Sustainability Statement

1. General information

1.2 Sustainability reporting principles

1.2.1 Basis of preparation

This Sustainability Statement is the cornerstone of KONE's annual sustainability reporting. It has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and structured around the European Sustainability Reporting Standards (ESRS), with the aim of providing transparent and harmonized information on sustainability topics material to KONE.

The reporting scope is aligned with KONE's consolidated financial statements unless otherwise specified in connection with the disclosed information. In addition to this Sustainability Statement, KONE publishes a separate Sustainability Supplement that provides additional information on specific sustainability matters, beyond the scope of KONE's material topics covered by ESRS, but still relevant to stakeholders.

The sustainability information presented in this Statement is based on KONE's double materiality assessment (DMA), conducted in alignment with ESRS. Through this assessment, KONE has identified material sustainability-related impacts, risks, and opportunities most relevant to its business and stakeholders. KONE's value chain encompasses upstream activities from raw material extraction to component production, its own operations, and downstream activities related to the use, disposal, and recycling of its products. As this is KONE's second year of reporting in accordance with the CSRD, certain sustainability information from the comparison period may not yet be fully comprehensive. Where comparative information is presented, the same reporting and calculation methodology have been consistently applied. Certain material restatements have been made to previously disclosed sustainability information concerning climate emissions (E1), reported number of days lost to work-related injuries (S1) and reported share of KONE employees working in an ISO certified unit (S1). For comprehensive information on the scope and impact of these restatements, see sections 2.2.8 (E1), footnote 7 of table 35, and section 3.1.2. For detailed information on emission data, see section 2.2.7.

KONE has mapped its activities against the Sustainability Accounting Standards Board (SASB) framework for Electrical and Electronic Equipment, identifying relevant industry-specific sustainability metrics. Further details on KONE's SASB disclosures, as well as details on climate-related risks and opportunities in line with the Task Force on Climate-related Financial Disclosures (TCFD), are available at kone.com.

1.2.2 Sustainability data, management judgment and uncertainty

KONE's internal data systems serve as the primary source for the sustainability data presented in this Statement. Sustainability data is collected from KONE's subsidiaries and operative units, with internal controls in place to ensure completeness and accuracy. In the absence of accurate data, the reporting relies on assumptions, estimates, projections, and management judgment, which all inherently involve uncertainty. Additional details regarding uncertainties are provided alongside the disclosed information.

All financial data is sourced from KONE's enterprise resource planning and financial reporting systems, and, unless otherwise stated is based on the company's consolidated and audited financial statements. KONE follows the time horizons defined by ESRS 1.

1.3 Sustainability governance

1.3.1 Sustainability governance structure and roles

KONE's sustainability governance model is structured to ensure that environmental, social, and ethical business conduct considerations are embedded into decision-making, accountability and performance management at all organizational levels, from strategic oversight to daily operations. The key governance bodies for sustainability at KONE include the Board of Directors, the Audit Committee, the President and CEO and the Executive Board, as well as the Sustainability Disclosure Board, and the Safety, Quality and Sustainability Board. Cross-functional forums further support alignment by bringing together representatives from business lines and global functions to share best practices, address challenges, and coordinate global sustainability priorities.

The Board of Directors holds the overall responsibility for overseeing the company's sustainability strategy and are regularly reviewing sustainability performance, progress towards targets, regulatory compliance and the management of sustainability impacts, risks, and opportunities. The Board members' strong conviction in the strategic importance of sustainability, together with the Board's robust annual review cycle, ensures that sustainability continues to be prioritized and integrated into KONE's business. The Board is well-informed and has long experience of managing key sustainability matters relevant to the industry, including climate change mitigation, health and safety. Furthermore, the Board also has access to subject matter experts who provide performance reviews and briefings, including experts within the Audit Committee and Sustainability Disclosure Board.

The Board of Directors consists of nine non-executive members with a gender ratio of 67% male and 33% female. The Vice Chair of the Board, Jussi Herlin, has a

separate employment contract for his role as Executive Vice Chair of the Board at KONE. There are no other separate employment contracts for the members of the Board of Directors. Of the Board members, 78% are independent of the Corporation and 67% are independent from significant shareholders.

The President and CEO is responsible for integrating the sustainability strategy into the company's daily operations. The Executive Board drives the implementation of the sustainability strategy across all business units, with each member accountable for embedding sustainability within their area and ensuring alignment with company-wide objectives.

KONE's Global Compliance Committee, comprising of four Executive Board members, the Corporate Controller and VP of Global Compliance, supports the Executive Board in maintaining an effective compliance and ethical business conduct program, through regular reports and briefings to the Executive Board, and the Audit Committee. The Audit Committee monitors compliance matters, which are reviewed by the Board of Directors at least annually.

1.3.2 Risk management and internal controls

KONE's sustainability reporting is anchored in group-level principles of risk management and internal control. The primary objective of risk management is to systematically identify and evaluate risks and opportunities that may affect the achievement of sustainability objectives. This includes assessing the likelihood and potential impact of these risks and opportunities and determining appropriate actions to effectively manage them. Internal controls are designed to ensure the reliability of sustainability reporting, and controls activities are primarily embedded within the processes that generate sustainability information.

KONE acknowledges that manual data collection and estimations introduce inherent uncertainty into its sustainability reporting. To mitigate these risks, KONE applies standardized reporting procedures, supported by internal controls, detailed guidelines, training, and validation processes to ensure the completeness and accuracy of reported information.

KONE's Global Risk Management function oversees that comprehensive risk assessments are conducted throughout the organization, maintaining the integrity and effectiveness of risk identification, evaluation, and mitigation processes. These assessments also include the double materiality assessment (DMA), and are conducted in collaboration with relevant functions to ensure systematic identification, prioritization, and treatment of sustainability-related impacts, risks, and opportunities (IROs). Prioritization of IROs follows the guidelines set out in KONE's Risk Management Policy.

The internal control framework for sustainability reporting is facilitated by KONE's Internal Control function. The internal control framework is rooted in KONE's values, the Code of Conduct, and a culture of integrity and high ethical standards. It is reinforced by committed leadership, targeted training programs, a positive and diligent working environment, and the recruitment and development of competent personnel. Global and local policies and principles form an integral part of this framework.

The internal control framework covers relevant controls including reviews, reconciliations and system controls. It is embedded into operational processes, employee responsibilities, and systems. These controls manage risks associated with the accuracy, completeness, and timeliness of sustainability reporting. The framework is continuously updated to reflect changes in business operations and information systems. Identified risks, opportunities and control needs are addressed through KONE's governance models for sustainability, risk management, and internal control.

The Executive Board reviews risk assessment outcomes at least twice a year and agrees on actions and priorities for risk management. The Executive Board members are responsible for specific areas and global functions, owning the key risks and opportunities relevant to their domains. They are accountable for ensuring effective risk management, allocating resources, and delegating responsibilities as needed. Oversight of sustainability impacts, risks, and opportunities is the ultimate responsibility of the Board of Directors, with the President and CEO accountable for implementation and day-to-day management. This responsibility is further delegated to specialized committees focused on safety, quality, sustainability, and global compliance. Updates on material IROs and other relevant assessments are presented bi-annually to the Executive Board and the President and CEO.

The Board of Directors monitors and evaluates the effectiveness of KONE's risk management systems as defined in the Risk Management Policy. The Board reviews annual updates on material IROs received from the General Counsel. The Audit Committee oversees the effectiveness of the internal control environment and reviews annual updates on internal control findings and developments.

1.3.3 Sustainability-related performance in incentive plans

Sustainability performance is embedded in KONE's long-term incentive structures. The company's long-term incentive plan, annually approved by the Board of Directors, combines sustainability performance criteria with profitable growth to reinforce KONE's sustainability commitment. Sustainability accounts for 20% of the total weighting in the plan, with 10% linked to targets for reducing Scope 1, 2, and 3 carbon emissions, and 10% linked to diversity and inclusion, safety improvement and cybersecurity.

1.3.4 Sustainability due diligence

KONE integrates sustainability due diligence into its governance and strategic framework by aligning to the Finnish Corporate Governance Code and embedding sustainability principles across its operations. This integration is supported by the KONE Global Management System and group-wide policies, including the Environmental Policy Statement, Health and Safety Policy Statement, Human Rights Policy, Code of Conduct, and the Supplier and Distributor Codes of Conduct. These policies are detailed under the material sustainability topics, see sections 2.2.3, 2.3.2, 3.1.2, 3.2.2, 3.3.2, 4.1.2, and tables 13 and 31.

Stakeholder engagement is a cornerstone of KONE's approach, encompassing employees, suppliers, and local communities. For further details on stakeholder engagement, see section 1.4.3.

KONE's sustainability due diligence, is embedded into the company's business processes and policies, and reinforced by continuous assessment and identification of impacts, risks, and opportunities. These assessments are reflected throughout this Sustainability Statement in sections on Material impacts, risks and opportunities, Policies, Engaging with the affected stakeholders, Remediating negative impacts, Actions, and Metrics.

Beyond compliance with applicable laws and regulations, KONE has established internal standards to uphold high environmental and social performance across its global operations and value chain. For comprehensive insights into KONE's human rights and supplier due diligence processes, see section 3.2.3.

1.4 Sustainability in operations

1.4.1 Strategy

In 2024, KONE launched its new strategy Rise for 2025–2030, with sustainability as a core strategic ambition and a key driver of profitable growth and differentiation. KONE is strongly committed to delivering the most sustainable and safe solutions, which enable decarbonization across building life-cycles and enhance overall sustainability performance.

Progress toward KONE's sustainability-related strategic ambitions is tracked through an internal Sustainability Index, which includes key performance indicators relating to climate emission reductions, diversity and inclusion, safety improvement and cybersecurity-related performance.

Cut Carbon, one of KONE's four strategic shifts, focuses on accelerating emissions reduction across KONE operations and value chain, while supporting customers in achieving their climate goals. Through clear strategic objectives, KONE drives measurable environmental impact, fosters innovation, and empowers stakeholders. KONE aims to radically cut emissions by developing energy-efficient technologies, adopting new low-carbon materials, co-innovating with suppliers and partners, and advancing circularity through strategic initiatives. Digitalization plays a key role in enabling decarbonization by e.g. reducing unnecessary callouts, introducing remote services, and enhancing strategic planning of service operations. Accelerating data automation across operations and customer interfaces enables timely access to reliable sustainability data and transparent impact reporting. The progress of the Cut Carbon strategic shift is monitored with metrics including value chain emission reductions, revenue generated from sustainable solutions and the win rate of sustainable business opportunities. Other key strategic objectives include:

- Optimizing material and resource use, and enabling circularity in KONE's solutions and operations
- Extending product lifetime through service, modernization, digital and connected solutions
- Prioritizing safety in all operations
- Providing accessible, safe, and convenient solutions for all end-users

These objectives underpin KONE's commitment to sustainable value creation and position KONE to lead in a dynamic regulatory and market environment.

1.4.2 Business model and value chain

KONE operates a life-cycle business model, delivering elevators, escalators, building doors, and related smart solutions and services for buildings and urban environments throughout their entire lifespan. KONE creates value by designing, manufacturing, installing, maintaining, and modernizing equipment to ensure longevity, safety and efficient operations, thereby reducing environmental impact, improving people flow and supporting sustainable urban development. The offering includes energy-efficient and low-carbon solutions with high level of digitalization. Digital and connected solutions, such as KONE 24/7 Connected Services, enable extended product life-cycles and improve user experience, safety and uptime. See the notes to the financial statements for a description of KONE's key products and most significant markets.

During 2025, no materials, products or services have been banned.

KONE's sustainability efforts are embedded into the value chain, from responsible sourcing of raw material to end-of-life. To ensure responsible operations, KONE requires its supply chain partners to meet strict sustainability criteria, including ethical sourcing and negative environmental impact reduction. Collaboration with customers, partners, and suppliers is central to KONE's value creation. Key customer groups include construction companies, building owners, developers, facility management companies, and housing associations, with architects, authorities, and consultants having a key influence on decision-making.

KONE strategic inputs that are crucial in creating value for customers, shareholders and society include:

- Competent and engaged people and strong leadership
- Innovative, sustainable offering
- Global processes and systems
- Strategic partnerships and efficient manufacturing and delivery chain
- A strong life-cycle business model with a robust maintenance base
- A solid financial position
- Environmentally and socially sustainable operations
- High safety standards and record, and strong brand reputation

KONE secures these inputs e.g. through strategic investments and sourcing, supplier management, and risk mitigation while fostering a culture of innovation and inclusion to retain and develop talent.

KONE creates value for shareholders through its capital-light, sustainable business model, which creates strong and stable cash flow supported by efficient operations and a solid financial position. Internally, KONE invests in and strives to ensure employee health and safety through high standards and practices, a supportive and innovative culture, diversity and inclusion, and continuous learning, ensuring access to key talent and fostering a resilient workforce. For metrics relating to KONE's headcount of employees per geographical area, see section 3.1.

1.4.3 Interests and views of stakeholders

KONE actively engages with key stakeholders including, but not limited to, customers, shareholders, employees, suppliers and equipment users, to understand their needs and expectations, including those related to human rights. KONE's key stakeholders, their interests, and KONE's engagement with them are summarized in table 02.

The purpose of the engagement and dialogue is to create a predictable and sustainable business environment for everyone.

Applicable administrative, management and supervisory bodies are informed about the insights and outcomes from stakeholder interactions by the responsible topic owners and subject matter experts. Appropriate actions are taken to address material impacts, including improvements of planning and management systems. Stakeholder interests are also taken into account in KONE's strategy setting process.

Employees and their representatives are involved through e.g., local safety forums and councils where health and safety matters are addressed. KONE actively involves employees in shaping the company, with the annual Pulse Employee Engagement Survey serving as a key tool for gathering insights and driving development. KONE also gathers input from employees, value chain workers and equipment users through its management system, which standardizes safety practices across the company and sets minimum requirements to protect the health and safety of all individuals interacting with KONE equipment and operations.

The interests and rights of value chain workers are considered in strategy and business model primarily through structured management level discussions.

1.5 Sustainability-related impacts, risks, and opportunities

1.5.1 Identification and assessment

KONE's double materiality assessment (DMA) follows a structured four-phase process: value chain mapping, impact assessment, financial assessment, and materiality determination. This process identifies material sustainability topics and supports strategic decision-making.

The results are reviewed by the Sustainability Disclosure Board, consisting of KONE Executive Board members and other senior leaders. Outcomes are reported to the Audit Committee of the KONE Board of Directors. Internal control is ensured through a systematic assessment methodology and regular reviews by responsible topic owners and subject matter experts.

KONE completed its first DMA in 2024. In the initial phase, the company mapped its value chain and identified key business activities across upstream, own operations, downstream, and cross-cutting activities. This was done through interviews with key internal stakeholders. Geographic locations and external stakeholders affected by these activities were also identified with special attention to high-risk regions and functions.

In 2025, KONE conducted a comprehensive review of its previous double materiality assessment. This included updates to the impact assessment, financial assessment, and materiality determination, reflecting strategic developments and stakeholder feedback. The process was supported by KONE's risk management tool, enabling a systematic and integrated evaluation of sustainability impacts, risk, and opportunities (IRO) alongside other business IROs.

KONE's sustainability IROs were identified and assessed by a cross-functional group of subject matter experts. External perspectives were gathered through a stakeholder materiality survey distributed to customers, suppliers, investors, analysts, distributors and media.

IROs were assessed using a scale from 1 to 5. Impact Assessment considered scale, scope, likelihood, and irremediability (for negative impacts). For potential human rights impacts, severity was prioritized over likelihood. Financial Assessment included evaluation of magnitude, likelihood, and timeframe. See table 01. highlighting the used scale and rating.

Table 01. Used scale and rating

Likelihood of occurrence	Magnitude of Financial Impact	Timeframe
1. Highly unlikely (>0–1%)	1. Nominal	
2. Unlikely (>1–10%)	2. Moderate	Short (<1 yr)
3. Possible (>10–30%)	3. High	Medium (1–5 yrs
4. Likely (>30–60%)	4. Significant	Long (>5 yrs)
5. Highly likely (>60–100%)	5. Critical	

The connections between impacts, dependencies, risks, and opportunities, were considered during the identification of IROs, primarily at the subtopic level and in relation to geographical locations. However, a systematic cross-referencing of all connections and dependencies was not conducted. Each prioritized IRO has been assigned to a risk owner, who delegates responsibility to relevant individuals. These individuals implement appropriate actions and report progress back to the risk owner.

KONE's DMA provided a comprehensive overview of the company's IROs across sustainability topics and value chain. Topics exceeding defined thresholds were confirmed as material and prioritized to support KONE's strategic sustainability objectives and align with stakeholder expectations. All mandatory disclosures have been made in accordance with ESRS. No material entity-specific IROs were identified.

1.5.2 Material ESRS topics

KONE's material impacts, risks and opportunities are illustrated in table 03 and illustration 02 and summarized in a table at the beginning of each material topic disclosure section. Each summary includes relevant information on time-horizons, value chain information and the management actions taken to address the IRO.

Illustration 01.

Value creation throughout the value chain

Business activities across the value chain

Upstream

- Tier 2+ Suppliers' Raw Material Sourcing
- Tier 1 Component & Raw Material Production

Own operations

- Technology & R&D
- Engineering
- Purchasing
- Manufacturing /Assembly
- Installation & DIsmantling
- Maintenance, Services & Modernization

Downstream

- Product Use
- End-of-life

Sales, Marketing and Customer Relationship Management | Logistics, Mobility & Warehousing - Air, Land & Sea Freight | Quality Assurance, Safety & Reliability | IT – Hardware, Infrastructure & Services, Cloud & Mobile solution

KONE creates value to:

Society
By enabling sustainable urban development through safe, energy-efficient, and circular solutions, reducing environmental impact while improving accessibility and mobility for billions of people globally.

Natural environment
By driving climate change mitigation and resource efficiency within the industry, minimizing environmental impact across the value chain in close collaboration with stakeholders.

Suppliers
By fostering long-term partnerships through co-innovation programs, and collaborative sustainability initiatives that drive resource efficiency, reduce emissions, strengthen respect for human rights and open new business opportunities in sustainable urban mobility.

Employees
KONE invests in and strives to ensure employee health and safety through high standards and practices, a supportive and innovative culture, diversity and inclusion, and continuous learning, ensuring access to key talent and fostering a resilient workforce.

Shareholders
By operating a capital-light, cash-generative and sustainable business model, driving profitable growth supported by a high share of resilient Service and Modernization revenue.

Customers
By delivering high-quality, safe, sustainable, and digitally connected services and solutions that extend equipment lifetime and optimize people flow, resulting in reduced environmental impact, improved building sustainability, and enhanced user experience.

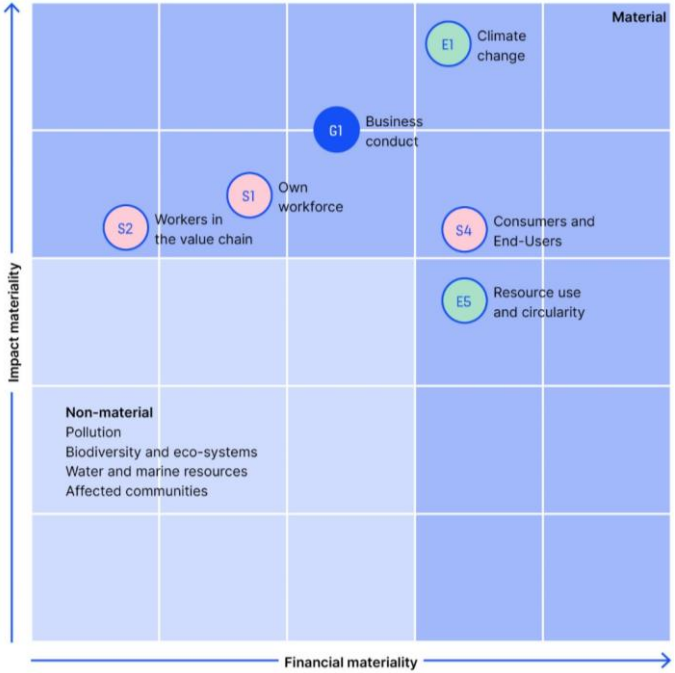
Consumers and end-users
By delivering safe, accessible, and digitally connected services and solutions that improve people flow, and extend equipment lifetime, resulting in greater reliability, reduced downtime, and a more sustainable urban experience.

By strengthening human rights, protecting whistleblowers and preventing bribery and corruption.

KONE's material IROs do not currently have significant impact on its financial position, performance, or cash flows. Furthermore, there are no identified material risks or opportunities that would result in a material adjustment to the carrying amounts of assets or liabilities within the next annual reporting period.

