

A woman with brown hair tied back, wearing a green bomber jacket and white headphones, stands in a modern, brightly lit hallway. She is looking upwards and to the right. The hallway has a pinkish-purple wall on the left and a white wall on the right. A digital display on the pink wall shows a downward arrow and the number "18".

KONE CMD 2020

Differentiate through scalable innovation

MACIEJ KRANZ, EVP, CHIEF TECHNOLOGY OFFICER

SEPTEMBER 29, 2020

Our mission provides the basis for innovation,
megatrends the context

Our mission is to improve the flow of urban life

Solutions to address everyday problems people face in cities

In partnership with city ecosystems
(customers, partners)

Sustainability as a key innovation theme, embracing
new technologies



KONE's innovation journey



Best-in-class products pre-2016



- Product innovations driving growth (MonoSpace, UltraRope)
- R&D focused on equipment and predominantly located in Finland

Towards best-in-class solutions 2016-2019

- KONE Technology and Innovation
- Building foundation for integrated physical + digital
- Towards more customer-centric innovations with partners

first physical + digital **solutions**

>40% reduction in time to market

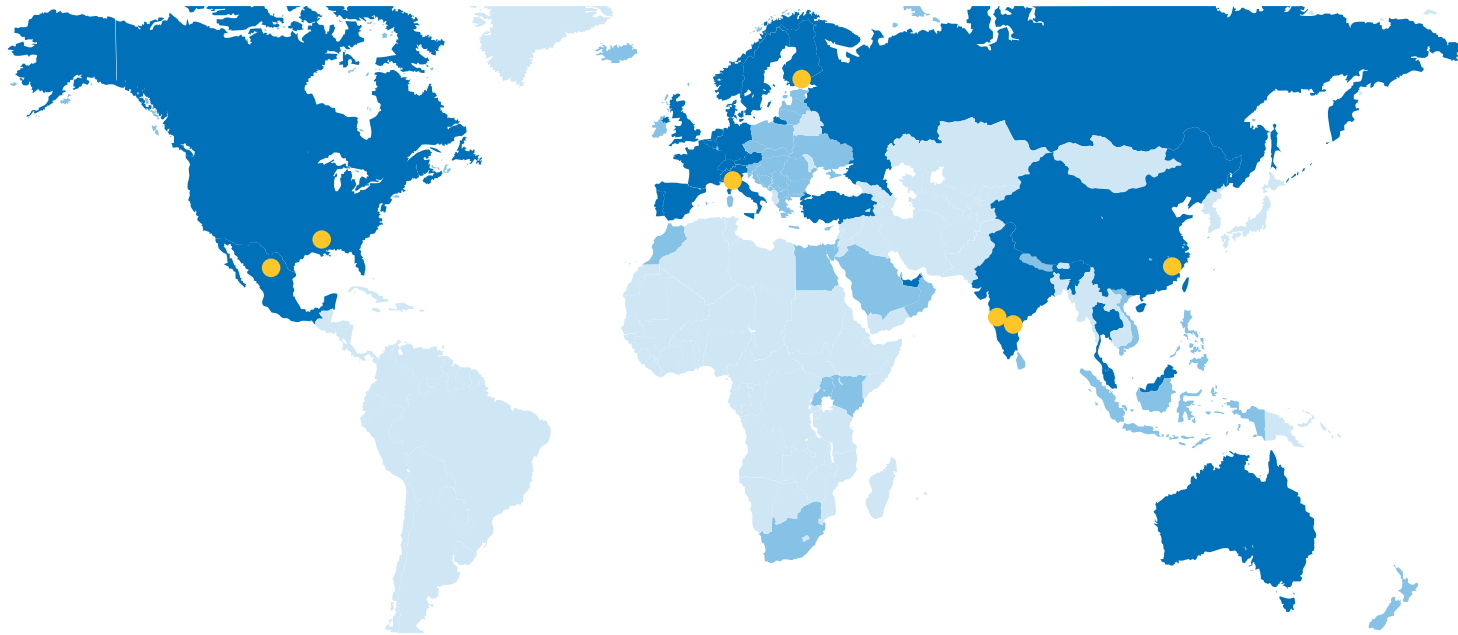
~1,300 customer co-creations



Physical + digital organization 2020→

- Combining physical and digital in offerings, skills, culture, operations
- Customer and partner co-creation at scale, integrated into core processes

