list of high-risk countries is reviewed and updated annually or as needed and based on input from World Bank Worldwide Governance Indicators WGI, United Nations Human Development Index HDI, Transparency International Corruption Perception Index CPI and the US Department of State Trafficking report.

We conduct our own supplier audits with internally trained and certified auditors and use due diligence processes to verify compliance. Each division and its supplier development manager are responsible for planning their resources and activities to have suppliers, corresponding to reaching our target of at least 95 percent of the total spend in identified risk countries, audited before the due date of the audit.

All audits are carried out by an ASSA ABLOY auditor who visits the supplier's operations and meets with both management and workers. The auditor follows an established set of tasks and questions. Any identified concerns are documented and made clear in the audit report. Once finished, the audit report is sent to the supplier, which in turn has to carry out any corrective actions and report back to the auditor. The audit reports are stored and available in the ASSA ABLOY business intelligence tool.

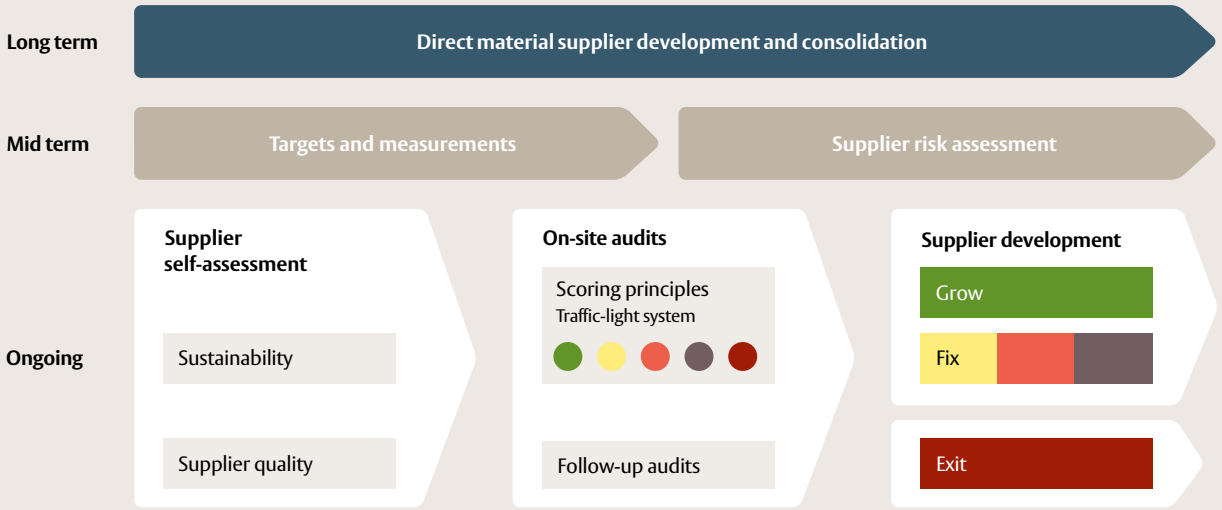
This input is gathered during every audit, which occurs every six to 36 months, depending on the score and rating of the audits; the worse the score the more frequently we carry out audits and vice versa.

The effectiveness of gathering the workers' input is evaluated by looking at the improvement rate during the following re-audit. It is, however, not something that we have a numerical metric for.

The efficiency of the action plans and identified activities can be seen by the evolution of a supplier's audit scores and ratings. Poor ratings in several consecutive audits could be an indicator of inadequate action plans, but also that the supplier is not willing to improve for any reason.

However, the above is not common and in most cases we notice that the suppliers improve their performance, which can be seen as an indicator of the

Audit process and traffic-light system



The traffic-light system

We use a traffic-light system to rate individual direct material suppliers on how they conform to our Code of Conduct for Business Partners. Suppliers are rated on the following five color-coded system:

Green – The supplier is approved. A re-audit is done after three years to verify compliance. Once suppliers achieve a green rating, our focus is on improving the supplier's abilities to become even better.

Yellow, orange, and purple – The supplier is approved on the condition that it resolves the issues identified in a recent audit within an agreed time frame. Yellow signifies the fewest number of non-conformities and purple the most. A follow-up audit is typically done after one year.