In 2025, KONE's strategy and business models demonstrated resilience in addressing material risks and

Illustration 02. Identified material topics



impacts, while also capturing the material opportunities outlined in this report. This resilience was supported by a well-balanced geographic and business line mix, as well as a robust supply chain. The conclusion is based on a qualitative assessment and further validated by KONE's achievement of its financial and strategic targets during the reporting period.

The Board of Directors, which holds overall responsibility for KONE's sustainability strategy, also oversees the management of sustainability impacts, risks and opportunities. For more information on how opportunity management is integrated into KONE´s strategy and management process, see sections 1.4.1 and 1.4.2. KONE's climate change resilience is further described in section 2.2.2.

In 2025, material IRO's were thoroughly considered throughout strategy implementation by the relevant operational teams and overseen by the Executive Board and Board of Directors.

Assessment of Climate Change (E1)

KONE has conducted a comprehensive assessment of its key greenhouse gas (GHG) emission sources across its own operations, product portfolio, and value chain, covering all relevant business activities. The findings confirm that the majority of emissions originate from the value chain, primarily due to the long operational lifetime of KONE's products. This trend is expected to remain consistent over time.

To deepen the understanding of climate-related physical and transition risks and opportunities, KONE's climate scenario assessment has drawn on multiple authoritative sources, including the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report – Working Group I, Swiss Re CatNet, and integrated SSP-RCP scenarios (Shared Socioeconomic Pathways informed by Representative Concentration Pathways). This forward-looking analysis supports strategic planning and risk management by evaluating potential climate futures and their implications for KONE's business. Further details on the scenario analysis, see section 2.2.2.

KONE has assessed climate-related physical hazards under three different scenarios, using geospatial mapping of its own and key suppliers' manufacturing sites and logistics hubs. Hazards were evaluated based on likelihood, magnitude, and duration. Risks and opportunities were analyzed across short (<1 year), medium (2–5 years), and long-term (>5 years) horizons. The short-term horizon is aligned with KONE's annual target setting and budgeting, whereas the medium-term links to mid-term financial planning, and the long-term horizon to the strategic planning period and beyond.

The assessment shows that severe weather events may pose physical risks to operations and supply chains and consequently cause business interruptions. While short-term impacts are low and non-material, risks increase over time, especially under high-emission scenarios.

Transition risks and opportunities were identified through interviews with KONE's subject matter experts, considering various climate scenarios, including a Paris-aligned 1.5°C scenario.

KONE supports its customers in emission reduction by offering them sustainable solutions that extend equipment life, are energy efficient, durable, and easy to disassemble and recycle. Demand is driven by regulation, technology, and climate goals as well as by technological advancements in renewable energy, energy efficiency and materials. KONE's reputation as a sustainability leader depends on its ability to offer customers solutions that meet their needs to mitigate climate change.

Assessment of Resource Use and Circular Economy (E5)

The identification of IROs related to resource use and circular economy has been carried out through internal assessments, supplier audits, and automated tracking of material flows and waste at a component level. A significant part of KONE's business contributes to resource use and circular economy. Based on the 2025 DMA, this topic has emerged as a new material opportunity driven by increased use of recycled materials, modular product design, and extended product life-cycle through KONE's modernization offerings. These efforts support both environmental performance and long-term business resilience.

Although KONE's manufacturing units support resource efficiency and circularity through energy saving measures, material efficiency, regular waste monitoring, and reduced landfill waste via recycling and incineration, they have not been assessed as contributing materially to this opportunity.

While separate consultations with affected communities have not been conducted, KONE engages with relevant stakeholders, such as local authorities, as part of environmental risk assessments. For further details on resource use and circular economy, see section 2.3 and KONE's Supplement Report, which includes sustainability disclosures beyond the scope of ESRS.

Table 02. Stakeholder engagement

Stakeholder	Interest	Channels of dialogue	Assessment method
Customers, consumers and end-users	• Reliable and safe solutions, as well as service and modernization • Competitive pricing, value	• Meetings, events, seminars and conferences • Dialogue through solution support • Information shared through company reports, marketing materials, website, and social media channels • Continuous dialogue through daily interactions, digital solutions, user feedback, social media channels	• Net promoter score • Customer surveys • KONE Compliance Line and Safety Solution • Monitoring feedback
Own workforce (Employees and non-employees)	• Safe working environment • Well-being • Career development • Fair compensation	• Daily interactions • Regular employee performance discussions • Internal channels and forums for company-wide discussions • Training opportunities and innovation tools	• Employee engagement survey • Employee performance discussions • Idea management system, innovation tool • KONE Compliance Line and Safety Solution
Investors and analysts	• Sustainable financial performance and growth • Transparency	• Financial and other company reports, stock exchange releases, company website • Events, such as annual general meetings and capital markets days • Investor and analyst meetings	• Direct feedback from financial market representatives • Feedback from the financial community also through surveys
Suppliers and subcontractors (Workers in the value chain)	• Long-term partnerships • Fair business practices • Safe working environment	• Continuous one-to-one dialogue with suppliers • Trade fairs, steering group meetings, supplier workshops and an annual supplier day for selected strategic suppliers • Supplier assessments including audit and an annual supplier excellence certification program	• Annual supplier survey • Supplier quality audit and performance assessment with the Supplier Maturity Certification Program • Monitoring of high-risk suppliers • KONE Compliance Line and Safety Solution
Distributors and agents (Workers in the value chain)	• Market reach • Efficiency • Logistical expertise • Risk mitigation	• Daily interactions, account planning, regular country visits and distributors' meetings • KONE tools • Reward programs and business development initiatives	• Monitoring of sales-related activities and direct feedback from distributors • KONE Compliance Line and Safety Solution
Partners	• Collaboration • Resource sharing • Innovation	• Continuous one-to-one dialogue • Developer portal for application programming and interface building • Engaging in co-innovation programs • Industry and innovation events and competitions, such as hackathons	• Bi-annual partner information review • Annual partner feedback survey • Feedback from 1-to-1 partner discussions
Media	• Content • Engagement • Transparency	• Press releases and events, interviews, background briefings and visits • Publications, as well as the company website and social media channels • Monitoring and analyzing media coverage about KONE	• Surveys and media analysis
Educational and research institutions	• Research opportunities • Internships • Knowledge sharing • Partnerships	• KONE's apprentice programs and summer traineeships • KONE is a member of the CEMS global alliance of academic and corporate institutions • Collaborations to provide information about KONE in schools, universities, and other relevant institutions • Thesis opportunities, recruitment fairs, projects, guest lectures, and research programs	• Most attractive workplace surveys, online tracking • School collaboration and social media visibility in order to enhance KONE's brand as an employer and to attract talent
Countries KONE operates in	• Environmental impact • Contribution to local development	• Company website and social media channels • Sustainability surveys and reputation studies • Volunteer work through the KONE Centennial Foundation	• Sustainability surveys and reputation studies • KONE Compliance Line and Safety Solution

Assessment of Business Conduct (G1)

KONE identified IROs related to corporate culture and governance through a comprehensive set of processes, including third-party due diligence, supplier screenings and audits, internal assessments and surveys, and local compliance risk assessments. In addition, reports received via the Compliance Line contribute to identifying potential concerns.

Specific functions within the operations as well as regions, such as Asia-Pacific, the Middle East and Africa, and Greater China, have been considered in global anti-bribery and corruption risk assessments due to elevated risk profiles. These assessments help ensure that governance-related risks are proactively managed and that opportunities to strengthen ethical business practices are identified and acted upon.

For further details on business conduct prevention, see section 4.1.

1.5.3 Monitoring of non-material environmental topics

Based on KONE's DMA, certain sustainability IROs fall outside the scope of materiality and are therefore not covered in this sustainability statement.

However, this reporting scope does not limit KONE's sustainability ambitions or responsibilities. KONE continuously monitors and manages relevant IROs to ensure that emerging issues are identified and addressed as part of its ongoing commitment to sustainability.

KONE monitors and manages also non-material environmental impacts through its ISO 14001-certified environmental management system, as described in section 2.2.2.

In addition to managing risks within its own operations, KONE actively monitors environmental risks across its supply and value chain. These risks are tracked in real time using automated systems enhanced with geolocation data, improving visibility and responsiveness.

While KONE has not conducted separate consultations with affected communities on these topics, it regularly collaborates with relevant stakeholders, such as local authorities and NGOs, as part of its environmental risk

Table 03. Results of the Double Materiality Assessment

ESRS Topics		Sub-topic	Material	IRO	Stage in Value Chain
E-Environment	E1 Climate change	E1 Climate change adaption	Yes	R	■■■
		E1 Climate change mitigation	Yes	IR	■□■
		E1 Energy	Yes	I	□□■
	E2 Pollution	E2 Pollution of air	No		
		E2 Pollution of water	No		
		E2 Pollution of soil	No		
		E2 Pollution of living organisms and food resources	No		
		E2 Substances of concern	No		
		E2 Substances of very high concern	No		
		E2 Microplastics	No		
	E3 Water and marine resources	E3 Water	No		
		E3 Marine resources	No		
	E4 Biodiversity and eco-systems	E4 Direct impact drivers of biodiversity loss	No		
		E4 Impacts on the state of species	No		
		E4 Impacts on the extent and condition of ecosystems	No		
		E4 Impacts and dependencies on eco-system services	No		
	E5 Resource use and circular economy	E5 Resources inflows, including resource use	No		
		E5 Resource outflows related to products and services	Yes	O	□■□
		E5 Waste	No		
S-Social	S1 Own workforce	S1 Working conditions	Yes	I	□■□
		S1 Equal treatment and opportunities for all	No		
		S1 Other work-related rights	No		
	S2 Workers in the value chain	S2 Working conditions	Yes	I	□■■
		S2 Equal treatment and opportunities for all	No		
		S2 Other work-related rights	No		
	S3 Affected communities	S3 Communities' economic, social and cultural rights	No		
		S3 Communities' civil and political rights	No		
		S3 Rights of indigenous peoples	No		
	S4 Consumers and end-users	S4 Information-related impacts for consumers and/or end-users	No		
		S4 Personal safety of consumers and/or end-users	Yes	IR	□□■
		S4 Social inclusion of consumers and/or end-users	No		
G-Governance	G1 Business conduct	G1 Corporate culture	Yes	I	□■□
		G1 Protection of whistleblowers	Yes	I	□■□
		G1 Animal welfare	No		
		G1 Political engagement and lobbying activities	No		
		G1 Management of relationships with suppliers including payment practices	No		
		G1 Corruption and bribery	Yes	I	□■□

assessments to identify any material IROs. See table 02, for more on stakeholder engagement.

Assessment of Pollution (E2)

KONE's highly automated manufacturing systems and assembly lines do not produce material pollutants into water or soil. Emissions of nitrogen oxides (NOx), sulfur oxides (SOx), and volatile organic compounds (VOCs) is minimal and have not been identified as material within KONE's own operations. Similarly, the Service and Modernization businesses focus on extending equipment life and reducing embodied carbon through circular practices and do not generate pollution at material levels. Pollutants are continuously monitored in accordance with local environmental permits and regulations.

KONE acknowledges its indirect impact on pollution through the value chain. While the topic was not deemed material in the DMA, KONE continues to monitor related risks, impacts, and opportunities to ensure emerging developments and stakeholder expectations are appropriately addressed.

For further details on pollution prevention, see section 2.1.4. and KONE's Supplement Report, which includes sustainability disclosures beyond the scope of ESRS.

Assessment of Water and Marine Resources (E3)

Impacts, risks, and opportunities related to water and marine resources have not been assessed as material for KONE. Based on water risk assessments, four out of ten KONE manufacturing units are in regions identified as having high water stress. However, the impact at these sites is considered minor, as KONE's manufacturing processes require minimal water usage.

KONE acknowledges its indirect impact on water and marine resources through the value chain and continues to monitor related risks, impacts, and opportunities to ensure emerging developments and stakeholder expectations are appropriately addressed.

For further details, see section 2.1.4 and KONE's Supplement Report, which includes sustainability disclosures beyond the scope of ESRS

Assessment of Biodiversity and Ecosystems (E4)

IROs relating to biodiversity and ecosystems have not been deemed material for KONE. The company's own operations have minimal direct impact, with manufacturing units located away from biodiversity-sensitive areas such as UNESCO World Heritage Sites, Natura 2000 areas or conservation parks.

KONE acknowledges its indirect impact through the value chain and continues to monitor related risks, impacts, and opportunities to ensure emerging developments and stakeholder expectations are appropriately addressed.

For further details, see section 2.1.4 and KONE's Supplement Report, which includes sustainability disclosures beyond the scope of ESRS.

1.6 Appendices

Table 04. Data points that derive from other EU legislation

Disclosure requirement	Data point	Description	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section in the Statement
ESRS 2 GOV-1	21 (d)	Board's gender diversity	x		x		1.3.1
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			x		1.3.1
ESRS 2 GOV-4	30	Statement on due diligence	x				1.3.4
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	x	x	x		Not material
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	x		x		Not material
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	x		x		Not material
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			x		Not material
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	2.2.4 Emission reduction roadmap
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		2.2.8 EU Paris-aligned Benchmark
ESRS E1-4	34	GHG emission reduction targets	x	x	x		2.2.4
ESRS E1-5	37	Energy consumption and mix	x				2.2.7
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				2.2.7
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x				2.2.7
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		2.2.7
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x		2.2.7
ESRS E1-7	56	GHG removals and carbon credits				x	2.2.5
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Phase-in used
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		x			Phase-in used
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Phase-in used
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		Phase-in used
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil	x				Not material
ESRS E3-1	9	Water and marine resources	x				Not material
ESRS E3-1	13	Dedicated policy	x				Not material
ESRS E3-1	14	Sustainable oceans and seas	x				Not material
ESRS E3-4	28 (c)	Total water recycled and reused	x				Not material
ESRS E3-4	29	Total water consumption in m^3 per net revenue on own operations	x				Not material

Disclosure requirement	Data point	Description	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section in the Statement
ESRS 2- SBM 3 - E4	16 (a) i	Activities negatively affecting biodiversity sensitive areas	x				Not material
ESRS 2- SBM 3 - E4	16 (b)	Material negative impacts with regards to land degradation, desertification or soil sealing	x				Not material
ESRS 2- SBM 3 - E4	16 (c)	Operations that affect threatened species	x				Not material
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	x				Not material
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	x				Not material
ESRS E4-2	24 (d)	Policies to address deforestation	x				Not material
ESRS E5-5	37 (d)	Non-recycled waste	x				Not material
ESRS E5-5	39	Hazardous waste and radioactive waste	x				Not material
ESRS 2- SBM3 - S1	14 (f)	Risk of incidents of forced labour	x				Not material
ESRS 2- SBM3 - S1	14 (g)	Risk of incidents of child labour	x				Not material
ESRS S1-1	20	Human rights policy commitments	x				3.1.2
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		3.2.3 KONE Human rights due diligence process
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				3.1.3, 3.1.4, 3.2.2
ESRS S1-1	23	Workplace accident prevention policy or management system	x				3.1.2
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	x				3.1.3
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	x		x		3.1.4
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x				Phase-in used
ESRS S1-16	97 (a)	Unadjusted gender pay gap	x		x		Not material
ESRS S1-16	97 (b)	Excessive CEO pay ratio	x				Not material
ESRS S1-17	103 (a)	Incidents of discrimination	x				3.1.4
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	x		x		3.1.4
ESRS 2- SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	x				3.2.1
ESRS S2-1	17	Human rights policy commitments	x				3.2.2
ESRS S2-1	18	Policies related to value chain workers	x				3.2.2
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		3.2.3
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		3.2.3
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				3.2.4
ESRS S3-1	16	Human rights policy commitments	x				Not material
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	x		x		Not material
ESRS S3-4	36	Human rights issues and incidents	x				Not material
ESRS S4-1	16	Policies related to consumers and end-users	x				3.3.2

Disclosure requirement	Data point	Description	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section in the Statement
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		3.3.2
ESRS S4-4	35	Human rights issues and incidents	x				3.3.2
ESRS G1-1	10 (b)	United Nations Convention against Corruption	x				4.1.2, 4.1.3
ESRS G1-1	10 (d)	Protection of whistle-blowers	x				Not material
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x		x		Not material
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	x				Not material

Table 05. Disclosure requirements incorporated by reference

Disclosure requirement	Description	Reference
DP 40 a ii	Information on KONE's significant markets and customer groups	Annual Review: Financial Statements: 2.1 Sales
DP 40 f	Information on the significant products and services	Annual Review: Financial Statements: 2.1 Sales
DP 29 c i	Information on KONE's total research and development costs	Annual Review: Financial Statements: 2.2 Costs and Expenses

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2. Environmental information

2.1 EU Taxonomy disclosure

The EU Taxonomy is a classification system designed to translate the EU's climate and environmental objectives into criteria for environmentally sustainable economic activities. It identifies activities that make a substantial contribution to at least one environmental objective, does no significant harm to others, and meet minimum social safeguards. Its purpose is to guide investors toward sustainable investments and support the transition to a climate-neutral economy aligned with the Paris Agreement.

Although the elevator and escalator industry is not currently within the direct scope of the Taxonomy due to its relatively low emissions profile, KONE has identified certain Taxonomy-eligible and aligned activities within its operations. As the Taxonomy framework continues to evolve and is subject to interpretation, KONE regularly reassesses its activities to evaluate their contribution to the EU's environmental objectives.

2.1.1 Assessment of Taxonomy-eligible activities

An eligible activity under the EU Taxonomy is an economic activity defined in Annex I of the Climate Delegated Act, with specific technical screening criteria for assessing its environmental sustainability. In 2025, KONE identified Taxonomy-eligible activities contributing to climate change mitigation and circular economy.

Activity 5.2 Sale of spare parts relates to products and spare parts that are used in products manufactured by economic activities classified under the NACE code C28.22 Manufacture of lifting and handling equipment and is therefore applicable to KONE's business. As part of KONE's Service business, spare parts are sold to maintenance companies that are maintaining products manufactured by KONE. This activity fits into the description of activity 5.2.

KONE's DX Class elevators are manufactured with built-in 24/7 Connected Services connectivity, and maintenance of these elevators fits into the description of the activity **4.1 Provision of IT/OT data-driven solutions**.

In addition to elevators and escalators, KONE's offering includes automatic building doors. The description of the economic activity **3.5 Manufacture of energy efficiency equipment for buildings** includes NACE code C25.12, comprising manufacture of metal doors, windows and their frames, shutters and gates as well as metal room partitions for floor attachment. KONE's revenue related to manufacture of different types of doors and gates falls within this scope. The installation, service, and repair of these door and gate solutions is also considered Taxonomy-eligible based on the description of activity **7.3 Installation, maintenance and repair of energy efficiency equipment**.

KONE's vehicle fleet consists of about 19,000 vehicles. Based on the description of activity **6.5 Transport by motorbikes, passenger cars and commercial vehicles**, KONE has concluded that the capital expenditure on leasing costs of KONE's entire vehicle fleet are Taxonomy-eligible as related to category C Purchase of output from other companies' Taxonomy-eligible economic activities. KONE did not identify any capital expenditure related to categories A or B.

Taxonomy-alignment has not been pursued at this stage for the above-mentioned activities.

2.1.2 Assessment of Taxonomy-aligned activities

An activity is considered Taxonomy-aligned if it makes a substantial contribution to at least one of the six environmental objectives, does not significantly harm any of the other objectives, and meets minimum human rights and labor standards. In 2025, KONE identified Taxonomy-aligned activities under climate change mitigation and circular economy, and is reporting alignment for the following activities:

3.6 Manufacture of other low carbon technologies: One of KONE's pioneering eco-efficient solutions is the regenerative drive. When descending with a heavily loaded car or ascending with a lightly loaded car, elevators equipped with a regenerative drive can recover energy by converting the stored mechanical energy into electrical energy in the motor, which acts as a generator. This regenerated energy is then fed back into the building's electrical system, where it can be reused by other systems such as lighting or HVAC. The manufacturing of elevators with a regenerative drive fits under the EU Taxonomy economic activity 3.6 Manufacture of other low carbon technologies.

4.1 Provision of IT/OT data-driven solutions: KONE 24/7 Connected Services offers intelligent predictive maintenance through cloud connectivity. By continuously collecting data from connected equipment, the system enables real-time analysis and proactive decision-making to address potential problems before they cause disruptions. Advanced analytics assess the urgency of each issue, determining whether immediate action is needed or if it can be resolved during the next scheduled maintenance visit, resulting in more efficient and reliable service. Any elevator or escalator can be connected to 24/7 Connected Services by installing a connectivity device, while KONE's DX Class elevators come with built-in connectivity as standard. These connectivity-related activities fit into the EU Taxonomy economic activity 4.1 Provision of IT/OT data-driven solutions.

Activity 4.1 includes revenue from manufacturing DX Class elevators without a regenerative drive; other elevators and DX Class elevators equipped with a regenerative drive are included in activity 3.6.