KONE Technology and Innovation – global function with strong local engagement



- R&D operations in 7 locations
- IT operations in 28 countries
- Strong co-operation with the business lines
- Open approach towards partners

● Global R&D site

■ IT presence

■ KONE presence

Strengthening the core and creating new revenue opportunities

EXPANDING TO NEW OPPORTUNITIES
Ecosystems, outcome-based business models

BUILDING ON THE PLATFORMS
e.g. 24/7 Planner, Residential Flow

DEVELOPING PHYSICAL AND DIGITAL PLATFORMS
KONE DX, KONE 24/7 Connected Services

CONTINUOUSLY IMPROVING OFFERINGS
e.g. KONE MonoSpace® 300



New value-added solutions delivered at speed and at scale through physical + digital platforms

KONE together with partner ecosystem

Solutions addressing customer needs

People Flow
in and between
buildings

User
experience

Smart and
sustainable

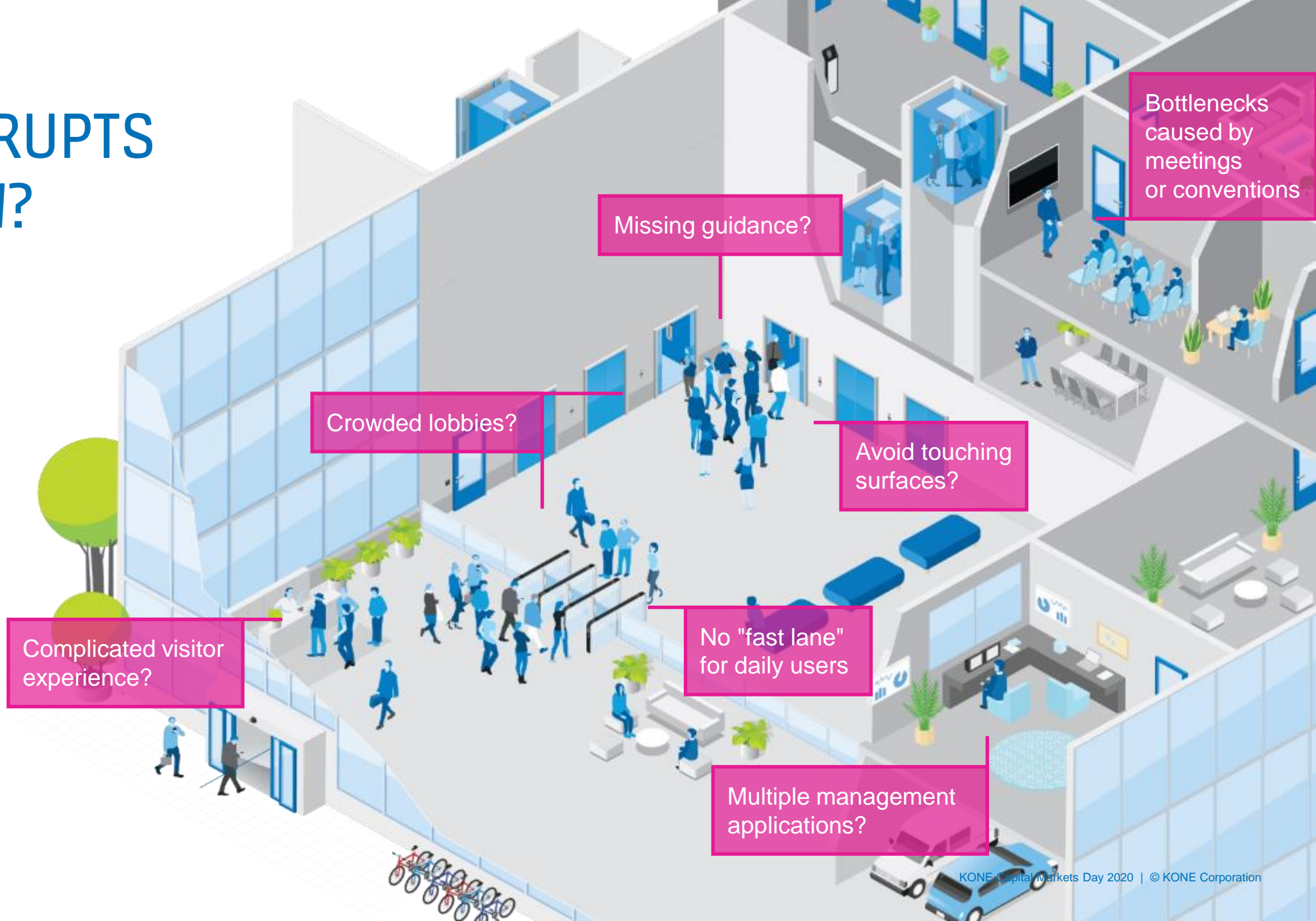
New normal/
Health and
Wellbeing

**Physical + digital
platform**

Digital platform
data, plug and play, APIs

Connected equipment

WHAT DISRUPTS OUR FLOW?