Red – The supplier has severe sustainability problems, so the immediate focus is to solve those issues as soon as possible and following this, raise the supplier to an acceptable level with the help of ASSA ABLOY's expertise and experience. The supplier is re-audited after six months. In the interim the supplier is put on "new business hold." If the supplier fails to improve during follow-up audits, the supplier is phased out.

Red, yellow, orange and purple statuses can be revised based on evidence of a corrective action plan, well-documented progress, and firm commitment from the supplier. Contracts with suppliers may be terminated in the case of a non-compliance that is not remedied within an agreed time frame. The contract is automatically terminated if a supplier is rated 'red' for longer than six months.

efficiency of the audit process.

The entire audit process is a long-term activity to gradually improve the entire supplier landscape. The overall audit ratings of suppliers that ASSA ABLOY has partnered with for a long time indicate that this is working well. Currently the largest concerns come from the supply chains of recent acquisitions, where the ASSA ABLOY audit program has not been applied at all or only for a limited period of time.

The audits are carried out by our own auditors and managed by a supplier development function within each division, and this function reports to the divisional Procurement Director, who has the overall responsibility for ensuring that engagement takes place and that the views of the value chain workers are being respected. The number of resources for this topic varies from division to division, but in many cases it is dozens of auditors and supplier developers per division.

For the time being, ASSA ABLOY does not have any figures to provide regarding current and future financial, or other, resources allocated to the continued improvement of the situation for workers in the value chain.

At ASSA ABLOY, we do not accept any form of retaliation against someone who speaks up, expressing concerns or opinions in good faith. This is outlined in the Code of Conduct for Business Partners and our whistleblower directive. If whistleblowers choose to remain anonymous, neither ASSA ABLOY nor our external online reporting tool provider can track or identify the reporting individuals.

The supplier is given an audit score based on the outcome of the report. The score is then converted to one of five ratings: green, yellow, orange, purple and red. We have a set of actions based on the rating, described in the information box above. The robustness of our auditing program is one key success factor, as it creates a framework to refer to in situations that might be difficult to assess properly. One example of this might be the addition of completely new supply chains due to ASSA ABLOY's acquisition-heavy nature. An auditor might suddenly come across a new problem, but given the global team of auditors, the thousands of previously conducted audits, and the strict rules that apply, we are in a good position to assess the situation properly.

Supply chain risks and challenges

ASSA ABLOY operates globally, and this is reflected in our supplier base, which is scattered over large parts of the world. At ASSA ABLOY, we need to deal with a variety of local legislation, cultures and ways of working. According to our business intelligence audit data, the most common reasons for suppliers' severe sustainability problems are health and safety, and environmental issues. Examples of health and safety issues are unsatisfactory risk documentation, evacuation drills, or information about how to act in emergency situations. Inadequate accident statistics, security objectives or machine safety instructions are also common deficiencies. These findings primarily refer to upstream activities as we have much less insights into the downstream flow. It is reasonable to believe, based on the value chain flow, that upstream is more prone to have severe human rights issues and incidents.

We often find immaterial deviations at many suppliers, but the material negative impacts are rare and if they occur, the supplier gets the chance to remediate it. ASSA ABLOY strives to improve the supplier's performance and aim to help identify the best solution. If the supplier does not do this despite significant efforts from ASSA ABLOY's side they will eventually be put on the prohibited list and stopped from further business with ASSA ABLOY. Severe negative impacts, like child labor, have been very rare with none to a couple of cases found each year among close to 9,400 suppliers (excluding recent acquisitions).

If and when any deviation is found, it is noted in

the audit report, with a necessity for the supplier to mitigate the problem. What the solution is may vary, depending on the nature of the problem, but most often it is related to improve the conditions for the workers in terms of potential hazards (material, machines, noise, heavy lifting, etc.).

Some criteria in the audit checklist are of such significance that they are identified as stoppers, for example, child labor. We do not tolerate child labor in our own operations, or among our business partners. The Code of Conduct for Business Partners does not accept any form of forced or bonded labor, or illegal workers. In addition, the code reinforces our support for the right to freedom of association and collective bargaining, as well as other working conditions, such as contracts, working hours and fair salary compensation.

If a supplier fails to comply with these labor standards, they are placed on the list of prohibited suppliers and their relationship with ASSA ABLOY is terminated immediately. Other stoppers, such as forced labor and remuneration that is not aligned with legislation, results in the supplier being put on "new-business hold". If the supplier fails to improve within an agreed time frame, they are placed on the list of prohibited suppliers. An increasing number of stoppers have been added to the auditing process in recent years, and more are expected in the coming years as our sustainability measures increase.