5.1 Repair, refurbishment and remanufacturing: Elevators and escalators typically have long lifespans, which can be further extended through regular maintenance and modernization. KONE's Modernization solutions support the extension of product life-cycles by upgrading equipment in key areas such as energy efficiency, safety, and aesthetics. These upgrades not only enhance performance and user experience but also contribute to more sustainable building operations by reducing the need for full replacements. The description of the economic activity 5.1 Repair, refurbishment and remanufacturing entails repair and refurbishment of goods that have been used for their intended purpose before by a customer, and KONE's partial modernization business for elevators and escalators fits into the activity description. Activity 5.1 relates to products that are manufactured by economic activities classified under the

NACE code C28.22 Manufacture of lifting and handling equipment and is thus applicable to KONE's business.

2.1.3 Substantial contribution criteria

KONE has reviewed the substantial contribution criteria for economic activities 3.6, 4.1 and 5.1 and assessed its activities to be aligned.

Per the substantial contribution criteria set out in Annex I to regulation 2020/852 for activity 3.6, elevators equipped with regenerative drive demonstrate substantial life-cycle GHG emission savings compared to the best performing alternative solutions available on the market, such as a modern elevator drive technology without the ability to feed electricity back to the building network. The amount of energy regenerated by the regenerative drive depends on the building type and elevator configuration, enabling potential energy savings of approximately 30–65%. Elevators equipped with regenerative drives make a significant contribution to climate change mitigation by improving energy efficiency.

In terms of circular economy, KONE 24/7 Connected Services meets the criteria of activity 4.1. The service identifies maintenance need and potential issues before they cause problems, enhancing safety, accessibility and extending equipment lifetime through data-driven recommendations.

Under activity 5.1, KONE's partial modernization solutions contribute to circularity by repairing and refurbishing existing equipment, thereby extending product life and reducing material use.

2.1.4 Do No Significant Harm assessment

A Do No Significant Harm (DNSH) assessment was conducted for the activities for which KONE meets the substantial contribution criteria, as listed above. KONE has a total of seven global R&D units and ten manufacturing units in the US, Mexico, EU, China, and India, with 200 most strategic material suppliers located near KONE's supply units. Elevators with regenerative drives, DX Class elevators, the connectivity devices for 24/7 Connected Services as well as partial modernization components are manufactured or assembled at KONE's factories, thus the same manufacturing operations-related DNSH assessments apply for all the Taxonomy-aligned activities.

Climate change adaptation

KONE has performed physical climate risk and vulnerability assessment as part of KONE's annual risk assessment process. KONE's risk and opportunity assessment includes a Climate Change Scenario Analysis based on International Panel for Climate Change RCP scenarios to help ensure that KONE's strategy is resilient to climate change in a range of possible future states. The risk assessment focused on the qualitative implications of climate-related risks and opportunities in key strategic performance areas of KONE's operations: direct material purchases, manufacturing operations, logistics and product and service design.

Based on the assessment, physical climate risks are not considered material. KONE has taken mitigating actions to ensure continued operations globally and actively develops business continuity management capabilities to reduce the impact and likelihood of disruptions within its supply chain.

Sustainable use and protection of water resources

Across KONE's global manufacturing operations, water is mainly used for sanitary purposes. The company sources water mainly from municipal water supplies, and wastewater is discharged into municipal wastewater treatment systems that comply with local regulations. Three of KONE's manufacturing units use minor quantities of water in their industrial processes, for example, in painting and coating processes with closed loop water circulation, and for cooling purposes. These manufacturing units monitor their water consumption and wastewater discharge parameters, perform the necessary sampling, and report to the local authorities according to the local regulation. Two out of KONE's ten manufacturing units have their own wastewater treatment systems, with regular third-party monitoring and permits in place.

Based on water risk assessment, four of KONE's manufacturing units are located in areas recognized with high levels of water stress. However, the impact at these sites is considered minor, as KONE's manufacturing processes require minimal water usage.

Environmental impact assessments as part of ISO 14001 certification including water impact assessment have been performed for all of KONE's manufacturing units.

Pollution prevention and control

KONE has assessed its aligned activities against the DNSH criteria for pollution prevention and control and confirms that it meets the criteria. These criteria prohibit the manufacture, marketing, or use of substances listed in several EU regulations governing chemical safety.

KONE applies systematic practices and a Supplier Code of Conduct and a Code of Conduct for own operations, with an environmental annex, requiring that substances, materials, components, and products, whether used in manufacturing or included in final products, comply with applicable EU legislation. The company continuously works to minimize the use of restricted substances and prioritizes materials that are environmentally, technically, and economically sustainable.

Some components in KONE's products contain substances addressed in the DNSH criteria, with lead being the most significant. KONE's product design and R&D sustainability experts have conducted a feasibility assessment to identify potential alternatives. Based on current market availability, no technically and/or economically feasible substitutes for lead have been identified.

Transition to a circular economy

KONE's main contribution to the circular economy focuses on the growth opportunity within the Modernization business. KONE's Modernization business offers modular, durable and energy efficient life-cycle solutions, that significantly reduce the use of primary raw material and improve equipment energy efficiency by up to 70%. Elevators typically have a lifespan of around 25 years and escalators around 15 years. With KONE's maintenance and modernization solutions, their lifetime can be extended significantly, reducing the need for premature replacements and supporting more sustainable building

Table 07. Nuclear and fossil gas related activities

	Nuclear energy related activities	
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

operations. Modernization solutions enhance repairability and enable component-level upgrades, which can be recycled or reused. This approach significantly reduces life-cycle emissions. KONE is developing circularity further by reducing the use of materials, energy, and other resources across its solutions and operations. This includes optimizing material use through robotics, automation, and product design, as well as recycling waste and reusing packaging wherever possible.

KONE aims to maximize positive environmental impacts and minimize adverse ones throughout the entire product life-cycle, from raw material sourcing to end-of-life treatment. Up to 90% of the materials in KONE's solutions can be recovered, and products are designed for disassembly, reuse, and recycling. Modernization solutions also support circularity by enabling the renovation and repurposing of buildings.

While the current share of recycled content in KONE's products is relatively low, the company actively collaborates with suppliers to increase recycled metal content without compromising safety or quality.

Protection and restoration of biodiversity

All KONE's manufacturing units have undergone environmental impact assessments as part of their ISO 14001 certification. Mitigation and compensation measures are implemented in accordance with local regulations and integrated into KONE's environmental management and auditing processes.

In 2025, KONE confirmed that none of its manufacturing units are located in or near biodiversity-sensitive areas. KONE has both annual and long-term biodiversity targets (2030), which require that its manufacturing sites are not situated within or adjacent to UNESCO World Heritage sites, Natura 2000 areas, or other protected or ecologically sensitive zones.

2.1.5 Minimum social safeguards

Based on the assessment of the Minimum Safeguards criteria on human rights, bribery and corruption, taxation and fair competition, which are laid out by the EU Platform on Sustainable Finance, KONE has found its activities to be aligned.

KONE's Code of Conduct, Human Rights Policy, Anti-Bribery and Corruption Policy, Competition Compliance Policy and other related policies set out the principles and standards expected from KONE employees, KONE companies, suppliers, distributors and other business partners. KONE is committed to respecting and endorsing internationally recognized labor and human rights standards in its operations and across the value chain. KONE has a human rights due diligence process, consisting of impact assessments, third party due diligence, supplier screenings and internal assessments and surveys. To prevent bribery and corruption, KONE has developed a comprehensive anti-bribery and corruption program which includes thorough risk assessments, clear policies, mandatory training, and proactive measures.

2.1.6 Nuclear and fossil gas related activities

KONE does not engage in nuclear or fossil fuel gas related activities. For more details, see table 07.

2.1.7 OpEx

For operational expenditure (OpEx), KONE has defined its total OpEx (denominator) as EUR 310 million, based on the methodology specified in the Taxonomy Regulation. This figure includes research and development expenses, as well as costs related to the maintenance and repair of facilities and buildings, as well as short-term lease payments.

KONE did not identify any turnover-related or standalone Taxonomy-eligible or aligned operational expenditure.

2.1.8 Changes in KONE's Taxonomy reporting since 2024

Since 2024, there have been no adjustments to the scope of KONE's EU Taxonomy reporting. No new activities have been added, nor have any eligible or aligned activities been removed.

Table 08. Proportion of turnover from products or services associated with Taxonomy-aligned economic activities

		2025		Substantial contribution criteria						DNSH criteria									
Economic activities	**Code**	**Turnover**	**Proportion of turnover, year N**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of taxonomy aligned (A.1) or eligible (A.2) turnover, year N-1**	**Category enabling activity**	**Category transitional activity**
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of other low carbon technologies	3.6	2,372	21.1 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	16.7 %	E	
Provision of IT/OT data-driven solutions	4.1	1,990	17.7 %	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	17.8 %	E	
Repair, refurbishment and remanufacturing	5.1	1,265	11.2 %	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	9.9 %		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**5,627**	**50.0 %**	**42.2 %**	**0.0 %**	**0.0 %**	**0.0 %**	**57.8 %**	**0.0 %**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**44.4 %**		
Of which Enabling		4,362	38.8 %	21.1 %	0.0 %	0.0 %	0.0 %	17.7 %	0.0 %	Y	Y	Y	Y	Y	Y	Y	34.5 %	E	
Of which Transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of energy efficiency equipment for buildings	3.5	17	0.1 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1 %		
Provision of IT/OT data-driven solutions	4.1	53	0.5 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.5 %		
Sale of spare parts	5.2	9	0.1 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.1 %		
Installation, maintenance and repair of energy efficiency equipment	7.3	90	0.8 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7 %		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**169**	**1.5 %**	**63.2 %**	**0.0 %**	**0.0 %**	**0.0 %**	**36.8 %**	**0.0 %**								**1.4 %**		
A. Turnover of Taxonomy eligible activities (A.1 + A.2)		**5,796**	**51.5 %**	**42.8 %**	**0.0 %**	**0.0 %**	**0.0 %**	**57.2 %**	**0.0 %**								**45.8 %**		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		5,449	48.5 %																
TOTAL		**11,245**	**100.0 %**																

EL = Eligible; N/EL = Non-eligible

Total turnover as per KONE group reported figures. KONE's principles for defining turnover and capital expenditure can be found in notes 2.1. and 4 in the financial statements.

Table 09. Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities

		2025		Substantial contribution criteria						DNSH criteria									
Economic activities	**Code**	**CapEx**	**Proportion of CapEx, year N**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Circular economy**	**Pollution**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Circular economy**	**Pollution**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1**	**Category enabling activity**	**Category transitional activity**
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which Enabling																			
Of which Transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Transport by motorbikes, passenger cars and commercial vehicles	6.5	153	30.8 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								30.6 %		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**153**	**30.8 %**	**100.0 %**	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**								**30.6 %**		
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		**153**	**30.8 %**	**100.0 %**	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**								**30.6 %**		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		343	69.2 %																
TOTAL		**496**	**100.0 %**																

EL = Eligible; N/EL = Non-eligible

Total CapEx as per KONE group reported figures. KONE's principles for defining turnover and capital expenditure can be found in sections 2.1., 4.3 and 4.4. in the financial statements.

Table 10. Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

	2025			Substantial contribution criteria						DNSH									
Economic activities	**Code**	**OpEx**	**Proportion of OpEx, year N**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year N-1**	**Category enabling activity**	**Category transitional activity**
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which Enabling																			
Of which Transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0**	**0.0 %**																
A. OpEx of Taxonomy eligible activities (A.1+ A.2)		**0**	**0.0 %**																
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		310	100.0 %																
TOTAL		**310**	**100.0 %**																

EL = Eligible; N/EL = Non-eligible

2.2 Climate Change (E1)

2.2.1 Material impacts, risks, and opportunities

Climate-related IROs are a strategic priority for KONE. These were identified through KONE's DMA, which builds on prior climate assessments and a deep understanding of the company's key climate impacts. Climate change adaptation and mitigation, along with energy, were confirmed as material topics for KONE.

Table 11 summarizes material climate-related IROs including information on time-horizons, value chain and management actions. For the process used to identify and assess material IROs, see section 1.5.

Table 11. Material impacts, risks, and opportunities related to climate change

Material topic (time horizon)	Material impacts, risks and opportunities[1]	Management response
Climate change adaptation in own operations and up- and downstream value chain (long-term)	↓ Physical risk Severe weather events may interrupt operations and increase the cost of doing business in KONE's factories or in the upstream supply chain or downstream delivery chain, including logistics routes.	• KONE develops business continuity management capabilities and harmonizes its products to increase resilience in case of disruptive events • KONE develops services helping customers with prior weather event loss prevention, stand-by maintenance during events and post-event status check and repairs
Climate change mitigation in up- and downstream value chain (long-term/ continuous)	↑ Positive impact KONE's solutions are designed for life cycle use with a long lifetime aiming for circularity, with professional maintenance and modernization, enabling lower lifetime energy consumption and GHG emissions. ↓ Negative impact Product-related emissions – lifetime energy consumption and materials – account for the majority of KONE's emissions ↓ Transition risk Reputational damage if KONE fails to meet its promised sustainability/climate-related targets in time	• KONE continues to develop low carbon offering to meet customer expectations and support them to meet their climate targets • KONE actively engages with its suppliers on climate topics
Energy in downstream value chain (long-term/ continuous)	↓ Negative impact KONE solutions are designed to last long (25 years for the elevators and 15 years for escalators). During their lifetime KONE solutions consume electricity.	• KONE continues to develop its energy efficient low carbon offering

[1] The table includes impacts, risks and opportunities with the further division of climate-related risks into physical or transition.

2.2.2 Scenario analysis

KONE completed its first climate change scenario analysis in 2023. As part of this analysis a resilience assessment was conducted to evaluate the organization's ability to maintain critical operations in the face of climate-related risks. This analysis is now embedded in KONE's broader risk assessment framework and is reviewed annually, with updates made on a regular basis. For details on the time horizons applied, see section 1.5.2. Key assumptions, inputs, and scenario drivers, including those related to the transition toward a low-carbon economy, are summarized in table 12.

In the initial phase, KONE focused on the qualitative impacts of climate-related risks and opportunities across strategic performance areas. These assessments considered both inherent and residual risks after existing mitigation measures. KONE is enhancing its capabilities for quantifying the financial impacts of material physical and transition climate risks, with the understanding that such efforts are subject to methodological and data limitations.

The scenario analysis covered all identified climate-related risks and opportunities in strategic performance areas of KONE's own operations such as:

- Direct material purchases (upstream value chain)
- Logistics (cross-cutting value chain activity)
- All manufacturing operations (own operations)
- Product and service design (own operations)

Although the downstream value chain was not directly included, product and service design are closely linked to downstream impacts. The analysis also explored how KONE can support the downstream value chain (customers) in mitigating damage during extreme weather events, such as hurricanes and floods, when their facilities and KONE equipment are at risk.

KONE also uses the ISO 14001 environmental assessment to enhance environmental performance by identifying, assessing, prioritizing and communicating potential risks and opportunities. This system sets common requirements for all KONE units to assess and mitigate material environmental risks related to their activities, products, and services, including life-cycle impacts. Risk identification and mitigation are further supported by regular internal and external audits. These activities cover corporate units, including all R&D and manufacturing units, as well as 33 major country organizations.

Climate scenarios

KONE's climate scenario assessment has drawn on multiple authoritative sources, including the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report – Working Group I, Swiss Re CatNet,

and integrated SSP-RCP scenarios (Shared Socioeconomic Pathways, SSPs, informed by Representative Concentration Pathways). It is acknowledged that real-world political and societal developments may diverge from the assumptions embedded in SSP-RCP scenarios, particularly regarding the degree of global cooperation, which could influence the feasibility of mitigation and adaptation strategies. Additional uncertainties relate to assumptions about natural resource availability, the pace and practicality of technological advancements, and the effectiveness and implementation of policy measures.

The selected scenarios were considered representative of KONE's risk landscape, as they encompass a range of plausible warming pathways and socio-economic developments. These factors may shape global megatrends that align with KONE's strategic direction and directly affect its operational environment.

KONE's resilience under the scenarios

KONE evaluates both current and future risks associated with acute and chronic physical climate change impacts when deciding on new manufacturing or distribution center locations, as well as when expanding existing facilities. However, KONE has limited influence over suppliers or customers in the selection of their operating locations. Due to KONE's global footprint, the company can diversify its supply and delivery chain, reducing dependency on particularly exposed locations at any given time. Furthermore, KONE employs specialized, location-based software tools to continuously monitor its supply chain locations, including supplier manufacturing sites and physical risks related to climate change. This enhances KONE's ability to swiftly transition to predefined alternative supply chains when necessary.

KONE's strategy, Rise, emphasizes actions to cut carbon emissions in alignment with the Paris Agreement and the '1.5°C low carbon' scenario. Sustainability is integrated into the strategy as a key driver for profitable growth and differentiation. For more on the strategy, see section 1.4.1.

When conducting the scenario assessment, KONE has not identified any assets or business activities that are incompatible with or need significant efforts to be compatible with a transition to a climate-neutral economy.

Table 12. Scenario comparison and KONE's resilience under the scenarios

	SSP1	SSP2	SSP4
Reference temperature scenario from IPCC	"Low carbon" scenario 1.5°C warming pathway	"Middle of the road" scenario 2.7°C warming pathway	"High carbon" scenario 4°C warming pathway
Key inputs	Tightening regulation, severe weather events	Tightening regulation, supply chain interruptions, extreme weather events	Projected temperature and precipitation changes, expected severity of climate related weather events
Key drivers	Policies/regulations, technological change	Policies/regulations, technological change, resource use, extreme weather events	Extreme weather events, demographic changes, social and economic development, resource use
Scenario description (risks (-) and opportunities (+))	+ Ambitious, globally consistent regulations aiming at low-carbon economy + Moderate but less material- and energy-intensive economic growth + Increased demand for sustainable and climate resilient solutions already in short-term creating opportunities for KONE + Full transformation to renewable energy and electrification and focus on energy efficiency in medium and long term + High rates of technological progress in renewable energy, energy efficiency, digitalization and smart infrastructure + GHG emissions significantly reduced by 2050 + Limited business interruptions and material losses due to KONE efforts to enhance ability to anticipate, prepare for, respond to, and adapt to business disruptions - Physical changes cause occasional disruptions to KONE factories and supply chain.	- Current socio-economic development patterns continue. Economic growth is moderate but uneven between regions. - Energy intensity declines, but fossil fuels retain a substantial share of the energy mix -/+ Technological progress is steady but not transformative -/+ Tighter policies promote demand for KONE's energy efficient product offering in markets committed to the Paris Agreement -/+ Resilience challenge in short to medium term: less policy incentive to innovate leads to slower advancement in material efficiency, recycling infrastructure and new materials. May accelerate in the long term, when regulators recognize the need to take actions. - Disruptions in the availability of raw materials and increased price volatility in the long term - Global supply chains and logistic routes may face notable changes, affecting KONE's business - GHG emissions moderately increase until stabilizing around 2035 and turning to decrease around 2050	- Disorganized transition to low-carbon economy. Economic growth in wealthy regions only. Overconsumption of resources continues over the medium to long term. -/+ Growing energy demand in wealthy regions, met by renewables. Poorer regions rely on fossil fuels -/+ Advanced low-carbon technologies are concentrated in high-income regions - Non-integrated carbon markets, and increased carbon leakage due to differences in carbon regulations between countries -/+ Severe resilience risks to strategy: the demand for sustainable and climate resilient solutions grows in advanced economies, whereas in developing markets customers are not willing to pay for such solutions - Disruptions in supply chains and logistic routes due to extreme weather can lead to significant logistic cost increase for KONE - In the medium term, changes may be required in KONE's product design for the equipment to bear extreme heat and humidity to operate under such conditions - GHG emissions continue to rise but at a slightly reduced rate

Furthermore, there are no critical climate-related assumptions in KONE's financial statements.

2.2.3 Policies

Climate change adaptation

Key policies related to climate change adaptation are presented in table 13. These policies outline KONE's strategic approach to managing climate-related risks and opportunities.

KONE's Business Continuity Management Standard defines company-wide minimum requirements for crisis preparedness, disruption response, and business recovery, which are the core elements that underpin the company's resilience and ability to adapt to climate change. The standard provides structured guidance for identifying critical activities, evaluating potential impacts and risks, and establishing mitigation measures to prevent disruptions or enable timely recovery within defined timeframes.

Business continuity plans document high-impact disruption scenarios, including those related to physical climate risks. These plans specify roles and responsibilities for prevention, preparedness, emergency response, crisis management, and recovery for each scenario. The adequacy and effectiveness of these plans and associated mitigation measures are reviewed at least annually, typically in connection with crisis management exercises and audits.

