



KONE DISTRIBUTOR CODE OF CONDUCT

INTRODUCTION

KONE wants to be an attractive business partner and seeks reliable and fair relations with its distributors for the mutual benefit of KONE and its distributors. KONE expects from its distributors competence and continuous improvement in quality, cost control, innovation and reliability.

This KONE Distributor Code of Conduct (“Code”) illustrates the values according to which KONE operates globally. KONE expects its distributors to comply with the requirements of this Code in their dealings with KONE, their own employees, customers and suppliers, as well as third parties including government officials.

1. LEGAL COMPLIANCE

All distributors shall comply with all applicable laws and regulations, including all applicable export control laws and international trade sanctions or restrictions as imposed by the United Nations, European Union or national bodies of government.

The Code is not a substitute for, nor should it be considered to override, applicable laws and regulations, but sets the minimum standards of behavior that are to be followed by the distributor. To the extent the distributor is unable to comply with the Code due to laws and regulations, the distributor shall, to the extent reasonably possible, adhere to the spirit of the Code.

If local customs or practices are in contradiction with the Code, the distributor shall comply with the Code.

2. BUSINESS CONDUCT

2.1 Ethical Conduct

The distributor shall in all its operations be committed to ethical conduct and the respect for human rights in the spirit of internationally recognized standards.

2.2 Prohibition of Corrupt Practices

KONE expects its distributors to have zero tolerance towards bribery and corruption.

The distributor shall ensure that its directors and employees or third parties acting on its behalf do not offer, promise, give or accept any bribes, or make or accept improper payments to obtain new business, retain existing business, or secure any other improper advantage. In particular, the distributor shall not engage in any form of bribery or kickback scheme or otherwise offer any incentive to KONE employees or their family or friends in order to obtain or retain any business.

Customary and reasonable business courtesies, including small gifts and corporate hospitality (e.g. entertainment or business lunches) are permitted, provided that they are given in compliance with applicable laws.

No gift or corporate hospitality shall be given in any situation in which it might influence, or appear to influence, an employee's decision in relation to the distributor. Therefore, the distributor shall use restraint in offering business courtesies to KONE employees. Any business courtesies must be modest in their scope, value and frequency. Cash or equivalent, such as gift cards, can never be offered. The distributor shall not provide any business courtesies to a KONE employee's family members.

2.3 Conflicts of Interest

The distributor shall avoid any interaction with KONE employees that may conflict, or appear to conflict, with that employee's duty to act in the best interests of KONE. The distributor shall disclose to KONE all conflicts of interest or situations giving the appearance of a conflict of interest in its engagement with KONE.

The distributor shall inform KONE if a KONE employee or his/her immediate family member holds a material financial interest in the distributor, holds a managerial position at the distributor, or works for the distributor.

2.4 Fair Competition

The distributor shall compete in a fair manner in compliance with all applicable competition laws and regulations. For example, the distributor shall not enter into any agreements with its competitors to agree prices or allocate projects.

3. LABOR AND HUMAN RIGHTS

3.1 Non-discrimination

The distributor shall treat its employees in a fair and equal manner. The distributor shall not discriminate in the hiring or promoting of employees whether based on gender, age, religion, marital status, sexual orientation, political opinion, national or ethnic origin, or any other characteristic that does not relate to the individual's qualifications or the inherent requirements for the job.

3.2 Child or Forced Labor

The distributor shall not use child or forced labor under any circumstances or contract with subcontractors or suppliers using such labor.

3.3 Respect and Dignity

The distributor shall treat its employees with dignity and respect, and shall ensure that its employees have a harassment-free working environment. The distributor shall not tolerate any type of harassment of its employees, whether direct or indirect, physical or verbal.

3.4 Wages and Benefits

The distributor shall ensure that compensation paid to its employees complies with all applicable wage laws, including those relating to minimum wages, overtime hours and mandatory benefits.

3.5 Freedom of Association

The distributor shall respect its employees' right to freely associate and bargain collectively in compliance with all applicable laws and regulations.

4. HEALTH AND SAFETY

The distributor shall ensure that its employees have a safe and healthy working environment in compliance with all applicable laws and regulations.

Appropriate health and safety information, training and equipment shall be provided to the distributor's employees. Further, the distributor shall have effective safety programs in place covering at least human safety, emergency preparedness and exposure to dangerous chemicals. The distributor's employees shall not be under the influence of alcohol or illegal drugs while working for KONE.

5. ENVIRONMENT

The distributor shall make all reasonable efforts to protect the environment and to minimize any negative environmental impact of its activities.

The distributor shall comply with all applicable environmental laws and regulations, as well as any KONE requirements, and shall obtain, maintain and comply with all environmental permits, licenses and registrations necessary for its operations. The distributor shall monitor, control and appropriately treat wastewater, air emissions and other waste generated from its operations.

In the event that the distributor's activities have a material environmental impact, the distributor shall have a structured and systematic approach to managing its environmental responsibilities that includes establishing a suitable environmental management system, such as ISO 14001.

The distributor shall strive to reduce the carbon footprint of its operations to the extent possible through actions such as improving energy efficiency, sourcing renewable energy and eliminating, reducing and recycling waste.

6. IPR AND PUBLICITY

The distributor shall comply with all applicable laws and international treaties on intellectual property rights. The distributor shall not infringe KONE's or any third party's intellectual property rights.

7. MONITORING

The distributor shall regularly monitor its compliance with the Code. The distributor shall upon request provide KONE access to all relevant information and documents needed to verify the distributor's compliance with the Code. Further, KONE may itself or through a third party auditor survey the distributor's relevant premises to validate the distributor's compliance with the Code.

Should the distributor in the reasonable opinion of KONE have materially violated the Code, KONE may terminate the business relationship with the distributor.

If the distributor has a serious concern that something is not consistent with this Code, we expect the distributor to report the matter to KONE. We encourage the distributor to discuss the matter with KONE's local senior management, but the distributor may also contact KONE's Compliance Function at compliance@kone.com.

8. APPLICABILITY

By agreeing to work with KONE the distributor confirms that it and its affiliates comply with the Code. An "affiliate" means here a company that is controlled by the distributor, controls the distributor or is under common control with the distributor.

The distributor shall also ensure that its suppliers, sub-contractors, consultants and partners comply with the principles of the Code.

Acknowledged and approved

Place _____ Date _____

Company name _____

Signature _____

Company registration number _____