Bottlenecks caused by meetings or conventions

Missing guidance?

Crowded lobbies?

Avoid touching surfaces?

Complicated visitor experience?

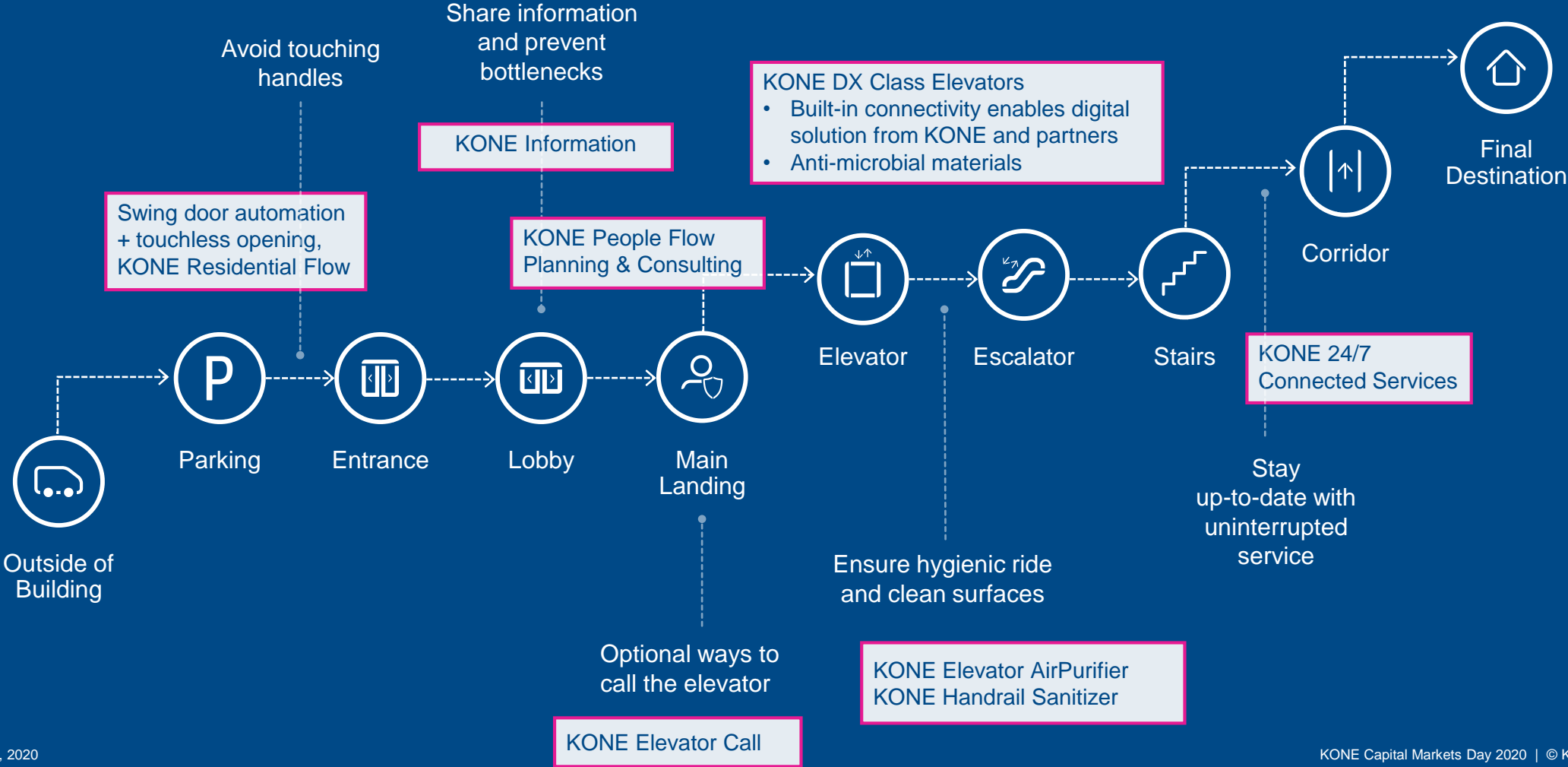
No "fast lane" for daily users

Multiple management applications?