Climate change mitigation and energy

KONE's commitment to the ten principles of the United Nations (UN) Global Compact initiative are embedded in its strategy, policies, and procedures, including KONE's Environmental Policy Statement which emphasizes KONE's pledge to reduce GHG emissions and minimize the environmental impacts of its solutions by promoting longevity, repairability, upgradability, digital connectivity, and energy-efficient offerings. Progress against the environmental targets is reviewed quarterly by KONE's Executive Board and annually by the Board of Directors. KONE's business processes are aligned with internationally recognized ISO standards. Among these, ISO 14001 (Environmental Management System) and ISO 50001 (Energy Management System) are particularly relevant to enhancing KONE's sustainability performance. These standards support climate change mitigation efforts across KONE's own operations and those of its partners, fostering a culture of environmental responsibility in line with the UN Sustainable Development Agenda, the Paris Pledge for Action, and KONE's science-based targets.

While KONE's material topics primarily address the impact of greenhouse gas (GHG) emissions and energy use across the value chain, the company is also committed to reducing emissions and energy consumption within its own operations. The Global Vehicle Policy ensures the vehicle fleet is run and operated in line with KONE's environmental ambitions and objectives. The KONE Global Facilities Policy reflects this commitment by setting a target to transition all facilities worldwide to 100% renewable electricity by 2030. Progress toward this goal is tracked through quarterly reporting by all KONE units. For further details on data collection and monitoring, see section 2.2.7 and 2.2.8.

KONE's daily operations are governed by the KONE Code of Conduct and other internal policies and guidelines. The Code of Conduct mandates compliance with applicable laws and regulations and promotes high environmental standards across KONE's operations, suppliers, and customer interactions. The KONE Supplier and Distributor Codes of Conduct require business partners to comply with relevant environmental legislation, obtain necessary permits, and manage materials, energy, and emissions responsibly. For more information on these policies and their implementation, see sections 2.2.3, 2.3.2, 3.1.2, 3.2.2, 3.3.2, 4.1.2, and tables 13 and 31. All policies are accessible via KONE's internal systems, such as the intranet, and many are also publicly available.

Table 13. Key policies related to climate change

Management system	Material topics addressed	Scope	Management bodies	Last updated
Business Continuity Management Standard	E1 Climate change adaptation	All KONE units	Supply Chain leadership team	2025
Business continuity plans	E1 Climate change adaptation	All KONE units	Head of unit/function	2025
Environmental Policy Statement	E1, E5 Climate change mitigation, energy efficiency, circularity & resource use	All KONE units and global operations	President and CEO	2024
ISO 14001 integrated in KONE Management System	E1 Climate change mitigation, energy efficiency	All KONE units and key suppliers	EVP Supply Chain	2025
ISO 50001 Energy Management System	E1 Climate change mitigation, energy efficiency	Four local units	Local leadership teams and assigned function	location dependent
Global Facilities Policy	E1 Renewable energy	All KONE units	Executive Board, CFO	2021
Global Vehicle Policy	E1 Renewable Energy	All KONE units	Executive Board, EVP People& Communications	2024

2.2.4 Actions and targets

Climate change adaptation

To enhance resilience against the physical impacts of climate change, KONE is increasing the compatibility and interchangeability of components and assemblies in its existing and future products. This approach supports business continuity by enabling rapid adaptation when disruptions occur in the delivery chain or logistics routes

such as the need to replace material or component suppliers, KONE factories, distribution centers, or shipment pathways with viable alternatives.

In 2024, KONE launched the first phase of its product harmonization initiative. This was followed in 2025 by targeted harmonization of selected components across operations in Europe and the Americas.

KONE conducts simulated crisis and business continuity management exercises at its manufacturing facilities to strengthen organizational preparedness and reduce the likelihood and impact of disruptions across its full delivery chain. These exercises form part of KONE's broader resilience strategy, which includes ten manufacturing facilities across seven countries, multiple distribution centers, and a globally distributed supplier network. This diversified footprint helps mitigate the effects of localized disruptions.

To further safeguard supply availability, KONE employs a range of proactive measures including alternative sourcing channels, long-term supplier agreements, and last-buy options for critical components and services. Additionally, KONE maintains a global property damage and business interruption insurance program to support recovery in the event of significant disruptions.

In terms of downstream adaptation, KONE continuously develops services, which help its customers with weather event loss prevention, stand-by maintenance during events and post-event status check and repairs.

Climate change mitigation and energy

The majority of KONE's GHG emissions originate from the lifetime energy consumption of its products (62%) and the materials used in production (35%) (scope 3, cat 11 and 1). In contrast, emissions from logistics (scope 3, cat 4) and internal operations (scope 1), such as the vehicle fleet and facilities, are minimal, each accounting for just 1%.

Target setting principles

KONE's science-based targets for Scope 1 and 2 as well as Scope 3 were set in 2020, validated by the Executive Board and approved by the Board of Directors, with the aim of aligning KONE's emission reduction activities with the overall business strategy and financial planning. In line with the SBTi's requirement for companies to review and update their targets at least every five years, KONE is currently undertaking a comprehensive review of its existing science-based targets. This process aims to ensure continued alignment with the latest SBTi criteria and standards.

Table 14. Breakdown of KONE's main GHG Emissions by Source

Source	% of GHG emissions
Scope 3 Use of sold products (lifetime energy consumption of products)	62%
Scope 3 Purchased goods and services (Materials used in products)	35%
Scope 1 Direct emissions from fuel combustion and stationary sources (Vehicle fleet and facilities)	1%
Scope 3 Upstream Transportation and Distribution (logistics)	1%

The science-based targets cover 100% of KONE's Scope 1 and market-based Scope 2 emissions and almost 99% of KONE's Scope 3 emissions (category 1: purchased goods and services and category 11: use of sold products).

The science-based targets coupled with annual renewable electricity and carbon neutral operation targets form the basis for KONE's emission reduction plan and its global Climate Pledge to drive the needed emission reduction activities in KONE's own operations and related to its products and value chain. KONE's strategy and business model are compatible with the transition to a sustainable economy, and with the limiting of global warming to 1.5 °C in line with the Paris Agreement.

The science-based targets were set in collaboration with relevant internal stakeholders and global business units including the R&D, Innovation and Purchasing functions. In addition, Science Based Target initiative (SBTi) standards and criteria were followed in line with a cross-sector emission pathway compatible with limiting global warming to 1.5°C accounting for business growth in different geographical areas and business lines. The 2018 baseline was chosen in line with SBTi guidelines and criteria for a representative year which covered the most recent period for which the data was available at the time. SBTi has assessed and approved the targets, and the progress against the targets is externally assured annually. The emission reduction roadmap and business growth estimations are also reviewed annually to align with KONE's overall business outlook.

In order to reach the 2030 SBTi targets, KONE has set annual targets for scope 1 and 2. KONE also follows the progress of scope 3 regenerative drive penetration in deliveries.

Emission reduction roadmap

As a strategic framework, KONE's emission reduction roadmap outlines the company's approach to mitigating GHG emissions across its operations and value chain. Built on science-based targets, the roadmap serves as a long-term plan to guide decarbonization efforts. It defines key levers, near-term (2030) actions, and long-term (2050) vision across Scope 1, 2, and 3 emissions. The roadmap also supports transparency and sustainable growth throughout the organization and aligns with the strategic priorities of KONE's Rise strategy.

KONE's climate transition plan is planned to be published during 2026 and will be built upon KONE's existing emission reduction roadmap and will align with the ESRS requirements and latest SBTi framework. The climate transition plan will outline a comprehensive strategy for lowering greenhouse gas emissions and set a clear pathway toward achieving KONE's long-term 2050 climate goals.

Emission Reduction Targets by 2030

KONE has committed to reducing its Scope 1 and 2 emissions from its own operations by 50% by 2030, using 2018 as the baseline. This target is in line with limiting global warming to 1.5°C, which is currently the most ambitious criteria for setting science-based targets. Additionally, KONE targets a 40% reduction in the emissions related to its products' materials and lifetime energy use (Scope 3 emissions) over the same period, relative to orders received. KONE's emission reduction targets (Scope 1, 2 and 3), renewable energy target, and action plans are in line with its global environmental policies and standards. As part of KONE's annual budgeting process, all emission reduction targets are reviewed by the global sustainability team and validated

Table 15. Main components of the Emission Reduction Roadmap

Scope	Strategic Focus	Key Levers	Near-Term Targets (by 2030)	Actions (by 2030)	Long-Term Vision (by 2050)
Scope 1 & 2	Decarbonize own operations	• Transition to a low-emission vehicle fleet or no fleet (scope 1) • Increase share of renewable energy sources (scope 1) • Increase the share of renewable electricity and heat (scope 2) • Improve energy efficiency (scope 1&2)	• 50% Scope 1&2 GHG reduction from 2018 • 100% renewable electricity in facilities • Further electrification of vehicle fleet and energy efficiency upgrades • Carbon neutral manufacturing units	• Transition to low-emission vehicle fleet or no fleet • Optimize maintenance routes and activities • Utilize predictive maintenance to avoid unplanned visits • Upgrade facilities for energy efficiency • Switch to renewable electricity suppliers	**Industry leadership in sustainability and decarbonization** • KONE is actively evaluating the scope and implications of a future Net Zero commitment • Establish global leadership in sustainability and decarbonization across operations and value chain and accelerate decarbonization throughout the value chain via partnerships and innovation • Scale circular business models to reduce environmental impact and maximize resource efficiency • Advance KONE's Climate & Environmental Program and deepen sustainability expertise across the organization
Scope 3	Decarbonize value chain & products	• Improve the energy efficiency of products • Increase the use of low-carbon materials and components • Advance low carbon solutions • Enhance supplier collaboration, product innovation and strategic partnerships to enable low-carbon transformation	• 40% reduction in emissions per product ordered	• Expand predictive maintenance with 24/7 Connected Services • Increase use of energy-efficient electrification, smart technologies systems and regenerative drives • Improve material efficiency and circularity • Engage supply chain partners and in joint decarbonization efforts	
ESG integration	Governance, circularity, and innovation	• Promote circularity via a clear strategy and multiple pilot projects • Innovate and adopt lower-carbon materials, such as low-carbon steel and other sustainable alternatives • Accelerate data automation, accuracy and visibility across own operations and customer interfaces • Executive Incentives tied to sustainability KPIs (20%)	• Meeting KONE's science-based targets • Growth of revenue from sustainable solutions • Increased ability to capture sustainable opportunities • Sustainability trainings across key employee groups	• Build on circular business opportunities • Increase offerings that meet KONE's sustainability criteria and support climate change mitigation under the Cut Carbon shift	

by Executive Board members. Through this process KONE ensures both annual progress and that near-term 2030 goals are met.

KONE is dedicated to reducing electricity consumption within its own operations and has established a goal to raise the proportion of renewable electricity to 100% by 2030. By 2025, KONE attained a 99.6% share of renewable electricity.

KONE's Rise strategy places significant focus on emission reduction. For additional information on KONE's updated strategic approach see section 1.4.1. To support the strategy implementation, KONE has updated its Climate and Environmental Program at the end of 2025. Additionally, KONE provides targeted sustainability training for different employee groups. Starting in 2025, all employees are invited to participate in the "How to Talk Carbon" training, focusing on carbon reduction and KONE's climate goals. Leadership teams attend Sustainability Leadership Trainings on key sustainability topics. Personnel involved in sustainability efforts join info calls covering updates on Cut Carbon progress. Additionally, KONE actively supports climate and environmental initiatives internally, such as sustainability-themed days. Through these efforts, KONE enhances the level of internal sustainability knowledge while responding to increasing customer demand for sustainable products and services.

In 2025, KONE effectively advanced its emission reduction efforts by investing in the energy efficiency of its solutions and collaborating with suppliers to enhance material efficiency. These initiatives will continue into 2026 and beyond to support KONE's commitment to its 2030 targets. All emission reduction measures implemented in 2025 align with the company's climate change scenario analysis, ensuring long-term alignment with the Paris Agreement's 1.5°C goal. For more details, see section 2.2.2. KONE remains dedicated to achieving actual emission reductions across its operations,

products, and value chain. Nonetheless, to achieve carbon-neutral operations by 2030, KONE plans to offset any remaining emissions.

KONE has identified key decarbonization levers to support its science-based targets by 2030 across Scope 1, 2, and 3 emissions. These include transitioning the fleet to electric vehicles, increasing the use of renewable energy and electricity, enhancing energy and material efficiency, and driving innovation through supplier engagement and product development. For a detailed overview, see table 16 and 17.

Scope 1 and 2 emissions

The environmental data includes both net and gross emissions for Scope 1 data. In addition to the mandatory gross emissions, KONE reports the net emissions achieved through verified renewable natural gas certificate offsets. Gross emissions are detailed in table 22, and net emissions can be found in the table's footnote.

KONE's scope 1&2 decarbonization path focuses on two key levers:

Vehicle fleet decarbonization: KONE focuses on decreasing Scope 1 emissions mainly by shifting towards a zero or low-emission vehicle fleet, or by eliminating the fleet altogether. KONE's vehicle fleet accounts for approximately 96% (2024: 92%) of its Scope 1 and 2 GHG emissions. The total carbon footprint of KONE's vehicle fleet decreased by 2% compared to 2024 and decreased by 5% compared to its 2018 emissions (109,000 tCO2e).

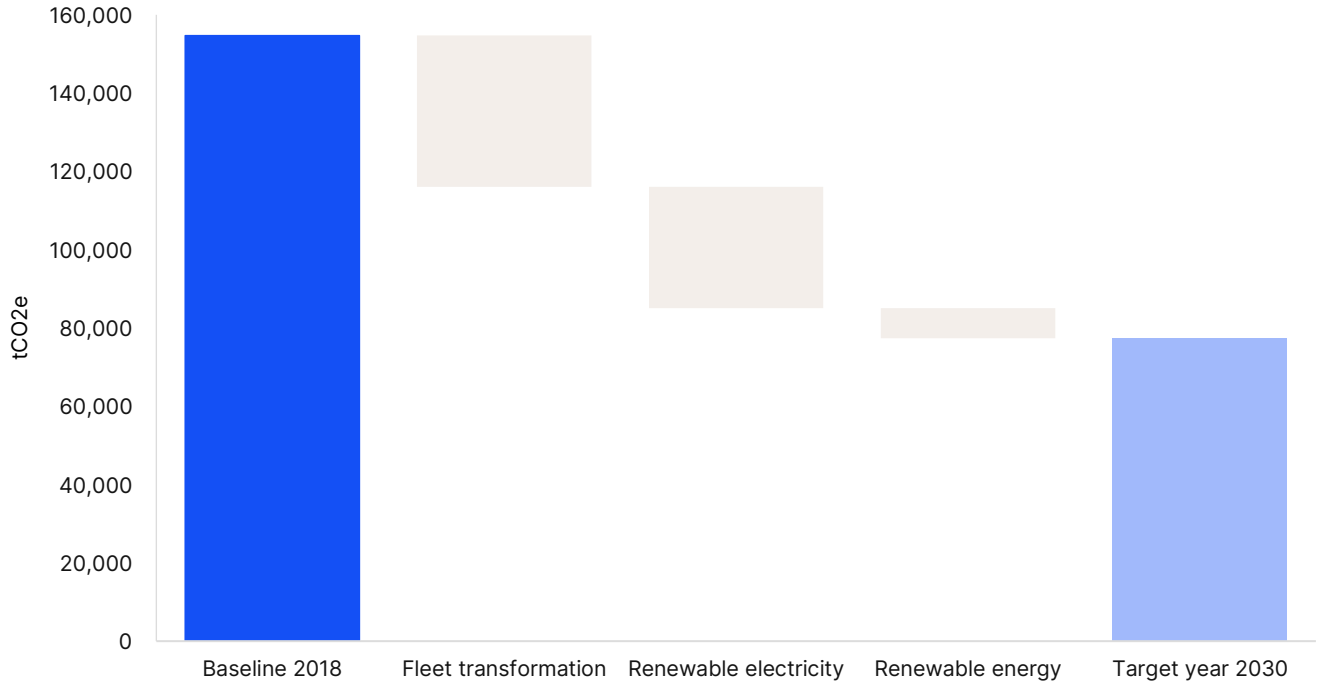
In 2024, KONE launched a strategy to reduce vehicle emissions in collaboration with its partners. The strategy included identifying technicians who could switch to electric vehicles (EVs), integrating EVs into subsidiary car policies, encouraging employees to choose low-emission vehicles, and installing EV charging stations. At the end of Q3 2025, 16% of KONE's global vehicle fleet was electrified. Accelerating the shift to electric vehicles is crucial for KONE to meet its 2030 emission reduction goals.

Facilities decarbonization: KONE is also focusing on reducing emissions through renewable energy and energy efficiency efforts at its manufacturing facilities. By the end of 2025, KONE's ten global manufacturing facilities achieved an 86% (2024: 82%) reduction in net Scope 1 and 2 emissions compared to the 2018 baseline. Solar panels were used at six of the ten sites, and two facilities continued to utilize green district heating in 2025. Since early 2023, all units have sourced 100% renewable electricity.

Additionally, in 2025 KONE reinforced its commitment to low-emission operations, e.g. through the transition from diesel and LPG forklifts to e-forklifts, and continued to optimize energy consumption in heating, ventilation, air conditioning, and lighting systems across its manufacturing operations. Investments in robotics and automation have further enhanced material and energy efficiency within the production process.

Furthermore, KONE has actively reduced market-based Scope 2 emissions by systematically improving energy efficiency and increasing renewable electricity usage throughout its operations. Total energy consumption in 2025 decreased by 4% compared to 2024, and increased by 4% compared to 2018 (507,900 MWh).

Table 16. Levers to reach Scope 1 & 2 emission reduction target by 2030



Scope 3 emissions

KONE has identified relevant scope 3 emissions in the following categories: 1. Purchased goods and services, 4. Upstream transportation and distribution, 5. Waste generated in operations, 6. Business traveling, and 11. Use of sold products.

KONE has conducted a screening of its major emission sources and recognized potential locked-in GHG emissions associated with the use of sold products (scope 3, category 11) when operated with non-renewable electricity by customers. KONE has not identified any locked-in GHG emissions that pose a risk of

achieving its emissions reduction targets. The calculation methodology is described in section 2.2.8.

KONE's scope 3 decarbonization path focuses on three key levers:

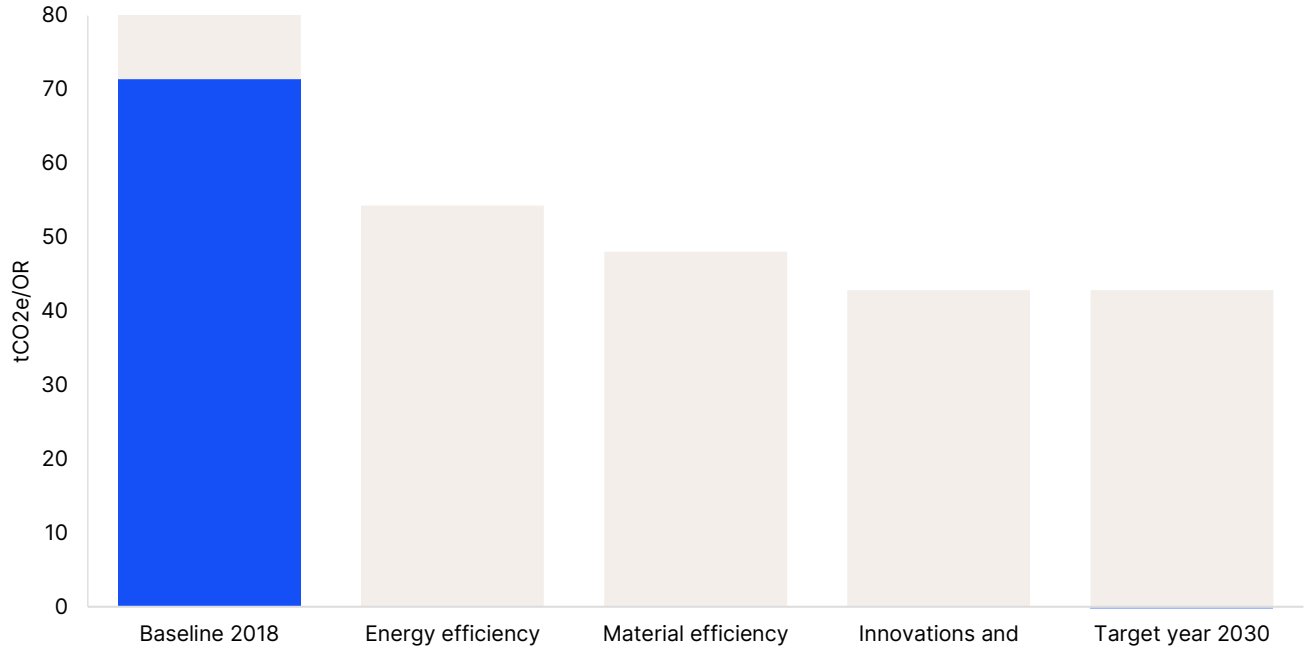
Energy-efficient solutions: KONE continuously advances its commitment to sustainability by designing and offering energy-efficient solutions across its product portfolio. This includes regenerative drives that recover energy during elevator operation, LED lighting to reduce power consumption, standby modes that minimize power demand when equipment not in active use, and group control systems that optimize traffic flow. During 2025, the improved energy-efficiency was achieved through an increased share of energy-efficient systems and regenerative drives in sold elevators. KONE has reached an important milestone in this journey in 2025, with over 60% of deliveries equipped with regenerative drives. In the future, KONE aims to increase the number of elevators with regenerative drive-in line with the company's ambitious emission reduction targets, thus also increasing the Taxonomy-aligned share of revenue. More on Taxonomy, see section 2.1.