The audits carried out at our suppliers aim at identifying and mitigating problems or potential problems. In many cases, this removes or reduces hazards like dangerous work environments and raises the standards at the supplier site. This can include removing or modifying processes that could jeopardize the safety of the workers; requiring proper safety equipment; requiring access to emergency exits; limiting exposure of hazardous materials; reducing noise; and improving lighting and ergonomics through better equipment. Such non-conformities with a critical safety or environmental impact are classified as major and those are prioritized during action plan follow-ups. There are, however, no formal guidelines on what constitutes major or minor non-conformities, but this is up to the individual assessor's judgement. It can also include working hour management as well as comfort and equipment at dormitories. All the above relates primarily to blue-collar workers, while dormitories and related things outside of the actual workplace targets workers that are far away from their home and hence are in a more vulnerable position.

These activities have a positive impact on all workers at our suppliers, but in particular blue-collar workers, including all sub-groups that might have difficulties attaining these improvements on their own. Although positive, ASSA ABLOY can put more emphasis on not only improving things that are not good enough, but also more on improving things that are already at a sufficient level from a compliance point of view.

Apart from our own audits, everyone is able to submit reports of suspected violations. Any potential human rights violations can be reported in multiple ways from direct manager to our whistle blower process which is also available for external parties.

One of the subsections of the audit protocol includes instructions to the auditor to look for evidence of "regular communications and feedback channels with workers to hear their issues and bring appropriate resolutions." It is, however, difficult for ASSA ABLOY to assess that all value chain workers are familiar with, and trust, the structures to address concerns or violations. We currently do not conduct employee surveys at our suppliers to get additional insights regarding job satisfaction, safety, equality, wages or similar and neither do we have formal feedback channels like anonymous digital platforms or committees. Instead, we refer to our Whistleblowing function. Further, we also investigate in our sustainability audits whether the suppliers have a whistleblowing program of their own and that their workers and stakeholders are informed about how to use it. This step also includes making sure there is an identity protection scheme in place and verifying that everything is at an acceptable level in interviews with supplier employees.

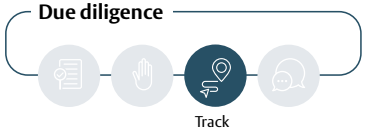
Currently, ASSA ABLOY does not have any outcome-oriented targets related to measuring progress in number of material negative impacts and/or advancing positive impacts on value chain workers. Hence there is also no involvement with value chain workers in such a target setting, nor is there any involvement in identifying improvements as a result of ASSA ABLOY's performance.

For the same reason, we cannot state a baseline value or year, or the methodologies and stakeholder involvement behind the targets and similarly and changes in targets.

In our sustainability audits we check for forced labor, but have not had any such cases. We currently do not have any formal guidelines on compensation for damages due to forced labor practices. In a similar way, we have no formal training programs or materials we share with suppliers regarding human rights.

In 2023, we updated the trade compliance policy. The policy and related procedures and guidelines serve to identify and mitigate risks to avoid involvement in activities considered unacceptable by ASSA ABLOY, our communities and stakeholders. ASSA ABLOY has thus taken the decision to conduct risk assessments of its own operations to identify preventable export control and sanctions risks in all direct and indirect domestic and cross-border trade, and to prioritize risk mitigating measures and resources to address risk. For ASSA ABLOY, this means that trade with a specific supplier could be prohibited if the party, or its owner(s), is designated in a sanctions list.

The UN, EU, UK, US, and many other regions, impose different types of economic sanctions. Most sanctions programs contain lists with names of individuals, companies, organizations or other entities, and in most cases, all forms of economic interaction with such listed parties is prohibited. ASSA ABLOY has implemented a procedure and a restricted countries list, and countries are divided into risk categories of red, yellow or green. For certain red countries, all trade is prohibited. For yellow countries there is a screening procedure, and for green countries all new business relationships need to be screened. The restricted country list is updated as and when justified based on changes in country risk from an export control or sanctions perspective, and is also periodically reviewed.



Key audit findings in 2024

ASSA ABLOY has close to 9,400 external direct material suppliers (excluding recent acquisitions). By the end of 2024, 1,158 of the 1,167 suppliers audited had satisfied our minimum sustainability requirements – equivalent to 92 percent of our total spend in identified risk countries.