KONE delivers the best People Flow[®] experience



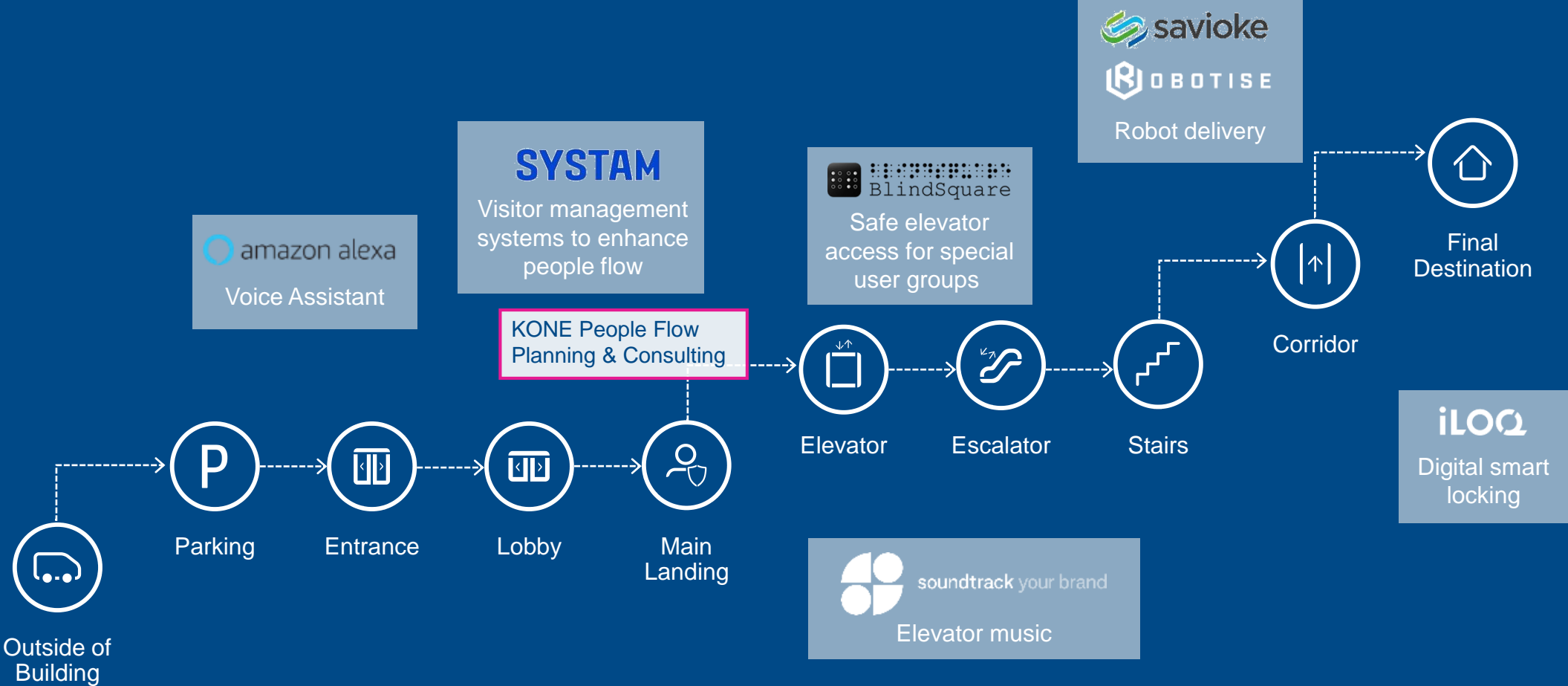
SAFE, EASY, AND EFFECTIVE EXPERIENCES THROUGHOUT THE JOURNEY IN THE BUILDINGS



KONE delivers the best People Flow[®] experience



SAFE, EASY, AND EFFECTIVE EXPERIENCES THROUGHOUT THE JOURNEY IN THE BUILDINGS



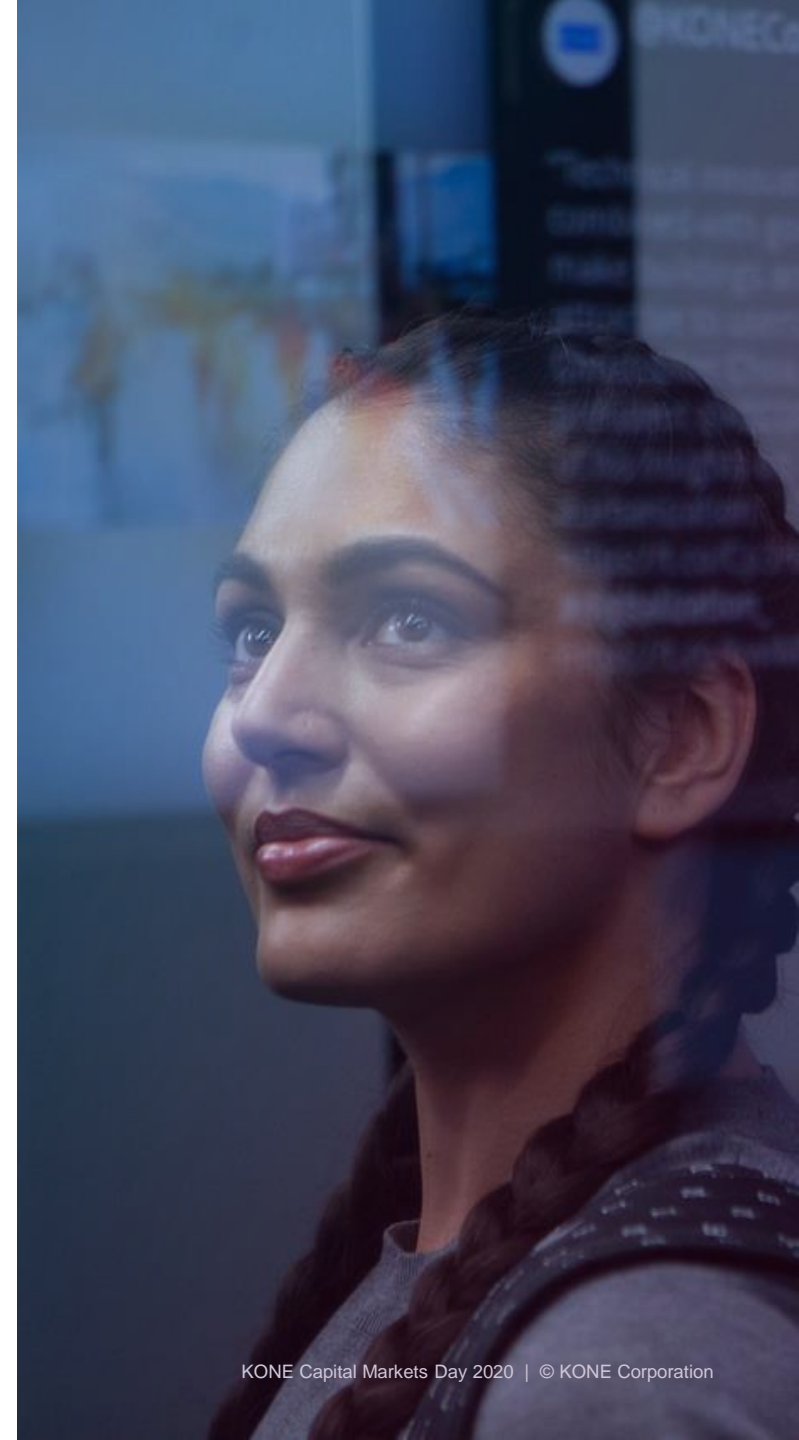
Imagine a world where...

...CUSTOMERS BENEFIT FROM...

- **Future-proofed** solutions with continuously evolving functionality
- **Customizability** at scale with tailored user experiences
- **Easy integration** with customers' and partners' systems to provide value beyond People Flow
- **Faster** deliveries

...WHILE KONE BENEFITS FROM...

- **Higher added customer value** driving increased customer satisfaction and loyalty
- **Earlier and more strategic engagements** with customers
- **Mass-customized** offerings with **short launch cycle**
- **Real-time data** driving productivity gains



Dedicated to People Flow™