Decarbonization of the energy market plays a vital role in reducing global GHG emissions. The increasing use of renewable energy and low-carbon grids helps lower the carbon footprint of energy consumed. This market shift also supports decarbonization across KONE's value chain.

Material efficienct in solutions: KONE continuously designs its solutions to maximize material efficiency. During 2025, KONE MonoSpace 4 DX was launched with optimized material efficiency. It leverages high-friction, high-tensile ropes that are approximately 70% lighter than traditional ones, significantly reducing material usage while extending rope longevity. The space-efficient machinery, including a smaller counterweight, compresses the system footprint by up to 50%, optimizing building space and lowering structural material demand.

Steel accounts for the majority of Scope 3 emissions associated with purchased goods and services in KONE's value chain. The global steel industry is currently entering a transition toward decarbonization, driven by regional regulations and innovation in low-carbon steelmaking technologies (such as hydrogen-based direct reduction).

Table 17. Levers to reach Scope 3 emission reduction target by 2030

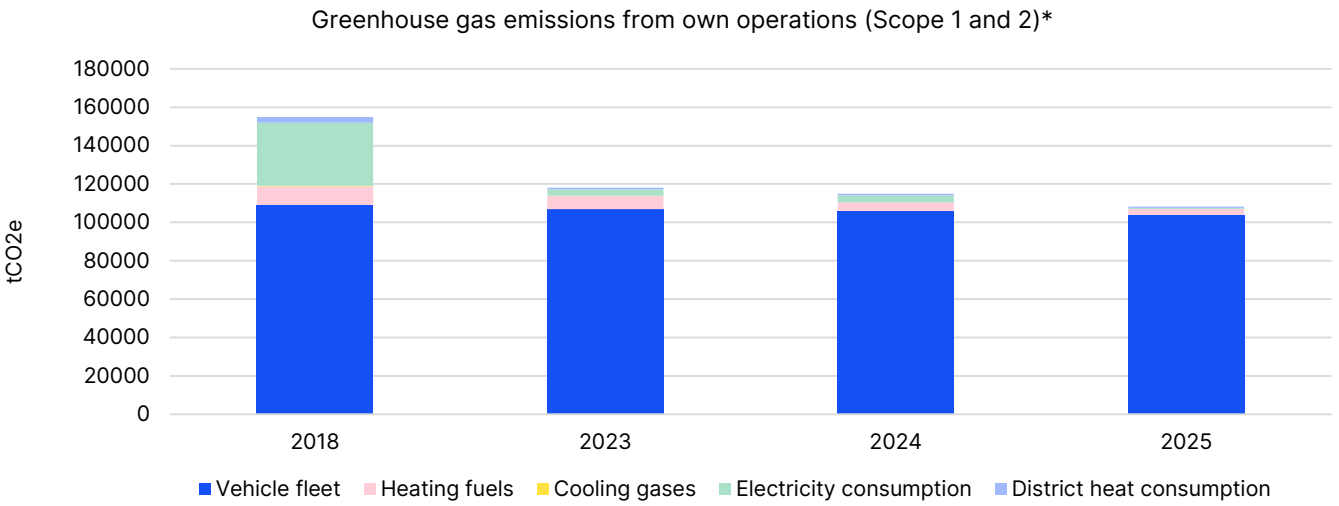


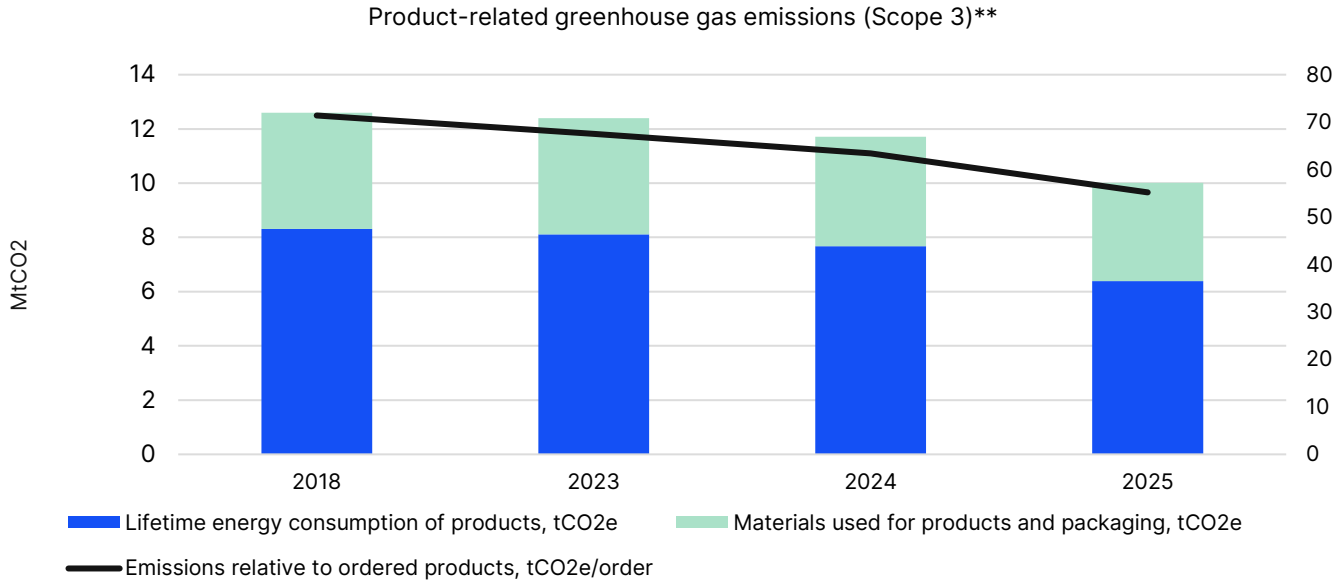
These market developments are expected to offer more options for decarbonizing Scope 3 emissions related to purchased goods.

Innovation and partnerships: KONE's R&D expenditure in 2025 continued to support the development of both new sustainable innovations and the enhancement of existing solutions and services. During the year, sustainability-linked R&D investments totaled EUR 45,5 million (2024: EUR 43.1 million), with key initiatives including the advancement of KONE's next-generation regenerative drive technologies. In parallel, KONE maintained ongoing investments in digital systems and operational tools aimed at improving resource efficiency, manufacturing sustainability, and overall value chain performance.

In 2025, KONE continued to engage closely with its key suppliers responsible for the majority of the company's Scope 3 emissions related to purchased goods. Building on the foundation laid in previous years, KONE actively collaborates with these suppliers through ongoing dialogue, supplier sustainability training programs, the development of emissions reporting, setting clear emission reduction targets and close follow-up on reduction actions and progress. During 2025, KONE updated the supplier sustainability scorecard focusing on reducing carbon, environmental data submission & compliance and human rights due diligence. This strengthens transparency and accountability throughout the value chain. KONE actively looks for new partners and ways of working to find alternative materials with lower embodied carbon emissions and to develop processes to reuse and recycle materials more effectively.

Table 18. KONE's progress on science-based targets





* KONE's environmental reporting covers over 90% of our Scope 1 and 2 emissions. The remaining emissions are extrapolated to cover 100% of KONE's operations.
** The product-related Scope 3 calculations are based on latest life cycle assessment data and products ordered from KONE during the reporting year.

KONE's Veturi program called The Flow of Urban Life, co-funded by Business Finland, fostered collaboration across a broad ecosystem, involving over 200 partners including companies, universities, and research institutions. While the program officially concluded in 2024, its outcomes materialized in 2025 through a range of innovative solutions. It established a corporate foresight network to strengthen Finland's competitiveness and concentrated expertise in smart urban development. The program also enabled agile experimentation and piloting opportunities for small and medium-sized enterprises.

In the area of smart construction, KONE developed SiteFlow, a digital solution that streamlined elevator logistics on construction sites. This innovation allowed elevators to be used during construction, significantly improving efficiency and reducing delays. Pilots demonstrated substantial time and cost savings.

For smart buildings, the initiative advanced digital twin technologies to simulate and optimize people flow in urban environments. In field services, KONE introduced remote elevator maintenance and 24/7 service capabilities through cloud-connected equipment. Artificial intelligence and data analytics were used to predict faults and optimize service visits, resulting in lower emissions and improved technician experiences.

Sustainability was a core focus, with tools developed to predict energy consumption and carbon emissions across product life-cycles. The initiative promoted sustainable construction logistics and smart maintenance practices.

Performance against SBTi targets

KONE's progress on science-based targets for scope 1, 2 and 3 are summarized table 18.

KONE's annual and near-term (2030) emission reduction targets and base year information are detailed in table 22. Greenhouse Gas Emissions intensity. The metrics for KONE's energy consumption and mix are presented in tables 19 and 20 and the energy intensity of KONE's own operations in table 21. KONE's GHG intensity per net revenue is introduced in table 23.

2.2.5 Carbon credits

KONE continues to commit to delivering actual emission reductions throughout its operations, product offerings, and entire value chain and has not included compensation in its science-based GHG emission reduction targets. Compensation is used only as a final measure to assist customers in achieving carbon neutrality. KONE compensates for both direct and indirect CO2 emissions associated with service activities under KONE Care DX service contracts. Additionally, KONE provided customers with the option to compensate embodied CO2 emissions up to the handover of selected KONE DX elevators. Following proactive emission reduction efforts across KONE's manufacturing facilities, the remaining emissions are compensated to maintain carbon-neutral manufacturing operations worldwide.

KONE partners with a third-party organization to offset emissions through carbon credits, selecting projects across various continents that deliver diverse climate benefits, including reforestation in Colombia, solar and biogas energy in Thailand, hydropower in China and Laos, wind and hydropower in Vietnam, and clean cookstove initiatives in Mali that prevent deforestation. All projects are conducted outside the EU and hold Gold Standard® certification. Beyond their positive climate impact, these initiatives also contribute to multiple United Nations Sustainable Development Goals (UNSDG), delivering social and environmental advantages to local communities.

A total of 32,500 tCO2e (2024: 28,900 tCO2e) equivalent outside of KONE's value chain was cancelled in the reporting period covering emissions in 2024 and 2025.

2.2.6 Internal carbon pricing

In 2025, KONE continued its pilot program for an internal carbon cost (initially launched in 2021) to drive the change and motivate all units to reduce their carbon emissions. The internal carbon cost functions as a shadow expense within KONE's operational profit and loss statement, meaning it is utilized solely for internal reporting purposes and does not result in actual cash transactions either within or outside the company.

The internal carbon cost covers KONE's total Scope 1 emissions (107,300 tCO2e in 2025) and market-based Scope 2 emissions (1,100 tCO2e in 2025), representing approximately 1% and 0.01% of KONE's overall GHG emissions. The price applied is EUR 100 per metric ton of CO2e, reviewed annually. This figure is based on the cost of emissions allowances (EUA) traded under the EU Emissions Trading Scheme (ETS), commonly used in the industry as a shadow price. KONE's carbon pricing framework is not aligned with the EU Taxonomy's screening criteria

2.2.7 Metrics

Table 19. Energy consumption

MWh	2025	2024	2023
Fuel from coal and coal products	0	0	0
Fuel from crude oil and petroleum products (of which 99% from vehicle fuels) [1]	415,000	424,500	421,700
Fuel from natural gas	10,900	15,900	28,700
Fuel from other fossil sources	0	0	0
Purchased or acquired electricity, heat, steam, and cooling from fossil sources	8,800	11,500	14,700
Total fossil energy consumption	434,700	451,900	465,100
Consumption from nuclear sources	0	0	0
Fuel consumption from renewable sources, including biomass	900	500	700
Renewable natural gas [2]	14,300	15,800	0
Purchased or acquired electricity, heat, steam, and cooling from renewable sources	67,800	69,700	65,100
The consumption of self-generated non-fuel renewable energy	9,200	8,600	6,200
Total renewable energy consumption	92,200	94,600	72,000
Total energy consumption	**526,900**	**546,500**	**537,100**

[1] Majority of crude oil and petroleum products comprise of vehicle fuels (410,900 MWh)
[2] Natural gas RECs/GOs

Table 20. Energy consumption by energy sources

%	2025	2024	2023
Fossil	83%	83%	87%
Nuclear	0%	0%	0%
Renewable	17%	17%	13%

Table 21. Energy intensity

Energy intensity [1]	2025	2024	2023
Energy intensity in KONE's own operations (MWh/MEUR)	47	49	49

[1] Energy intensity in own operations is not an operational target for KONE, but an ESRS reporting requirement. However, KONE constantly improves the energy efficiency of its products. Pursuant to EU regulation (EC) No 1893/2006, all KONE's revenue stems from operations in high climate impact sector including the manufacture of elevators, escalators and doors (NACE code C28.22 'Manufacture of lifting and handling equipment'). However, a substantial share (64%) of the total revenue in 2025 can be attributed to the non-high climate impact sectors, such as our Service and Modernization business. The energy intensity is calculated based on total energy consumption per the net sales from the consolidated activities. Refer to Section 2.1 in the Notes of the consolidated financial statement for information on the net sales.

Table 22. Greenhouse gas emissions

	Retrospective [2]					Milestones and targets [3,4,5]	
	Base year 2018	2023	2024	2025	% change between 2024 and 2025	2030, %	Annual % target/base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO2eq)	119,600	114,000	113,800[6]	110,200	-3%	-50%	-8%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)[1]	0	0	0	0	0	0	0
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO2eq)	36,900	32,000	31,500	29,800	-5%		
Gross market-based Scope 2 GHG emissions (tCO2eq)[8]	35,100	4,900	4,400	1,100	-75%	-50%	-97%
Significant Scope 3 emissions							
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)		12,530,600	11,837,500	10,181,000			
1. Purchased goods and services	4,285,300	4,288,100	4,026,700	3,614,600		-40% (per product order)	
4. Upstream transportation and distribution[7]		108,600	107,400	149,300			
5. Waste generated in operations		2,600	2,200	1,800	-18%		
6. Business traveling		18,000	20,500	21,400	4%		
11. Use of sold products							
Lifetime (included in total Scope 3)	8,308,800	8,113,300	7,680,700	6,393,900		-40% (per product order)	
Annual (excluded from total Scope 3)	387,600	364,000	352,200	292,500			
Total GHG emissions							
Total GHG emissions (location-based) (tCO2eq)		12,676,600	11,982,800	10,321,000			
Total GHG emissions (market-based) (tCO2eq)		12,649,500	11,955,700	10,292,300			

[1] KONE is not regulated under emission trading schemes.
[2] Biogenic emissions, not accounted for in the table, totaled 2,700 tons of CO2e.
[3] KONE has a combined target for Scope 1 and 2 emissions and an intensity target for the Scope 3 categories (1 & 11).
[4] KONE's Scope 3 intensity target (set in 2020) results in absolute emission reductions by 2030 based on Science-Based Target initiative's guidelines.
[5] KONE has reduced its net Scope 1 emissions by 30% compared to the 2018 baseline.
[6] Net Scope 1 emissions 107,300 tCO2 includes natural gas RECs/GOs certificates, gross emissions without certificates 110,200 tCO2. Total gross GHG emissions (location-based) were 10,304,800 tCO2e and total gross GHG emissions (market-based) were 10,276,100 tCO2e.
[7] The 2025 logistics calculation method has been updated, and therefore logistics figures from 2023 and 2024 are not comparable with 2025
[8] KONE's Scope 2 market-based emissions for 2023 and 2024 have been restated due to the adoption of more accurate emission factors in 2025

Table 23. Greenhouse gas emissions intensity

GHG intensity per net revenue [1]	2025	2024	2023
Total GHG emissions (location-based) per net sales (tCO2eq/MEUR)	916.6	1,079.7	1,168.6
Total GHG emissions (market-based) per net sales (tCO2eq/MEUR)	914.1	1,077.2	1,165.9

[1] The GHG emission intensity is calculated based on gross total location-based or market-based GHG emissions divided by the net sales from the consolidated activities. For more on net sales, see section 2.1 in the Notes to the consolidated financial statements.

2.2.8 Reporting principles

KONE employs an operational control methodology to consolidate energy consumption and GHG emission data. Initially, data is gathered at the subsidiary or manufacturing facility level and inserted into the environmental performance system, before being aggregated on a global scale. Manual data collection, estimations, and emission factors introduce some uncertainty into the environmental metrics. To mitigate this, KONE has implemented standardized emission reporting procedures over time, including detailed reporting guidelines, comprehensive training, and internal reviews and validations.

KONE follows the three standards provided by the Greenhouse Gas Protocol of the World Resource Institute and the World Business Council for Sustainable Development in its GHG accounting: the GHG Corporate Accounting and Reporting Standard, the GHG Protocol Scope 2 Guidance, and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

The energy data collection accounts for 99% of KONE's Scope 1 and 2 emissions. Reporting principles and scope cover countries globally, including all KONE manufacturing sites.

Calculation principles for Scope 1 and 2 emissions

Energy consumption covers both direct and indirect Energy consumption covers both direct and indirect use of renewable and non-renewable electricity, liquefied petroleum gas (LPG), natural gas, district heating and self-generated electricity (such as solar power). Data is obtained from invoices and reports provided by third-party service providers. Activity data is gathered quarterly from the manufacturing facilities.

Scope 1 emissions have been calculated based on energy consumption data and national emission factors from the UK Department for Environment, Food and Rural Affairs (DEFRA) along with certain supplier-specific factors, such as biofuels used in Finland. Scope 1 net emissions presented in this statement include renewable natural gas RECs/GOs whereas the gross emissions (as shown in the GHG emissions table 22, footnote 6) are calculated excluding these. This approach aligns with the evolving reporting guidelines, concerning the purchase of biomethane certificates, which currently cannot be calculated into gross Scope 1 emissions. KONE acquires renewable natural gas in Canada through biomethane RECs and in France through Biomethane Guarantees of Origin.

Scope 2 emissions have been calculated using both market- and location-based methods. Renewable energy guarantees of origin subject to European Energy Certificate System (EECS) and Energy Attribute certificates (e.g., Renewable Energy Certificates (RECs), International Renewable Energy Certificates (I-RECs), Tradable Instruments for Global Renewables (TiGRs), have been acquired for the purchased renewable electricity. In 2025, KONE's purchased renewable electricity consumption consisted of close to 100% of contractual instruments, of which approximately 23% were used for the sale and purchase of energy bundled with attributes about energy generation and about 77% for the sale and purchase of unbundled energy attribute claims. Over 99% of KONE's Scope 2 energy use constitutes renewable electricity. In 2025, market-based Scope 2 emissions were 1,100 tCO2, with half from non-renewable electricity and half from district heating.

In the market-based approach, supplier-specific emission factors are applied for Finland and the Czech Republic, alongside data from the Association of Issuing Bodies (AIB) European Residual Mix Report and Reporting principles, as well as International Energy Agency (IEA) emission factors for untracked purchased electricity. KONE's Scope 2 market-based emissions for 2023 and 2024 have been restated due to the adoption of more accurate emission factors. This update resulted in an increase in reported emissions for 2023 and 2024; however, the figures are now aligned and comparable with the 2025 data. For the location-based method, emission factors from both AIB and IEA are utilized.

The direct biogenic carbon emissions are calculated by multiplying the energy in TJ (2025: 49TJ) of used biofuels with emission factors from Statistics Finland.

Calculation principles for Scope 3 emissions

KONE has reported all significant and relevant Scope 3 categories based on GHG Protocol Scope 3 Inventory guidelines. Annually, KONE assesses the relevance and magnitude of all Scope 3 categories and updates the inventory when needed. Emissions from Scope 3 category 1 purchased goods and services are calculated for KONE's two main product types, elevators and escalators, for new construction, and for those modernization projects where new elevator units are delivered to the customer. The total emissions are based on the most sold products in each region multiplied by the number of all products ordered during the reporting year and the life-cycle assessments for representative products in each region, which are lined with KONE's third-party verified Environmental Product Declarations (EPDs). Scope 3 emissions, which include product and value chain emissions, stem from activities outside KONE's direct control. The pace of decarbonization in related industries may influence KONE's ability to reduce these emissions.