During 2024 the Group added 487 new suppliers to the audit scope. During the year, 13 percent of those new suppliers were audited.

One supplier was added to the list of prohibited suppliers and prevented from doing business with us, and 12 were put on "new-business hold" by the Group, while awaiting re-audit where previously identified issues should have been handled.

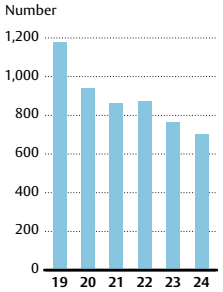
Supply chain management governance

Our supply chain management is led by the Sustainability Procurement Council, which includes representatives from each division. The council sets supplier sustainability targets, coordinates activities and follows up on progress. Each division is responsible for ensuring its suppliers meet our requirements. Divisions submit their supplier audit reports to our business intelligence tool, which allows us to assess and analyze the performance of our suppliers. The system is used as a basis for procurement decisions to identify preferred suppliers and enables us to monitor several supply chain key performance indicators (KPIs).

Sustainability risk management:

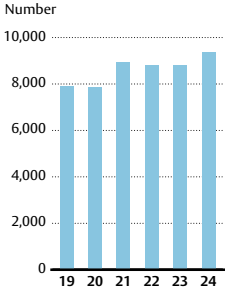
ASSA ABLOY's supplier audit program covers sustainability aspects throughout our value chain. Our direct material supplier audit program helps to manage risks related to suppliers, with a particular focus on high-risk suppliers. With new acquisitions, we have established a process that comprehensively reviews sustainability-related issues to mitigate the risks associated with integrating new companies and their supply chains.

Sustainability audits of direct material suppliers in identified risk countries



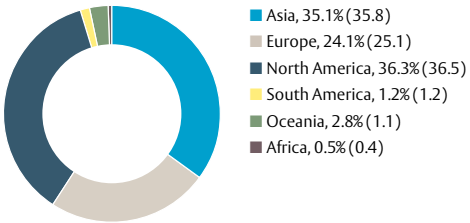
In 2024, ASSA ABLOY conducted 701 (765) sustainability audits.

Number of direct material suppliers



In 2024 we had 9,365 direct material suppliers.

Distribution of direct material supplier spend



Supply chain management

Material KPI

Area	2019	2020	2021	2022	2023	2024
Portion of spend in identified risk countries represented by sustainability audited direct material suppliers	97%	91%	86%	93%	94%	92%
Number of sustainability audits of direct material suppliers in identified risk countries	1,175	940	861	874	765	701

S4 Consumers and End-users

Every day, we help billions of people move through a safer, more open world with ease. The median age globally is increasing leading to an aging population with impairment or disabilities. Accessibility and inclusive product design is therefore key in ensuring that buildings can be accessed and used by everyone. The correct design of a door environment makes a dramatic difference to individuals with reduced muscle or grip strength, or for those utilizing a pushchair, or a wheelchair.

Our revolving doors create spacious entrances, ensures smooth functionality and safe traffic flows with advanced sensor technology. Side doors are added for increased accessibility and faster evacuation. Our doors can operate at low speeds to ensure safe passage for those with limited mobility. We also consider the weight of the door, fittings that can be easily gripped and reached, visual considerations and the distance a door needs to be clear of any obstructions when opening.

Governed by the Chief Technology Officer, our innovation policy mandates customer relevance and compliance as overarching priorities for all our products and solutions. The innovation policy does not reference any other external standard, only internal standards. There is no human rights policy related to consumers and end-users. The innovation policy is not aligned with internationally recognized instruments. We actively participate in relevant organizations to drive the development of standards in our industry. Our user and service manuals offer clear instructions that help customers maintain products together with support by our service organization so that durability and longevity can be maximized, reducing the risk of malfunction, and ensuring safety and security. Due to this, accidents occur on a low and individual frequency. We are committed to the Science Based Targets initiative (SBTi), and we aim to reduce our Scope 3 carbon footprint by 28 percent by 2030, based on a 2019 baseline.

We utilize regular customer feedback as a basis for design changes and, depending on severity of issues, this feedback can result in product recalls or production halts. Our product development process is designed to continuously track customer satisfaction and compliance with standards and regulatory requirements, to mitigate negative impact on end-users. Changes to the products are done with the use of development personnel. Targets related to product development are for internal steering only and not set or followed up by customers or end users to keep the steps of development as our internal property.