To address this, KONE actively collaborates with key suppliers and customers to reduce emissions associated with materials and to explore innovative energy solutions in the countries where its products are deployed.

The emission factors are from the Ecoinvent V3.4 database or EPDs from the material manufacturers.

Scope 3 category 4 Upstream Transportation and Distribution (logistics) data covers the transportation of products from KONE's manufacturing units to distribution centers. Transportation to local warehouses or installation sites is included for cases where KONE's manufacturing units are responsible for transportation. Spare part deliveries are also within the reporting scope. Due to data availability constraints, limited inbound logistics of materials to KONE's manufacturing sites are included. Product and spare parts logistics data has been calculated using an in-house logistics emission calculation tool and emission factors from DEFRA.

Scope 3 category 5 Emissions for waste in own operations are calculated by multiplying the collected waste data with the emission factors retrieved from DEFRA for each waste type and treatment method. The calculation does not cover waste from KONE's installation sites, which is normally treated according to KONE customers' waste management processes and applicable laws and requirements.

Scope 3 category 6 Business air travel data has been collected from KONE's biggest travel agency and some local travel agencies. The emission calculations are aligned with DEFRA's methodology.

The Scope 3 category 11 operational carbon emissions of sold equipment are calculated based on lifetime energy consumptions and emission factors from the latest publication of the IEA. The average annual energy consumption is calculated from KONE's delivered products according to the ISO 25745 standards for the most sold configurations and expected usage profiles in each geographical region. The average annual energy use of products is multiplied by the expected lifetimes of 25 years for elevators and 15 years for escalators. These lifetimes reflect typical industry standards as defined in the Product Category Rules (PCR) for Lift Products and the complementary PCR for escalators and moving walks.

The emission factors represent the order quantity-weighted average emission factor for each region. The total global operational carbon emissions are calculated by multiplying the average operational carbon emissions of each region with the region-specific order quantities and then aggregating the results. KONE is constantly improving data quality by working with suppliers and partners for more transparent and efficient data.

Data estimation methods and outcome uncertainty

As energy consumption and waste data are not consistently available in real time or immediately after the close of each reporting quarter, KONE has estimated its fourth quarter (Q4) figures. To improve data quality and accuracy energy and waste consumption, as well as Scope 1, Scope 2, and Scope 3 (category 6) emissions for Q4, have been calculated based on the average of actual data from Q1–Q3/2025. For consistency, Scope 3 (categories 4 and 5) are extrapolated in a similar manner.

Similarly, KONE estimates the yearly order quantities required for Scope 3 category 1 and 11 calculations for Q4 based on previously known data.

These estimation techniques introduce an inherent level of outcome uncertainty, as actual Q4 values may deviate from averages or estimates applied.

Changes in 2025

In 2025, KONE's Scope 3 category 1 purchased goods and services figures have been calculated to ensure geographic consistency with the baseline year and improve comparability. As a result of this update, Scope 3 category 1 figures for 2023 and 2024 have been restated, resulting in a 3% decrease for 2023 and a 2% decrease for 2024.

KONE's Scope 3 cat 4 greenhouse gas emissions related to logistics (transportation and distribution) amounted to 149,300 tCO_2e, representing a 39% increase from 2024 (107,400 tCO_2e). This deviation is primarily attributable to a methodological refinement: emission factors for freight transport were updated to reflect more accurate values. As a result, the reported emissions more accurately reflect the environmental impact of logistics operations, even though the underlying transport volumes remained relatively stable year-on-year. In addition, the 2024 Scope 1, Scope 2, and Scope 3 (categories 5 and 11) emissions have been restated following the receipt of the actual values for Q4 2024.

EU Paris-aligned Benchmarks

Considering the exclusion criteria stated in the Article 12 of the Commission Delegated Regulation (EU) 2020/1818, KONE is not excluded from the EU Paris-aligned Benchmarks.

2.3 E5 Resource use and circularity

2.3.1 Material impacts, risks, and opportunities

KONE has identified resource use and circularity as a material financial opportunity, with its Modernization business positioned as a key growth driver, supported by a global market of over 10 million units ready to be modernized. Modernization and Service business lines represent over 60% of KONE's sales, signaling the shift towards a circular business approach. As part of the Rise Strategy, the Cut Carbon and Drive Modernization shifts both accelerate sustainable and circular growth, through innovative, energy efficient solutions and material resource optimization.

The material opportunity is described in table 24, which includes relevant information on time-horizon, value chain information and the management actions taken to address the IRO. For the process used to identify and assess material IROs, see section 1.5.

KONE's solutions are designed to help customers extend the lifetime of their buildings by safely prolonging the lifespan of elevators and escalators, while simultaneously reducing the carbon footprint of both the equipment and buildings. Elevators and escalators typically have a lifespan of around 25 years for elevators and 15 years for escalators. With KONE's maintenance and modernization solutions, the lifetime can be extended even further for both escalators and elevators, significantly reducing the need for premature replacements and supporting more sustainable building operations. By integrating connectivity into equipment modernization, KONE enables intelligent maintenance capabilities and enhance KONE's ability to proactively identify future modernization needs. Furthermore, by growing KONE's service base and addressing opportunities outside it, the company can capture additional modernization opportunities.

Table 24. Material impacts, risks, and opportunities related to resource use and circularity

Material topic (time horizon)	Material impacts, risks and opportunities[1]	Management response
Resource use and circularity in own operations (long-term)	↑ Opportunity Modernization business minimizes primary raw material use, improves energy efficiency, and contributes to lower life cycle emissions.	• KONE develops the modernization offering with principles of durability, modularity, upgradability, digital connectivity and disassembly to build long term capabilities in line with a life cycle business model

2.3.2 Policies

KONE's Environmental Policy Statement outlines the company's purpose of shaping the future of cities to be more sustainable and circular by improving the life-cycle impacts of its solutions through circular design. This policy also supports the prevention of waste generation by extending the lifetime of products and equipment and waste minimization through circular approaches. See the table 13 for key policies related to resource use and circularity.

Beyond policy commitments, KONE's solutions are developed based on core design principles of durability and modularity, ensuring long-lasting and sustainable performance. For example, the Design for Disassembly guidelines enable easy deconstruction of products, encouraging modernization, resource efficiency and material recovery throughout the life-cycle. KONE Design for Reliability guidelines ensure that product designs are tested to for performance in diverse environments, ensuring long life-cycles across varying climates. Together, these design frameworks support the implementation of KONE's circularity ambitions outlined in the Environmental Policy Statement.

2.3.3 Actions

KONE's Modernization business offers modular, durable and energy efficient life-cycle solutions, that significantly reduce the use of primary raw material and improve equipment energy efficiency by up to 70%. Modernization solutions enhance repairability and enable component-level upgrades, which can be recycled or reused. This approach significantly reduces life-cycle emissions, as verified by KONE's Life-cycle Assessments (LCAs), conducted in accordance with internationally recognized ISO 14040 and ISO 14044 standards.

Depending on the stage of the equipment life-cycle and the needs of the building, there are different types of KONE modernization packages available for customers, with options for both KONE equipment and non-KONE equipment. With KONE Replace, a new solution is installed to replace an old one, through which the life-cycle of the building is improved with new technology. KONE AddNew modernizes and extends the life of old buildings and improves future accessibility by retrofitting a new solution into existing buildings. KONE Upgrade offers circular benefits for customers, by strategically upgrading and improving specific components of the solution within the building. KONE Upgrade aligns with activity 5.1 Repair, refurbishment and remanufacturing in the EU Taxonomy, representing 11,2% of KONE's Taxonomy aligned revenue in 2025. The KONE 24/7 Connected Services predictive maintenance supports all modernization efforts by enabling condition-based upgrades to extend the life span of the equipment while reducing unnecessary maintenance calls and downtime.

KONE is actively developing its Circularity Strategy to further support the strategic targets of the Rise Strategy, aiming to create long-term customer value and enhance KONE's global circularity offering through various pilots, projects and partnerships.

During 2025, KONE launched the KONE Renaissance Program, a five-year global research, development, and innovation initiative co-funded by Business Finland. The initiative brings together key industry stakeholders to drive new sustainable innovations and business models. The focus lies on transforming existing buildings to low emission living and working by 2030. The program supports KONE in meeting customer needs globally and

supports the company's ambition to transform urban renewal through digital and sustainable modernization.

2.3.4 Targets

KONE has defined a voluntary target related to resource use and circular economy opportunities within KONE's modernization business as a part of the Rise Strategy. KONE has a mid-term target of double-digit growth for its global Modernization business. In 2025, KONE achieved close to 15% growth in Modernization business compared to 2024.

The target was set in alignment with key stakeholders of the strategy development process. The target aligns with KONE's long-term circularity objectives established in the Environmental Policy Statement that outlines KONE's commitment to the circular and sustainable transformation of cities.

The data used for the target has been assured in the financial assurance process and progress against the targets will be reported annually. See the Annual Review for detailed financial information. KONE's circularity initiatives and targets will continue to be developed in 2026.

3. Social information

3.1 Own Workforce (S1)

3.1.1 Material topics, risks, and opportunities

Working conditions in own operations, relating to health and safety, are identified as a material topic for KONE. For details on the process used to identify and assess material IROs, see section 1.5. Material IROs related to own workforce are described in table 25, which includes relevant information on time-horizon, value chain information and the management actions taken to address the IRO.

Given KONE's global footprint in new building, modernization and service activities, the company has recognized various potential health and safety impacts for its own workforce. Inadequate safety measures can result in increased incident rates, serious injuries or even fatalities.

All people in KONE's own workforce who could be materially impacted by KONE are included in the scope of this disclosure. Certain worker groups, especially those working on construction or maintenance sites face elevated exposure to occupational hazards due to the nature of their work. Data from KONE Safety Solution (KSS), KONE's global web-based safety reporting platform, show that some worker group, especially those involved in installation and maintenance activities are exposed to the highest safety risks. KONE has identified contact with moving objects and falls from height as the primary scenarios leading to serious injuries. The most common types of work-related injuries include cuts, strains, bruises, and contusions.

KONE recognizes that it operates in countries where there is a higher risk of human rights violations, including risks of child and forced labor. Within its own operations, elevated risks of forced labor have been identified in outsourced facility services such as cleaning, catering, and security. In South-East Asia, the risk of child labor is notably higher. KONE's highest risks, however, are found in its supply and delivery chains, particularly in Africa, Asia, and China. Although human rights are not considered material for KONE based on the DMA, KONE continuously monitors risks and impacts relating to human rights. More on human rights policy and management, see sections 3.1.2, 3.1.3 and 3.1.4.

By embedding KONE's core principles of safety, quality and sustainability into KONE's operations and strategy, KONE ensures that it addresses material impacts on its workforce effectively. This commitment is supported by KONE's integrated management system, described in section 3.1.2., and the establishment of specialized boards and committees that provide strategic oversight and drive continuous improvement in management practices.

Table 25. Material impacts, risks, and opportunities related to own workforce

Material topic (time horizon)	Material impacts, risks and opportunities	Management response
Health and safety in own operations (medium-long-term)	↓ Negative impact KONE operates in an industry that poses multiple safety risks. With installation and service operations conducted worldwide, we have identified several potential health and safety impacts on our workforce, particularly those involved in tasks on the mentioned sectors. A failure in safety measures can result in increased incident rates, and individual serious injuries, or even fatalities.	• Integrated management system, including health and safety, as well as risk management framework, applicable to the full scope of own workforce • Inclusive approach to health and safety practices, involving non-employees into company safety initiatives such as safety campaigns, and setting requirements for their competency, methods and tools

KONE's workforce characteristics and numbers

KONE's own workforce is composed of three main groups: KONE employees, agency workers, and self-employed contractors, of which KONE employees represent the majority. KONE employees include permanent employees, fixed-term employees and trainees. The workforce operates across 68 countries globally, working in KONE offices and manufacturing facilities, as well as at customer sites.

Employee numbers are reported as headcount, with demographic data sourced from KONE's Human Resources system at the end of each reporting period. Some recently acquired KONE units are excluded if detailed personnel data is not yet available. In other sections of the Board of Directors' Report, employee figures are presented as full-time equivalents (FTEs), which include staff from recent acquisitions. As a result, employee total figures may vary slightly across sections of the Annual review. These variances are not considered significant. For detailed information on employee FTE headcount, see tables 26-30.

Table 26. Employee headcount in top 10 countries

Country	Number of employees 2025 (headcount)	Number of employees 2024 (headcount)
China [1]	20,441	21,783
India	6,149	5,731
United States of America	5,698	5,721
France	3,397	3,287
Germany	2,965	2,922
Finland	2,809	2,643
Italy	2,184	2,097
United Kingdom	1,837	1,800
Australia	1,208	1,169
Mexico	1,175	1,147

[1] China is the only country that falls under the ESRS disclosure requirement, all other countries are voluntarily disclosed.

Table 27. Employee headcount by contract type and region

Headcount	Americas	APMEA	Europe	Greater China	Total
Number of employees	8,036 (7,961)	13,160 (12,407)	21,874 (21,070)	21,701 (22,964)	64,771 (64,402)
Number of permanent employees	8,030 (7,955)	12,856 (12,146)	20,965 (20,266)	21,363 (22,821)	63,214 (63,188)
Number of temporary employees [1]	6 (6)	304 (261)	909 (804)	338 (143)	1,557 (1,214)
Number of non-guaranteed hours employees [2]	3 (n/a)	8 (n/a)	15 (n/a)	18 (n/a)	44 (n/a)
Number of full-time employees [3]	8,034 (7,959)	13,143 (12,376)	21,087 (20,311)	21,700 (22,964)	63,964 (63,610)
Number of part-time employees [3]	2 (2)	17 (31)	787 (759)	1 (0)	807 (792)

Figures in brackets are values for year 2024
[1] Includes students and trainees
[2] In 2024 non-guaranteed hours for employees could not be reported because the data was not collected in HR systems.
[3] Voluntary disclosure

Table 28. Employee headcount by gender

Gender	Number of employees 2025 (headcount)	Number of employees 2024 (headcount)
Male	55,363	56,269
Female	7,879	7,631
Other [1]	12	13
Not reported [2]	517	489
Total employees	64,771	64,402

[1] In some countries it is possible for persons to legally register themselves as having a third, often neutral, gender, which is categorized as 'other' in the table above.
[2] Employees migrated from other system without recorded gender or recent hires who have not yet recorded their gender data in KONE HR system.

Table 29. Employee headcount by contract type and gender

Headcount	Female	Male	Other [1]	Not reported	Total
Number of employees	7,879 (7,631)	56,363 (56,269)	12 (13)	517 (489)	64,771 (64,402)
Number of permanent employees	7,642 (7,435)	55,137 (55,353)	11 (12)	424 (388)	63,214 (63,188)
Number of temporary employees [2]	237 (196)	1226 (916)	1 (1)	93 (101)	1,557 (1,214)
Number of non-guaranteed hours employees [3]	5 (n/a)	39 (n/a)	0 (n/a)	0 (n/a)	44 (n/a)
Number of full-time employees [4]	7,494 (7,263)	55,946 (55,855)	12 (13)	512 (479)	63,964 (63,610)
Number of part-time employees [4]	385 (368)	417 (414)	0 (0)	5 (10)	807 (792)

Figures in brackets are values for year 2024
[1] Gender as specified by the employees themselves
[2] Includes students and trainees
[3] In 2024 non-guaranteed hours for employees could not be reported because the data was not collected in HR systems.
[4] Voluntary disclosures

Table 30. Number of employees who have left KONE during the reporting period

	2025	2024
Employees that have left KONE	7,632	7,793
Total rolling 12-month turnover rate [1]	12.2%	11,5%

[1] Total turnover 2025 (12.2%) = Permanent employee + Expatriate leavers (7,632) divided by average headcount in last 12 months (62,665). Fixed term and Trainee employees (530) are not counted in the turnover.

3.1.2. Policies

Health and safety commitment policies

Recognizing that health and safety management is a cross-functional responsibility, KONE has implemented several policies addressing health and safety impacts on its own workforce. These policies are summarized in table 31.

Adherence to KONE policies, rules, and established working methods is assessed through the KONE management system audit scheme, which covers 100% of the company's business units. The results from the audit scheme are systematically used to improve safety performance by developing corrective plans and following up on implementation. Potential conflicts between efforts to prevent or mitigate negative health and safety impacts and competing business demands are managed by utilizing a cross-functional safety governance model. For details on KONE's governing bodies for health and safety, responsible for aligning policies with strategic objectives, se section 3.1.3. For information on KONE's cross-functional sustainability governance, including safety, see section 1.3.1.

Human rights policy commitment

Health and safety is one of KONE's salient human rights, and one of KONE's non-negotiable core principles, forming an integral part of the company's broader commitment to respecting human rights. KONE is committed to respecting and endorsing human rights including those set out in:

- The International Bill of Human Rights
- The United Nations Guiding Principles on Business and Human Rights
- The basic labor rights as defined by the International Labour Organization (ILO) including the ILO Declaration on Fundamental Principles and Rights at Work
- The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises

KONE's publicly available Human Rights Policy details KONE's role, objectives, and responsibilities in fulfilling its commitment. The policy is reviewed annually as part of KONE's policy review process. In line with ILO standards, KONE strictly prohibits all forms of child labor. The policy states that KONE does not employ workers under the age of 15 or below local mandatory schooling age, whichever is higher, and has set the minimum age for hazardous work at 18. The Human Rights policy also prohibits all forms of modern slavery, including forced labor across KONE's operations and value chains. KONE ensures timely compensation for employees, including contractors, temporary workers, and part-time staff, with no unlawful deductions or withdrawals or practices that may indicate forced or exploitative labor.

KONE adheres to all applicable local laws, relevant ILO conventions and industry standards regarding working hours, wages, benefits, and overtime.

In cases where local legislation conflicts with ILO or other relevant standards, such issues are escalated to the Sustainability Disclosure Board, which is accountable for human rights governance at KONE. As a committed participant in the UN Global Compact, KONE has integrated its principles, including those related to human rights, into the company's policies and procedures.

Global Management Systems

KONE Global Management System integrates quality, environmental, health and safety management to support strategic initiatives, and drive consistent, high-standard practices across all operations. It encompasses all global activities, offerings, and services, aiming to deliver customer value, while ensuring safe and sustainable business performance. The system provides, for example, directives for workplace accident prevention and occupational health and safety management in addition to local laws.

The integrated management system adheres to Quality management (ISO 9001), Environmental management (ISO 14001) and Occupational Health and Safety management (ISO 45001) standards, covering 100% of its own workforce, including contractors.

To drive continuous improvement, business units are certified to reinforce KONE's commitment to safety, quality, and environment. In addition to KONE's global management system, many KONE units are covered under the KONE group-wide certification OneISO', while others maintain individual certificates, issued by local accredited bodies. Some units have additional local or international certificates including Information Security management (ISO 27001), Energy Efficiency Management (ISO 50001) and/or the Lifts Directive 2014/33/EU, that all further enhance the health and safety of both workers as well as consumers and end-users.

KONE is actively working to expand the scope of its group certificates and gradually integrate local certifications into the unified OneISO framework. The onboarding of additional KONE units under the group certificates supports the harmonization of global management practices and ensures compliance with both international standards and KONE operating model (KONE Way).

The table 32 shows the proportion of employees covered by ISO certifications, either local or OneISO certificates, relative to KONE's global headcount.

Table 32. Share of KONE employees working in an ISO certified unit

ISO standard	Share of employees 2025	Share of employees 2024 [1]
ISO 9001	87%	87%
ISO 14001	77%	78%
ISO 45001	67%	58%

[1] The 2024 figures were restated following the identification of a calculation error

3.1.3 Actions

Engaging with own workforce

KONE is committed to being a great place to work for, empowering employees and actively involving them in shaping their workplace experience. The company's annual global engagement survey, Pulse, plays a central

Table 31. Key policies related to health and safety management, human rights and business conduct

Policy	Topics	Scope	Short description of content	Management bodies	Published/Updated
Global Management System	S1, S2, S4	All KONE entities and units, own workforce, contractors and partners	Global management system designed to ensure high and consistent health and safety standards across all operations worldwide.	Executive Board	02/2025
Health and Safety Policy Statement	S1, S2, S4	Own workforce, partners and users of KONE equipment	KONE's commitment to the applicable safety requirements. Provides a framework for safety objectives and responsibilities.	President and CEO	12/2024
Risk Management Policy	S1	All KONE entities	All KONE processes, procedures, facilities and premises shall be safe without compromising the health of employees and are designed and maintained in accordance with established safety standards.	Executive Board	10/2023
Global Facilities Policy	S1, S2	All KONE units, offices and warehouse spaces for KONE operations	Harmonized selection and management of KONE facilities, with the objective of providing safe and secure workplace for every user of the facility.	EVP Supply Chain, Global Category Manager Facilities, Local Owners	01/2022
Premises Security Policy	S1, S2	All new or significantly renovated KONE facilities	Outlines physical security measures for KONE-operated premises, whether owned or leased. Facilities must have documented, executed, and tested emergency procedures and, annual evacuation and rescue drills.	Executive Board	10/2023
Installation Policy	S1, S2	All KONE entities and units; own workforce, installation subcontractors	Requirements on KONE's installation works ensuring correct and safe installation, including the usage of KONE approved installation methods and tools or risk assessment requirements.	Head of Delivery Operations Development	01/2022
Travel Policy	S1	Own workforce	Guidance for work-related travel, including risk assessments and security advice as well as guidance on employee well-being during travel.	Executive Board	06/2022. Available in >30 languages at kone.com
Human Rights Policy	S1, S2	All KONE entities; own workforce and value chain workers	KONE's role, objectives, and responsibilities with respect to its human rights commitment.	Executive Board	11/2022. Available in >10 languages.
KONE Code of Conduct	S1, S2, S4, G1	Own workforce and all KONE companies	The responsible and ethical conduct expected of KONE employees and companies.	Executive Board	08/2025 Available in 7 languages
Supplier Code of Conduct	S2	All suppliers, including suppliers' own workforce, suppliers, and third parties	The ethical business practice requirements expected from suppliers, covering health and safety, bribery and corruption, labor and human rights, and environmental issues.	VP Global Compliance	01/2020
Distributor Code of Conduct	S2	All distributors, including distributors' own workforce, customers, suppliers, and third parties	The ethical business practice requirements expected from distributors, covering health and safety, bribery and corruption, labor and human rights, and environmental issues.	VP Global Compliance	09/2021
Third party due diligence policy	S1, S2, G1	All KONE entities and employees and extends across the value chain to suppliers, subcontractors, distributors, agents, joint venture partners, acquisition targets, and other third parties	KONE's zero tolerance for bribery, corruption, and other illicit activities, and defines how business partners are identified, assessed, and monitored from a compliance perspective.	Executive Board	2025
Codes and Standards Policy	S4	All KONE units	KONE's expectations for its business units and employees to adhere to all relevant codes, standards, and regulations in the provision of KONE solutions and services.	Executive Board	10/2023. Available in >30 languages at kone.com
Customer Solutions Engineering Policy	S4	All KONE units	Key principles for delivering safe, high-quality engineering work that meets all relevant laws, codes, and standards.	Executive Board	02/2019
Anti-Bribery and Corruption (ABC) Policy	G1	Own workforce	KONE's zero tolerance for bribery and corruption, covering risk-based prevention approach, and compliance and reporting guidance for employees	Executive Board	09/2023
Global Delegation of Authority Policy	G1	Own workforce	Defines when matters need to be escalated to Executive Board Members, CEO or Board of Directors.	Executive Board	08/2025

role in fostering transparency and gaining insights into the employee experience at KONE.

Survey results are made available each year to people leaders and people partners in each business unit through an online dashboard. Leaders develop action plans, communicate results to their teams, and focus on turning survey findings into concrete improvements that enhance their work environment.

The 2025 Pulse Survey results show continued strength in the Engagement Index, reflecting a stable and positive trend. The survey also highlights growing momentum in employees' sense of inclusivity and well-being. With a 92% participation rate, the results reflect strong engagement and trust in the process, reinforcing the belief that employee voices are heard and acted upon.

KONE's dedication to fostering an inclusive and supportive workplace is reflected in the way it considers the perspectives of employees who may be particularly vulnerable. KONE has established three Employee Resource Groups (ERGs), which are independently led by volunteer employees. Each ERG is sponsored by a member of the Executive Board. These ERGs receive organizational support and dedicated budgets, serving as important channels for engaging vulnerable employees and encouraging open dialogue.

KONE's people leaders maintain ongoing communication with their teams, including regular performance discussions. All individuals, including non-employees with internal communication platform access, are invited to participate in company-wide events, such as the quarterly live CEO Q&A session.

To foster employee involvement and ensure meaningful input on health and safety matters, KONE organizes local safety forums enabling participation of employees and their representatives. These forums are supported by active involvement from local management teams, with agendas, decisions and actions managed at a local level to reflect site-specific needs. KONE also works closely with Workers' Councils, adapting their structure to meet legal and cultural requirements of each operating country.

Another example of efforts to engage with KONE's workforce, the annual European Employee Forum gathers KONE employee representatives and senior management to address topics such as safety, business growth, and strategy. This forum plays a vital role in promoting open dialogue between council members and KONE leadership, supporting the company's ambition to be a great workplace.

Methods for workers to express concerns

KONE provides multiple forums and internal reporting channels for employees to raise work-related concerns. These include options to report issues directly to a supervisor, Human Resources, Legal, Safety, or Compliance functions. For detailed information about KONE's confidential reporting channel, KONE Compliance Line, see section 4.1.3.

KONE has a global web-based platform for health and safety specific issues, KONE Safety Solution (KSS), which enables the reporting and management of near-misses and incidents involving KONE's own workforce, subcontractors, third parties, consumers and end-users. Access to KSS is provided to all KONE employees and non-employees within KONE's own workforce, with few exceptions. Independent contractors and agency workers without a KONE account are required to report to KONE supervisors, who then enter the information into KSS. To ensure access to KSS, the application is deployed on all KONE mobile phones globally, except in regions where local legislation restricts direct access. In such cases, KONE provides alternative local reporting channels.

KONE actively promotes the reporting of near-misses and incidents through global campaigns, internal publications, and safety network meetings. The company also provides Incident and Near Miss Reporting training, translated into most local languages. To monitor awareness and usage of KSS, KONE tracks the number of reports submitted, completion rates of safety reporting eLearning, and local safety passport trainings.

KONE assesses awareness, trust, and development needs in its reporting through multiple methods including the Pulse Employee Survey. More information on assessment methods, see section 4.1.3.

As outlined in KONE's Management System, the company recognizes that mistakes and errors causing near-misses or incidents may occur unintentionally. In such cases, individuals are not blamed, however, deliberate violations are not tolerated. KONE's Supplier and Distributor Codes of Conduct, which complement the KONE Code of Conduct, reinforce the company's non-retaliation policy for concerns reported in good faith. For more on the Codes, see sections 3.2.2 and 4.1.2.

Table 33. Engagement channels – Own workforce

Employee engagement channel	Management bodies/ Responsible
Pulse engagement survey	Talent and Culture Center of Expertise, which reports to the Senior Vice President, Talent and Culture
European Employee Forum	Executive Vice President, People and Communications
Safety Forums	Depending on local practices
Workers' Councils	Depending on local practices
CEO Q&A sessions	Communications Center of Expertise, which reports to the Senior Vice President, Communications
Employee Resource Groups (ERGs)	Employee led with EXB sponsor for each ERG

Mitigating negative health and safety impacts

KONE is dedicated to addressing situations where its actions might negatively impact its workforce by refining KONE's processes, services, and products, and driving safety awareness. KONE policies and work methods, as well as every workplace, are evaluated for business and workplace risks, including health and safety. Risk management processes are covered in section 1.3.2, and key health and safety policies in section 3.1.2.

KONE's global, cross-functional safety and quality leadership team plays a vital role in ensuring alignment between policies, safety initiatives and strategic objectives. It fosters open dialogue across functions and stakeholders to build support for, evaluate, and maintain the effectiveness of safety measures. The team conducts monthly reviews of safety performance, achievements, and upcoming plans, focusing on identifying risks and opportunities, assessing internal support needs, and agreeing on short- and long-term actions.

To further strengthen health and safety performance and drive strategic safety initiatives, KONE's Global Safety Development Team, operating under the Global Safety and Quality Development Function, provides guidance

and support across KONE's operations encompassing the company's own workforce, value chain workers, consumers, and users of KONE equipment.

Based on ambitions, safety performance and lessons learned, KONE establishes a detailed health and safety priority action plan for each year with global objectives, while allowing some flexibility for areas and business units to specify their specific needs. KONE's 2025 Safety Budget Instructions for units addressed the following high-level objectives:

- Driving and establishing practices for proactive safety management
- Major improvement in subcontractor safety performance
- Enabling safety management based on data
- Effective and efficient safety communication

Safety is also embedded in the product development process, where potential hazards affecting the full product life-cycle are systematically identified. While some hazards cannot be completely eliminated, they are minimized to acceptable levels or addressed through maintenance requirements to replace parts before they become safety risks, ensuring product safety before market introduction. Existing products are continuously developed to further improve their safety and functionality for all relevant parties.

Determining the actions involves a collaborative, cross-functional effort, following KONE's health and safety governance model which is described in section 1.3.1 and 3.1.2. KONE's Global safety development team coordinates company level actions to address actual and potential impacts, described further in section 3.1.2.

A summary of key company level actions to mitigate negative health and safety impacts on KONE's own workforce is presented in the table 34. See section 3.1.4 for information on how KONE evaluates its health and safety related initiatives by setting targets and monitoring the progress against them.

Remediating negative health and safety impacts

Despite KONE's efforts, its workforce still occasionally faces negative work-related health and safety impacts. If an accident occurs, KONE offers health services to its own workforce to facilitate speedy and complete recovery. KONE's priority is to offer immediate crisis support and ensure the safety of everyone involved, followed by an internal investigation to determine root causes and implement remedial actions.

KONE's safety incident management process and implementation of remedial actions for health and safety impacts to own workforce, as well as to any impacted party such as an end-user, subcontractor or distributor, follows a standard workflow. Incidents and actions are recorded into KSS except for some end-user related cases in the US described under section 3.3.3. For every accident, root causes are identified and resolved with corrective actions. High or moderate risk near misses and incidents are investigated and analyzed by local safety personnel with support from global functions. The process includes an evaluation of current risk assessments and implements targeted corrective actions for negative health and safety impacts. Remedial actions address root causes with plans specifying timeframes and responsibilities. Actions can encompass, for instance, tool redesign or implementation of a training program.

The success of corrective measures is regularly evaluated within the context of safety performance review processes and routine meetings, where safety managers address issues and share best practices. To enhance KONE's commitment to being a learning organization, a collaborative entity, the Incident Review Board (IRB), was established in the reporting year. The IRB consists of business and safety leaders from the business units involved in recent incidents. Should any corrective action prove ineffective, it will undergo reassessment for additional measures until the risk level is acceptable. Lessons learned are shared globally within KONE and with relevant partners, and incidents are reported monthly to global functions. The safety governance model and safety meeting cadence is described in section 3.1.2 and 3.1.4. KONE's internal audit program also serves as a structured evaluation framework designed to identify and evaluate the effectiveness of preventive and remedial actions with a robust follow-up process in case of any non-conformity.

Supporting well-being

KONE has a global benefits and well-being strategy that provides overall direction for developing local initiatives, services, and benefits. The well-being framework, Elevate Your Health and related global resources, are available to all employees and to non-employees with intranet access. Leaders are supported with e-learning modules, toolkits, and concise guides to help them foster well-being within their teams.

To further embed well-being into the company culture, KONE has a Well-being Champions program. This initiative engages volunteer employees from across countries to raise awareness and promote participation in well-being activities and services. KONE also has a global mental health Employee Resource Group called Thrive, led by employees who actively work to create a culture where everyone can thrive, stay healthy, and feel comfortable to seek and receive support for mental health.

KONE wants to ensure certain benefits for all employees to re-enforce the care for employees' well-being. To support financial well-being and to help protect employees and their family from potential financial loss, KONE provides access to life insurance to all employees. KONE also wants all employees to have access to Employee Assistance Program (EAP) or similar service, to ensure employees always have low threshold support available when they are struggling or have worries regardless of the local health care services. Currently EAP is in place in forty-seven KONE countries.

Healthcare services are managed locally in accordance with local practices and regulations. KONE has a global occupational health principle within its management system, establishing minimum requirements for occupational health across all units. Medical insurance data is reviewed annually to enable preventive actions.

KONE supports flexible working and offers a range of arrangements available to employees. These include remote and hybrid work, flexible working time, job sharing, compressed workweeks, and part-time work. To further support work-life balance, many local units offer family-related benefits, including childcare, eldercare, and family leave.

Managing Human Rights impacts

KONE has a Human Rights Working Group, consisting of members from all areas of KONE, that monitors national and international policy developments to ensure compliance with regulatory requirements and The United Nations Guiding Principles on Business and Human Rights (UNGPs) standards. The group covers health, safety and human rights issues.

KONE conducts regular human rights impact assessments that consider a wide range of stakeholders, including the company's own workforce. In 2025, KONE continued to follow up on the outcomes of the 2023 human rights impact assessment, implementing actions to mitigate the risks identified. KONE identifies, assesses, and prioritizes human rights impacts throughout its business, aiming to prevent and mitigate these impacts continuously. For own employees, these assessments are complemented by regular internal surveys to help ensure compliance and uphold standards within operations. Anonymous surveys are also used to identify issues of discrimination, bullying, and harassment within KONE units. For more information on KONE's human rights due diligence process, see section 3.2.3.

In cases where a compliance incident investigation establishes that a Code of Conduct violation has occurred, relevant functions and stakeholders agree on remedial steps based on the facts of the case and local law, following a standardized process.

3.1.4. Targets

Driving continual improvement in safety

KONE monitors and analyzes various leading and lagging indicators to evaluate material occupational safety IROs for its own workforce, workers in the value chain, customers, consumers and end users, as well as the effectiveness of its health and safety measures. Continual improvement of safety performance is pursued through target setting. Targets related to own workforce are presented in table 35.

Industrial Injury Frequency Rate (IIFR) has been used for target setting at KONE for years, while Total Recordable Incident Rate (TRIR) has been monitored since 2023. Since IIFR is KONE's main health and safety management indicator, a specific short or long term TRIR target has not yet been set. KONE's objective is to eliminate all work-related fatalities and severe injuries.

Each year's targets are set by the Safety, Quality and Sustainability Board (SQS) at the beginning of the year, reflecting the progress from the previous year. Establishing health and safety targets is a collaborative process that relies on various factors, including safety performance, external requirements, identified opportunities, and the strategic direction of KONE as a company. KONE collects feedback from its own workforce through global safety and quality networks and communities encompassing all KONE operations. Additionally, results from the Pulse survey, Subcontractor Human Rights Impact Assessment, Compliance Line, and KONE Supply Chain's safety maturity assessment provide valuable input both from the internal and external workforce. KONE also uses insights from industry forums such as the European Lift Association (ELA) and other public data sources to ensure targets are relevant also in a broader context.

Table 34. KONE's global Health and Safety actions, outcomes and contributions

Summary of global actions in 2025 to improve H&S	Expected global outcomes	Contribution to the achievement of policy objectives and targets
Subcontractor safety development program 2024–	• Improved subcontractor safety performance in the 13 countries currently participating • Global standardized approach on subcontractor management	Improvement in partner safety performance – objective 1
Incident investigation development program 2024–2026	• Improved incident investigation methods to better understand root causes and how incidents can be prevented, aimed at all employees involved in incident investigations • Investigation competency development program	Improvement in employee and partner safety performance – objective 1
Two global safety awareness campaigns – Safety Week and Year-end safety campaign	• Enhanced safety awareness and competencies – own workforce and workers in the value chain, customers and partners • Local and global activities covering all KONE businesses and areas	Continually improve our health and safety performance – objective 2
Global general safety training implementation in local languages	• Raised employee risk awareness, safety reporting competency and electrical safety method awareness e-learnings	Continually improve our health and safety performance – objective 2
Data and innovation development	• KSS improvements and piloting AI to enhance data analysis internally • Safety reporting app pushed to all KONE mobiles	Be the benchmark for health and safety in our industry – objective 3
Reforming global Health and Safety management practices	• Alignment with the new strategy • To pursue identified opportunities emerging from the ESRS requirements, work to continue in 2026	Be the benchmark for health and safety in our industry – objective 3
Global KONE Installation Safety and Method Passport update 2024-	• Improved installer competency in applying KONE methods and safety requirements, own workforce (S1) and installer workers in the value chain (S2) • The development continued based on 2024 pilot phase: to be followed by a gradual global expansion	Be the benchmark for health and safety in our industry – objective 3
Look-Across 2023 -	• Prevention of similar type of incidents across supply chain proactively by evaluating exposure to similar risk scenarios in all units following a near miss or incident in one.	Be the benchmark for health and safety in our industry – objective 3

Tracking the progress of health and safety performance and ensuring the effectiveness of preventative and remedial actions takes place in several ways and forums. KONE carries out, e.g., monthly cross-functional safety performance follow-ups in each area, in monthly global safety meetings, and within the Executive Board. The Safety Core Team, comprising of leadership representatives from each area, major business lines and global functions, evaluates performance monthly. Progress is also reviewed in quarterly meetings, together with all safety professionals, as well as in collaborative discussions in global Safety and Quality Network meetings.

Global Safety Development function monitors safety performance and the status of corrective actions continuously, ensuring that relevant data is available to all stakeholders.

Workers are engaged to identify any lessons or improvements as a result of KONE's safety performance in various ways, see section 3.1.3.

KONE's progress towards the health and safety targets

The progress of KONE's health and safety performance has been positive over the years. Nonetheless, KONE understands that the implementation of innovative strategies is essential to achieve further reductions in the already relatively low lagging indicator figures. Key safety metrics are presented in table 35. Due to the current configuration of KSS, only own employees are included in these figures. KONE was not subject to any material fines, penalties or compensation associated with the 4 work-related fatalities within KONE's own employees.

As described in section 3.1.3, the management of occupational health within KONE is structured at the unit level in adherence with national regulations. There are often legal restrictions on the collection of data, which sets challenges to consolidate meaningful data on a group level. Therefore, the figures exclude cases of work-related ill health.

Table 35. Global key performance indicators for health and safety – Own workforce

Key Performance Indicator - H&S	Target	2025	2024	2023
The coverage of KONE's integrated health and safety management system [1]	• 2025 target: 100% • 2026 target: 100% • 2030 target: 100%	100%	100%	100%
The number of employee fatalities as a result of work-related injuries [2]	• 2025 target: 0 • 2026 target: 0 • 2030 target: 0	4	2	0
The number of employee recordable work-related accidents [3]		325	351	-
Total Recordable Incident Rate (TRIR), employees [4]	• 2025 target: -11% from 2024 • 2026 target: -7% • 2030 target: n/a	2,7	3.0	2.8
Industrial Injury Frequency Rate (IIFR), employees [5,6] (KONE's main H&S KPI)	• 2025 target: -11% from 2024 • 2026 target: -7% • 2030 target: 0.6	0,8 [6]	1.3	1.1
The number of days lost to work-related injuries, employees [7]		3,305	4,135	-

[1] The percentage of people in own workforce covered by KONE's integrated health and safety management system, based on legal requirements and ISO 45001 Occupational Health and Safety Management standard. The system is audited both internally and by an external party.
[2] Does not include fatalities resulting from work-related ill health.
[3] The number of work-related accidents (injuries) that result in any of the following: death, days away from work, restricted work or job transfer to another job, medical treatment beyond first aid, loss of consciousness; or significant injury diagnosed by a physician or other licensed healthcare professional. Does not include cases of work-related ill health due to restrictions on collecting the data. KONE has not seen it meaningful to set targets based on the number of accidents but instead, for the injury rates such as IIFR and TRIR.
[4] Total number of recordable work-related employee accidents (injuries) divided by the number of total employee theoretical hours worked, multiplied by 1,000,000.
[5] Voluntary KPI: Number of severe and moderate work-related employee incidents divided by the number of total employee theoretical hours worked, multiplied by 1 000 000.
[6] KONE credits its notable improvement to moving from reactive safety approach to proactive measures.
[7] Lost days are counted as total calendar days lost from work due to a work-related injury, including injuries that occurred in the previous year but contributed lost days in the reporting year, counted up to maximum of 180 days per injury. Does not include cases of work-related ill health due to restrictions on collecting the data. The total number of days lost in 2025 due to work-related injuries is determined by incident status updates recorded in KSS as of Thursday, January 15, 2026. The 2024 number of days lost to work-related injuries for employees in 2024 has been updated due to incident status changes after the 2024 Sustainability Statement was published, resulting in a 5.8% increase from the previously reported figure.

Compliance reports and incidents related to human rights

Reports on compliance concerns and human rights incidents are presented in table 36.

KONE follows internationally recognized human rights standards, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines

for Multinational Enterprises, and defines severe human rights incidents to include child and forced labor and human trafficking. For child and forced labor and human trafficking, KONE has set a target of zero incidents. In 2025, no such cases were reported through its Compliance Line or other compliance reporting channels. The company's target is to maintain zero incidents going forward.