Our Voice of the Customer (VOC) program owned by the Chief Commercial Officer includes the Net Promoter Score (NPS) research metric, and all divisions are expanding their use of the NPS®; supplemented with qualitative customer experience research. The result and the base year of calculation is kept only as internal matrix only. User experience (UX) is another focus area with several initiatives to improve UX maturity and leverage design systems across the Group. Our goal is to improve the customer experience across all touchpoints with our brands, and we are dedicating resources and directing investments to better understand our customers' journeys with us and to identify opportunities for improvement. As the VOC covers both technical and commercial aspects of customer demands, we take a cross-functional approach and include product managers, sales, and marketing teams as well as R&D in the process. The input from the VoC can be used to explore any type of questions for example to enable wheelchair accessibility to building as described in beginning of this section.

Customers can reach us through our commercial organizations and online channels if any issues occur with our products. We adhere to the Code of Conduct to acknowledge customer input and comply to General Data Protection Regulation (GDPR) to ensure safe handling of personal data. We also facilitate a whistle-blower function for anonymous feedback, which can be accessed through various media such as ASSA ABLOY's website. Regarding human rights severe issues connected to customers and end consumer refer to section S1 Own workforce. If our products have a material impact effecting our customers, we address the issue promptly and solve this in best possible way for our customer or end-user. We will not reference to customer or end user specific material impacts in the report.

Governance information

G1 Business Conduct

Corruption and bribery

Anti-corruption policy

In addition to the Code of Conduct, which covers a broad scope of business conduct-related topics, we also have a specific anti-corruption policy which supplements and builds on the Code of Conduct. This policy emphasizes a zero-tolerance policy on bribery and corruption and describes our processes for identifying and managing bribery and corruption risks in our operations. Like all our Group policies, it is approved by the Board of Directors, and it applies to all employees.

Corruption is fundamentally unethical, leading to greater inequality, higher cost of doing business and decreased efficiency. We work actively to prevent corruption in our business. Our anti-corruption policy adheres to international standards, consistent with the UN Convention against Corruption, to prevent, detect and respond to potential corruption; it is regularly evaluated and updated when needed. Key stakeholders include employees, suppliers and business representatives. Gifts and entertainment, political and charitable contributions, risk assessments, employee training, conflicts of interest; third-party due diligence, and reporting are some of its essential components. Thus, the key stakeholders' interests relating to our compliance with laws and regulations and our conducting of our business in an ethically sustainable manner were considered in our policy decisions.

During 2024 the anti-corruption policy was revised to further strengthen our ways of working with these matters.

The anti-corruption policy is available on ASSA ABLOY's website, together with the Code of Conduct and the Code of Conduct for Business Partners and can be found at: www.assaabloy.com/group/en/sustainability/sustainability-governance/anti-corruption-compliance.

All relevant ASSA ABLOY employees, including the Executive Team, receive information on the anti-corruption policy and the Code of Conduct. This is ensured, for instance, by posting the policies and other related information on our intranet and mandatory training requirements as described below.

Anti-corruption risk prevention and detection

In our organization, certain functions and regions pose elevated risks for corruption and bribery and, in a risk-based approach, we aim to focus our efforts accordingly. We conduct business worldwide and consequently operate in some countries where corruption risks are perceived to be high, according to the Corruption Perceptions Index published by Transparency International. A large part of our sales is further handled through third parties, such as distributors, and a substantial part of our anti-corruption work is therefore used to ensure that such third parties acting on behalf of us comply with ASSA ABLOY's standards.

We have established a third-party due diligence process setting out requirements to be followed when engaging with new business representatives. Regions where the risk of corruption is perceived to be higher, such as emerging markets and countries with a low score on Transparency International's latest Corruption Perception Index, are primarily in focus for heightened diligence measures.

According to our policies all business representative relationships must be formally memorialized in a written agreement including our standard compliance clauses or equivalent. We also strive to ensure that all business representatives sign the Code of Conduct for Business Partners. During 2024 we were not convicted for violations of anti-corruption and anti-bribery laws and consequently no fines were paid.

We also have a mergers and acquisitions compliance process as part of the acquisition process. The aim of this process is to put any potential issues on the agenda from the outset of the acquisition to be able to determine the level of risk at an early stage, as well as to mitigate specific areas of concern.

The implementation of the Code of Conduct and related policies is reviewed through our established process for internal control in all operating companies and internal audits. Further, in 2024 we conducted targeted anti-corruption reviews on entities operating in Asia, the Middle East, South America, Africa, North America and Europe.

Reporting

Our commitment to responsible social and ethical behavior includes our whistleblower process, which encompasses several reporting channels and serves both internal and external stakeholders. Employees are expected to report concerns to either their manager, divisional compliance officer or HR representative, via e-mail or regular post, or online through a third-party managed reporting tool.

At ASSA ABLOY, we do not accept any form of retaliation against someone who speaks up, expressing concerns or opinions in good faith. This is outlined in the Code of Conduct and our whistleblower directive. If whistleblowers choose to remain anonymous, neither ASSA ABLOY nor our external online reporting tool provider can track or identify the reporting individuals.

In addition, we have established a standard operating procedure encompassing, in addition to the whistleblower directive, a more detailed case management process describing how incoming reports and subsequent investigations are handled. This is to ensure that allegations are rigorously and objectively investigated. In most cases the investigations are carried out by internal resources (from the HR, legal and internal audit departments depending on the matter at hand), but if needed external investigators and expertise are also engaged.

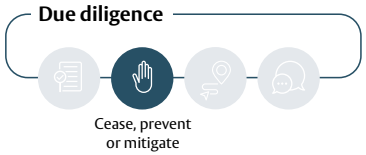
The ASSA ABLOY Code of Conduct Committee, headed by the Chief Human Resources Officer, maintains oversight of both the overall procedure and all high-risk allegations to ensure appropriate and timely resolution. This also ensures that the Executive Team is informed about the outcomes.

Anti-corruption training

All our employees are required to participate in an e-learning course on the Code of Conduct as part of their onboarding process, and like all our other compliance training the course must be repeated every three years. The course covers a wide range of topics, providing a good understanding of our policies on business conduct, including anti-corruption and ethical guidelines.

In addition, we have a separate anti-corruption and bribery e-learning course based on the anti-corruption policy, including ethical business practices, that is mandatory for selected target groups, again with a three-year repetition interval. The target groups are based on selected functions relevant to the training and include, for example, managers as well as sales, purchasing and sourcing personnel. As a consequence, we believe that all functions at risk are covered by anti-corruption training requirements.

These e-learning courses are global and available in a multitude of languages.



Management of relationships with suppliers and payment practices

ASSA ABLOY fosters a collaborative and ethical partnership with our suppliers, ensuring mutual respect and adherence to shared values. It goes both ways in creating a sustainable business relationship.

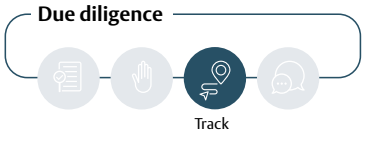
Ethical standards: Both parties to adhere to high standards of integrity and fair dealing, including compliance with laws and regulations.

Sustainability and responsibility: Mutual long-term sustainability and social responsibility, aiming to build sustainable relationships.

Human rights and labor standards: Mutual respect for human rights and labor standards and health and safety.

Environmental responsibility: There is a strong focus on environmental responsibility, with suppliers expected to comply with environmental laws and strive for continuous improvement in their environmental performance.

Our ethical business practices in the Code of Conduct includes the timely payment of suppliers. ASSA ABLOY is committed to ensuring that suppliers are paid on time, reflecting their broader commitment to fair and responsible business practices. ASSA ABLOY therefore shall pay within the payment term agreed, assuming the supplier is providing the correct and complete invoice documentation. This is valid for all suppliers, including SMEs.



We currently do not track any of the following metrics:

- Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated.
- Percentage of payments aligned with standard payment terms.
- Number of outstanding legal proceedings for late payments.

Due to business sensitivity and limitation of data, we are unable to disclose the following for 2024:

- Description of undertakings standard payment terms in number of days by main category of supplier.

We are currently not able to share the below, as this is missing in formal directives or similar:

- Disclosure of contextual information regarding payment practices, the invoice shall be paid within the payment term agreed, subject to correct and complete invoice documentation.
- Description of policy to prevent late payments, especially to SMEs.

Training table

Training	Code of Conduct*	Anti-corruption*
Percentage completion	87%	88%

* Code of Conduct – Percentage of all employees, that are required to undertake the course in e-learning. In-person courses are excluded. Anti-corruption –percentage of functions-at-risk covered by training programmes = Number of regular employees who have completed the assigned course / total number of regular employees assigned the course in the recent 3 years.

ESRS-index

Section	Disclosure Requirement	Section	Page	Paragraph number (where relevant)	Additional Information
General information					
ESRS 2: General disclosures	BP-1 General basis for preparation of sustainability statements	SS	65-66		
	BP-2 Disclosures in relation to specific circumstances	SS	65-66		
	GOV-1 Role of the administrative, management and supervisory bodies	SS	66-67		
	GOV-2 Information provided to and sustainability matters addressed by administrative, management and supervisory bodies	SS	66-67		
	GOV-3 Integration of sustainability-related performance in incentive schemes	SS	67	12	
	GOV-4 Statement on due diligence	SS	68-70		
	GOV-5 Risk management and internal controls over sustainability reporting	SS	67	1, 11	
	SBM-1 Strategy, business model and value chain	SS	67	6-8	
	SBM-2 Interests and views of stakeholders - general	SS	68, 70		
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	SS	71-77		
	IRO-1 Description of process to identify and assess material impacts, risks and opportunities	SS	71-77		
	IRO-2 Disclosure Requirements in ESRS covered by sustainability statements	SS	105-109		
	MDR-P Minimum disclosure requirement	SS	66, 67, 80		
	MDR-A Minimum disclosure requirement	SS	64, 71-77, 85, 90, 91, 93-104		
	MDR-M Minimum disclosure requirement	SS	64, 85, 90, 91, 93-104		
	MDR-T Minimum disclosure requirement	SS	64, 85, 90, 91, 93-104		
Environmental					
ESRS E1: Climate change Climate change mitigation & Energy	E1-1 Transition plan for climate change mitigation	SS	85-89		
	E1-2 Policies related to climate change mitigation and adaptation	SS	80, 85		
	E1-3 Actions and resources in relation to climate change policies	SS	85-89		
	E1-4 Targets related to climate change mitigation and adaptation	SS	64, 85-89		
	E1-5 Energy consumption and mix	SS	88		
	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	SS	89		
	E1-7 GHG removals and GHG mitigation projects financed through carbon credits	SS	87	9	
	E1-8 Internal carbon pricing	SS	87	8	
	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	SS	71, 78		
ESRS E3: Water and marine resources Water	E3-1 Policies related to water and marine resources	SS	80, 90		
	E3-2 Actions and resources related to water and marine resources	SS	64, 90		
	E3-3 Targets related to water and marine resources	SS	64, 91		
	E3-4 Water consumption	SS	91		
	E3-5 Anticipated financial effects from material water and marine resources-related risks and opportunities	SS	72		
ESRS E5: Resource use and circular economy Resource inflows, including resource use Resource outflows related to products and services Waste	E5-1 Policies related to resource use and circular economy	SS	80, 93	7	
	E5-2 Actions and resources related to resource use and circular economy	SS	64, 93		
	E5-3 Targets related to resource use and circular economy	SS	64, 92, 93		
	E5-4 Resource inflows	SS	92	5-7	
	E5-5 Resource outflows	SS	93		
	E5-6 Potential financial effects from resource use and circular economy-related impacts, risks and opportunities	SS	73		

SS = Sustainability statement
FS = Financial statement

Section	Disclosure Requirement	Section	Page	Paragraph number (where relevant)	Additional Information
Social					
ESRS S1: Own workforce Working conditions Other work-related rights	S1-1 Policies related to own workforce	SS	80, 94-95		
	S1-2 Processes for engaging with own workers and workers' representatives about impacts	SS	94		
	S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns	SS	94-95, 103		
	S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SS	74, 94-97		
	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	64, 96-97		
	S1-6 Characteristics of undertaking's employees	SS. FS	97, 141		P141, Note 35
	S1-7 Characteristics of non-employees in undertaking's own workforce	SS	96		No data available in 2024
	S1-8 Collective bargaining coverage and social dialogue	SS	96		No data available in 2024
	S1-9 Diversity metrics	SS	64, 95-97		
	S1-10 Adequate Wages	SS	96		No data available in 2024
	S1-11 Social protection	SS	96		No data available in 2024
	S1-12 Persons with disabilities	SS	96		No data available in 2024
	S1-13 Training and skills development metrics	SS	96		No data available in 2024
	S1-14 Health and safety metrics	SS	64, 95-97		
	S1-15 Work-life balance metrics	SS	96		No data available in 2024
	S1-16 Remuneration metrics (pay gap and total remuneration) - general	SS	96		No data available in 2024
	S1-17 Incidents, complaints and severe human rights impacts -general	SS	94-95		
ESRS S2: Workers in the value chain Working conditions Other work-related rights	S2-1 Policies related to value chain workers	SS	80, 98		
	S2-2 Processes for engaging with value chain workers about impacts	SS	98-100		
	S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	SS	98-100		
	S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	SS	98-100		
	S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	64, 98, 100		
ESRS S4: Consumers and end-users Personal safety of consumers and/ or end-users	S4-1 Policies related to consumers and end-users	SS	80, 102		
	S4-2 Processes for engaging with consumers and end-users about impacts	SS	102		
	S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	SS	102		
	S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	SS	102		
	S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (consumers and end-users)	SS	102		
Governance					
ESRS G1: Business conduct Corporate culture Protection of whistle-blowers Management of relationships with suppliers including payment practices Corruption and bribery	G1-1 Business conduct policies and corporate culture	SS	80, 103		
	G1-2 Management of relationships with suppliers	SS	104		
	G1-3 Prevention and detection of corruption or bribery	SS	103		
	G1-4 Incidents of corruption or bribery	SS	103		
	G1-5 Political influence and lobbying activities	SS	103		
	G1-6 Payment practices	SS	104		

SS = Sustainability statement
FS = Financial statement

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

This appendix is an integral part of the ESRS 2. The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Additional information
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	●		●		66	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			●		66	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	●				68-70	
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	●	●	●			Not Applicable
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	●		●			Not Applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	●		●			Not Applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			●			Not Applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				●	85-86	
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		●	●			Not Applicable
ESRS E1-4 GHG emission reduction targets paragraph 34	●	●	●		64, 85-86	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	●					Not Applicable
ESRS E1-5 Energy consumption and mix paragraph 37	●				88	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	●					Not Applicable
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	●	●			88-89	
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	●	●	●		89	
ESRS E1-7 GHG removals and carbon credits paragraph 56				●	87	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			●		71, 78	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		●			78	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Additional information
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		●				Not Applicable
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			●		71, 73	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	●					Not Applicable
ESRS E3-1 Water and marine resources paragraph 9	●				90, 91	
ESRS E3-1 Dedicated policy paragraph 13	●				80	
ESRS E3-1 Sustainable oceans and seas paragraph 14	●				90	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	●				91	
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	●				91	
ESRS 2- IRO 1 - E4 Paragraph 16 (a) i	●					Not Applicable
ESRS 2- IRO 1 - E4 Paragraph 16 (b)	●					Not Applicable
ESRS 2- IRO 1 - E4 Paragraph 16 (c)	●					Not Applicable
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	●					Not Applicable
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	●					Not Applicable
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	●					Not Applicable
ESRS E5-5 Non-recycled waste paragraph 37 (d)	●				93	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	●				93	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph	●				94-96	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	●				94-96	
ESRS S1-1 Human rights policy commitments paragraph 20	●				94-95	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			●		80, 94, 98	
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	●				94-95	
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	●				80, 94	
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	●				80	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	●		●		97	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Additional information
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	●				97	
ESRS S1-16 Unadjusted ge der pay gap paragraph 97 (a)	●		●			Not Applicable
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	●					Not Applicable
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	●				95	
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	●		●		94-95	
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	●				98-101	
ESRS S2-1 Human rights policy commitments paragraph 17	●				80, 98-101	
ESRS S2-1 Policies related to value chain workers paragraph 18	●				80, 98-101	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	●		●		68	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			●		80	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	●				98-100	
ESRS S3-1 Human rights policy commitments paragraph 16	●					Not Applicable
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	●		●			Not Applicable
ESRS S3-4 Human rights issues and incidents paragraph 36	●					Not Applicable
ESRS S4-1 Policies related to consumers and end-users paragraph 16	●				102	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	●		●		102	
ESRS S4-4 Human rights issues and incidents paragraph 35	●				102	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	●				103	
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	●				103	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	●		●		103-104	
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	●				103-104	