During 2025 KONE was not subject to any material fines, penalties or compensation for damages resulting from discrimination and harassment incidents.

Table 36. Compliance reports and incidents related to human rights – Own workforce

	2023	2024	2025
Total number of compliance reports[1]	190	261	386
Reports via Compliance Line (%)[2]	29%	33%	30%
Harassment/Discrimination reports[3]	58	84	118
Fraud/Corruption reports[4]	52	63	82
Conflicts of Interest reports[5]	29	31	60
Reports under other categories[6]	51	83	126
Cases Closed[7]	195	239	336
Substantiated/Partially Substantiated Cases	70	98	155
Dismissed/Resigned Employees[8]	35	92	117
Human Rights Related Reports[9]	0	1	0
Child/Forced Labor/Human Trafficking Incidents[10]	0	0	0
Incidents Resulting in Court/Fines[11]	0	0	0

[1]The number considers total number of compliance reports received during the year.
[2]The percentage of all reports that were submitted through the KONE Compliance Line, KONE's confidential 24/7 reporting channel available worldwide to employees, suppliers, distributors, and the public.
[3]The number of compliance reports of discrimination and harassment out of the total number of reports received.
[4]The number of compliance reports of fraud and corruption out of the total number of reports received.
[5]The number of compliance reports related to conflicts of interest out of the total number of reports received.
[6]The number of compliance reports that fell under various other categories out of the total reports received.
[7]The number of closed cases during the reporting year. Some of these closed cases might have been reported in previous years.
[8]The number of employees that were dismissed or resigned as a result of the investigations. Overall, The disciplinary actions in relation to substantiated/partially substantiated cases ranged from coaching discussions to termination of employment.
[9]The number of compliance reports that were human rights related out of the total reports received.
[10]The number of child and forced labor and human trafficking incidents connected to KONE's workforce reported through its compliance reporting channels.
[11]The number of incidents that resulted in court proceedings or fines or concerned the use of child or forced labor or human trafficking incidents.

3.2 Workers in the Value Chain (S2)

3.2.1 Material impacts, risks, and opportunities

Working conditions of workers in the value chain, specifically relating to health and safety, is identified as a material topic. For details on the process used to identify and assess material IROs, see section 1.5. Material impacts are described in table 37, which includes relevant information on time-horizon, value chain information and management actions taken to address the IRO.

Value chain workers likely to be materially impacted, and therefore within the scope of this statement, can be grouped into four categories:

- Upstream manufacturing workers: Individuals employed by KONE's first-tier component suppliers who are engaged in manufacturing activities
- Downstream subcontractor workers: Individuals working for a subcontractor involved in dismantling, installation or maintenance activities (e.g., subcontractors installing KONE elevators)
- On-site service provider workers: Individuals employed by service providers performing tasks at KONE sites, such as consulting, IT services, facility management, and cleaning services.
- Distributor installation workers: Individuals working for KONE's distributors engaged in installation activities for KONE products

KONE directly contracts downstream subcontractors for installation and modernization work. It also collaborates with distributors who sell and install KONE products. These distributor workers operate independently, outside KONE's supervision and sites. While KONE promotes safe and ethical practices through monitoring and engagement, compliance with occupational health and safety requirements, labor laws, and ethical standards remain the responsibility of the distributors.

Table 37. Material impacts, risks, and opportunities related to workers in the value chain

Material topic (time horizon)	Material impacts, risks and opportunities	Management response
Health and safety in own operations and downstream value chain (short- and long-term)	↓ Negative impact KONE is performing installation and service operations globally. There are risks related to value chain workers' health and safety especially in the installation and maintenance operations. Safety hazards related to installation operations might cause accidents leading to short-term absences due to injuries, long-term permanent disabilities or even fatalities, if neglecting appropriate health and safety measures. ↓ Negative impact Distributors' employees and outsourced labor may not work in a safe or clean environment and/or may not respect KONE's quality and safety requirements or equivalent. Serious injuries or deaths may occur.	• Inclusive approach to health and safety practices such as involving value chain workers into company safety initiatives, setting requirements for their competency, and applying methods and tools • Identifying gaps, development areas and best practices, for example through the Subcontractor Safety Development Program, to further develop KONE processes and collaboration with its value chain workers for improved health & safety in the work environment • Conducting Supplier Human Rights Assessments

Certain categories of value chain workers face elevated risks when performing KONE-related tasks. Health and safety data indicate that subcontractors involved in New Building Solutions and Modernization projects are at highest risk for injuries. A significant portion of these downstream suppliers are located in China. Negative impacts on subcontractor workers include individual incidents related to hazardous working environment during equipment installation or dismantling. The most severe injuries among subcontractors are related to falls from heights, fall of material or object, and handling tools.

To mitigate potential negative health and safety impacts, and support subcontractors and distributors in maintaining safe working conditions and obtaining the required skills, KONE sets minimum standards for health and safety. More on the methods KONE uses to establish and monitor these standards and address negative impacts on value chain workers, see section 3.2.3 and 3.2.4.

Locations with the highest risk of child and forced labor are outlined under sections 3.1.1. The management of supplier risks is described under section 3.2.3.

3.2.2 Policies

Health and safety policies related to workers in the value chain

KONE requires all its suppliers and distributors to sign the Codes of Conduct and monitors the policy acceptance systematically. Contracts may be terminated in cases of Code violations. The Codes are reviewed annually and are publicly available at kone.com. Key policies related to workers in the value chain are described in section 3.1.2 and table 31.

Managing health and safety of value chain workers

KONE's safety management framework, which is aligned with ISO 45001 for occupational health and safety, applies to value chain workers. Integrated into KONE's Global Management System, it supports ongoing improvement in safety practices. For additional information about the management system, please see section 3.1.2., which contains details on ISO certifications.

Human rights policy commitment

KONE is a committed participant of the UN Global Compact and continuously strengthens its understanding of human rights impacts, taking proactive steps to

prevent and remediate impacts when identified. The Supplier and Distributor Codes of Conduct set KONE's expectations for its business partners to uphold the same internationally recognized human rights standards that KONE is committed to respecting. The codes include clauses in line with the ILO Core Conventions.

These Codes explicitly prohibit use of forced labor, child labor and modern slavery under any circumstances, including trafficked, indentured, or bonded labor, human trafficking and involuntary servitude, as well as engagement with subcontractors or suppliers involved in child labor, coercion, forced labor, slavery or human trafficking. The Supplier Code of Conduct was updated in 2025.

To monitor adherence, KONE conducts annual distributor due diligence questionnaire and supplier online human rights assessments, both which include questions on how the ethical principles in the Codes are communicated to employees. Furthermore, the Codes require that suppliers provide a safe and healthy working environment in compliance with all applicable laws and regulations. Suppliers must ensure their employees receive proper health and safety training, information, and personal protective equipment (PPE).

3.2.3. Actions

Engaging with value chain workers

KONE offers multiple channels for value chain workers to collaborate and raise concerns about ethics or health and safety. These include local meetings, safety initiatives, and daily interactions with KONE representatives across purchasing, sales, operations, and local entities. These interactions provide guidance for KONE's program and process design and implementation decisions. See section 3.1.3, for more information on KONE's health and safety initiatives.

KONE management and supervisors regularly collaborate and share safety information with subcontractors. Subcontractor workers are encouraged to participate in health and safety discussions through 'toolbox talk' briefings, regular meetings, and KONE events, with engagement monitored via safety KPIs, audits, and ongoing dialogue.

In alignment with KONE's continual improvement principles, all employees and subcontractors are responsible for suggesting and identifying ways to improve workplace safety. Subcontractors are required to report all KONE related near misses and incidents to KONE. Downstream subcontractor workers do not have direct access to KSS, instead, they report incidents to their supervisors, who then process these reports into KSS. Issues may also be communicated through local channels. Similarly, safety representatives from distributors compile and provide reports that are reviewed monthly with KONE. All workers working in KONE premises have either direct access to KSS or report to their KONE contact. For more information on KONE incident management process, see section 3.1.3.
The KONE Compliance Line is available to the public, including value chain workers, for reporting concerns and human rights grievances. See section 4.1.3 for more on reporting mechanisms.

KONE's non-retaliation policy, highlighted in KONE's Supplier and Distributor Codes of Conduct, requires suppliers and distributors to provide accessible channels for raising concerns. Any person making such a report in good faith is be protected from retaliation. KONE's supplier human rights assessment questionnaire asks whether suppliers have effective grievance mechanisms and are aware of the KONE Compliance Line. Similar questions are included in the annual distributor due diligence questionnaire to assess the accessibility and trustworthiness of reporting channels.

Engaging with distributors

KONE engages with distributors through regular forums to improve working methods, operational collaboration, and safety performance. While KONE is not directly responsible for distributor installation workers' health and safety, it monitors and works together with distributors to promote safe and ethical practices. KONE also supports distributors' business growth by providing commercial, technical, and training support, fostering partnership and synergy.

Monthly meetings with distributors at various tiers facilitate ongoing engagement and collaboration. Distributors communicate KONE's guidance and requirements to their employees and subcontractors and share best practices related to health, safety, and quality. Annual distributor meetings with top management focus on safety, quality, operations, and business alignment, facilitating shared decision-making related to the design and implementation of programs or processes, and driving continual improvement. To evaluate each distributor's performance, maturity, and growth opportunities, KONE conducts Field Operations assessments periodically in different countries.

Addressing negative health and safety impacts on value chain workers

KONE proactively addresses negative impacts on value chain workers by integrating robust risk management, pre-planning, and competency development into management systems. KONE also aims to deliver positive impacts, inviting value chain partners to participate in health and safety initiatives and campaigns.

Based on comprehensive risk assessments, KONE provides detailed installation and maintenance instructions for its products to mitigate health and safety risks. To further develop KONE products and installation methods, KONE seeks feedback from its value chain workers and companies.

In addition to KONE's Supplier and Distributor Codes of Conduct, KONE sets operation-specific minimum requirements for subcontractor training, tools, and personal protective equipment (PPE) mainly for projects in New Building Solutions and Modernization. Mandatory health and safety training requirements are related to the safe working methods for installing and maintaining KONE products. Depending on the local practices and legislation, KONE provides e-learning, hands-on and project or product specific training for subcontractors.

Close collaboration with subcontractors and distributors enables effective mitigating actions.

Along with own employees, local KONE line organizations are accountable for health and safety of workers in the value chain working under KONE supervision at KONE sites. The local line organization possesses the resources and competencies to support value chain workers in adhering to safe working methods. Local KONE entities and areas also have health and safety experts to support this goal. KONE's Global safety development team leads and partially resources global

health and safety initiatives, programs, tools, and campaigns, which also support value chain workers. The team and KONE's safety governance model is described in section 1.3.1. and 3.1.2.

Since 2024, KONE has driven a targeted program to address potential negative health and safety impacts on workers throughout its value chain. The Global Subcontractor Safety Development Program aims also to foster positive health and safety outcomes by establishing a structured framework for effective collaboration with subcontractors and standardizing their safety management practices. This initiative prioritizes worker groups and operational areas most susceptible to adverse impacts from KONE's activities. Mitigation strategies, such as increasing risk awareness and enhancing site supervision, are identified based on consolidated safety data, including incidents, near misses, and root cause analyses to avoid work injuries among value chain workers. In 2025, the program continued to systematically evaluate subcontractor management practices in selected regions and business units to determine necessary actions for collaborative safety performance improvement. The effectiveness of these initiatives is continually monitored to ensure optimal results. In the coming year, the program will be extended to all KONE operating countries, with program management shifting from a global to a local focus through an updated facilitation plan.

In addition to the mentioned actions, KONE participates actively in global industry forums, such as the Global Elevator Safety Forum, to influence improvement of health and safety in the elevator and escalator industry throughout the value chain.

See section 3.2.4. for details on how the impact of the actions is monitored and their planning guided through health and safety reporting, trend monitoring and target setting.

Remediating actual health and safety impacts on workers in the value chain

KONE's incident management process and integrated safety management system also cover value chain workers. If a value chain worker experiences a health or safety incident, KONE promptly assists partners in arranging immediate medical and crisis support and supports or conducts investigations to determine root causes and implement corrective actions. Incident data is used to identify improvement areas in KONE's products and processes and help value chain partners enhance their safety performance. See section 3.1.3, for more information about KONE's incident management process and the establishment of remedial actions.

KONE shares relevant near misses and incidents with subcontractors and distributors as lessons learned to help prevent recurrence. The effectiveness of remedial actions is verified through systematic data monitoring, further described in section 3.2.4.

KONE Human rights due diligence process

KONE's human rights due diligence program is based on international standards such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. KONE continuously develops and monitors its human rights due diligence program to identify and address potential risks in KONE's own operations and value chain, ensuring that the program aligns with international human rights standards. The processes within the program are discussed in KONE's Human Rights Working Group regularly. KONE identifies human rights risks within the program through human rights impact assessments, internal assessments and surveys, third-party due diligence and screening, and supplier due diligence process.

KONE carries out regular company-wide human rights impact assessments to identify risks within its organization and across its value chain. The latest global human rights impact assessment, conducted in 2023, found that KONE's salient human rights issues remain consistent with those identified in 2019, namely the respect for labor rights and, health and safety of employees and workers in the value chain

The scope of these assessments considers risks in the value chain, both in upstream and downstream, also covering end-users, customers and local communities. Prioritization of potential human rights impacts is based on the severity of the impact on potentially affected individuals and groups, the associated risks to the business and the likelihood of such impacts occurring. Findings from human rights and annual risk assessments are taken into account in relevant business processes, with responsibilities defined for carrying out preventive and corrective actions and for preparing measures to address identified risks. These actions are regularly reported back to the Sustainability Disclosure Board.

KONE uses internal surveys to assess human rights compliance in its own operations, as well as anonymous surveys to identify discrimination, bullying and/or harassment issues within a unit. Additionally, KONE carries out periodic on-site assessments of KONE-provided accommodation to identify and address any impacts on human rights and on employee safety. During 2025, KONE assessed its factory in India for human rights risks.

To manage risks related to business partners, KONE uses a compliance tool that screens and monitors suppliers, customers, distributors and other third parties against international adverse media, sanctions, and watch lists. The tool supports risk-based checks and flags red indicators for further review. Enhanced scrutiny is applied to high-risk partners, and practical onboarding guidance is available for KONE's highest risk partners. Employees are encouraged to escalate concerns, ensuring risks are addressed promptly and responsibly. Adverse findings on human rights are flagged to the relevant KONE contract owner or category manager for follow-up.

KONE is committed to taking appropriate action to remediate situations where its activities have caused or contributed to an adverse human rights impact. Any human rights issues can be escalated to the Human Rights Working Group, reporting to the Sustainability disclosure board. Employees, suppliers, and external stakeholders may also raise concerns through the KONE Compliance Line. If Code of Conduct violations are uncovered through compliance investigations, the relevant functions and stakeholders, such as management, Compliance, Legal, and Human Resources, collaborate to agree on corrective measures based on the facts of the case and applicable local laws. When necessary, specific individuals are designated to oversee the implementation of the corrective actions to ensure these are carried out.

Supplier due diligence

Given that KONE's highest human rights risks are found within its value chain, a dedicated Supplier Sustainability

Team is responsible for continuously developing and implementing KONE's supplier human rights due diligence program. This program is aligned with international standards and aims to prevent, mitigate, and remedy adverse impacts across the supply chain.

Suppliers with potential high risks are identified based on factors such as geographic location, category of goods or services provided, and the use of materials linked to high-risk supply chains. Prioritization of supplier human rights risk considers, after severity and likelihood of risks, KONE's leverage and other relevant factors to ensure focus on the most salient risks.

Suppliers with potential high human rights risks undergo online or third-party on-site human rights assessments to identify potential and actual impacts. The assessments cover all salient human rights risks, including health and safety, conditions of employment, discrimination, harassment, freedom of association and collective bargaining, child labor, forced labor, and the right to a safe environment. Based on the findings, KONE collaborates with suppliers and relevant stakeholders to develop corrective action plans with measurable targets and timelines.

Implementation is monitored through a structured tracking and follow-up process with designated resources to ensure the effectiveness of mitigation efforts. Where adverse impacts occur, KONE seeks to provide for or cooperate in remediation. KONE also has a disengagement process in place for suppliers that are unresponsive or refuse to address human rights concerns, which includes termination of contract and notification to local authorities.

In 2025, KONE strengthened supplier engagement in high-risk regions, particularly in India, by organizing a face-to-face human rights workshop for its largest material suppliers. KONE also strengthened collaboration with external partners, including partnering up with UNIDO (United Nations Industrial Development Organization) and conducting tailored trainings for KONE's supplier companies.

Table 38. Global metrics for compliance – Workers in the value chain

Key performance indicator	Target	2025	2024	2023
The coverage of KONE's Distributor Code of Conduct [1]	• 100% by 2025 • 100% by 2026 • 100% by 2030	100%	97%	92%
The coverage of KONE's Supplier Code of Conduct[2]	• 87% by 2025 • 89% by 2026 • 90% by 2030	89%	87%	86%
Compliance screening coverage by spend [3]		95%	78%	78%

[1] KONE's distributors who have signed KONE's Distributor Code of Conduct.
[2] KONE's total spend with regular trade suppliers and installation subcontractors with parties who have signed KONE's Supplier Code of Conduct or equivalent.
[3] Percentage of total supplier spend covered by KONE's compliance screening solution.

3.2.4 Targets and metrics

Key compliance metrics for workers in the value chain

KONE expects its business partners to uphold the same standards as KONE regarding health and safety, zero tolerance for bribery and corruption, internationally recognized labor and human rights, and environmental responsibility. To support this, KONE has set targets for signatories of the Distributor and Supplier Codes of Conduct, using 2020 and 2021 as base years, respectively. These targets are established through a strategic and systematic process. While stakeholders are not directly involved in target setting, KONE considers how the stakeholders may be affected.

All distributors are required to sign the Distributor Code of Conduct. Similarly, according to KONE purchasing policy, all suppliers must agree to and sign the Supplier Code of Conduct and demonstrate compliance with KONE's requirements. Exceptions can be made if supplier's own Code of Conduct is verified to align with KONE's standards, subject to approval by KONE's legal department. Requiring all suppliers to sign the Supplier Code of Conduct, that includes the Environmental Annex, ensures suppliers adhere to KONE's environmental, labor and human rights requirements. Supplier Code of Conduct compliance targets are reviewed annually based on supplier performance and adherence.

KONE screens suppliers and business partners and regularly monitors both the process and the share of suppliers and other business partners included in the screening solution. Although there is no specific target set for the coverage of business partners in the tool, KONE continuously works towards expanding the scope of entities in the tool. The tool manages third parties through five key stages: onboarding, risk assessment, due diligence, risk mitigation and monitoring.

Global metrics for compliance can be found in table 38.

KONE has also set human rights related compliance targets that are described in section 3.1.4. In 2025, KONE received no reports on severe human rights issues or incidents connected to workers within the material scope of its upstream or downstream value chain through the Compliance Line or other compliance reporting channels. KONE has not become aware of any cases reported through the compliance reporting channels involving non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises within its upstream or downstream value chain.

KONE recognizes that human rights risks are present in global supply chains, and that the absence of reported cases does not mean the absence of risks. KONE is committed to proactively uncovering and addressing human rights risks across the value chain.

Health and Safety metrics and performance monitoring for workers in the value chain

KONE tracks health and safety trends among value chain workers and monitors channels for reporting issues to monitor the effectiveness of its actions. Value chain worker related health and safety data in KSS, internal and external management system audit findings, Human Rights Impact Assessment results, and concerns arising from KONE's close collaboration with value chain companies, help KONE to identify and prioritize actions needed to mitigate potential negative impacts in its value chain. Regular meetings and forums are held to assess mitigation efforts, and processes are adjusted as needed for continual improvement. The certified Health and Safety Management System ensures external evaluation of risk mitigation processes.

KONE has prioritized health and safety monitoring of downstream subcontractors involved in installation and dismantling, upstream first-tier component suppliers in manufacturing, and service providers working at KONE sites. KONE actively enhances its processes to monitor safety of all its value chain worker groups, including distributor installation personnel.

Subcontractor safety performance is monitored daily via KSS, in line with local laws and contract terms. Reports on near misses, injuries, and fatalities are included in monthly global reporting to the Executive Board and reviewed regularly at both global and local health and safety meetings. For more information on KSS, see section 3.1.3.

KONE aims to decrease both the number and severity of injuries among subcontractors involved in dismantling and installation activities for New Building Solutions and Modernization projects by 2030. While a specific quantitative target has not yet been set due to challenges in collecting and verifying data, such as limited access to working hours and other confidential information, KONE closely monitors injury numbers and trends to improve safety across its value chain.

Target setting for occupational health and safety is a collaborative process and the process is described in section 3.1.4.

Based on findings from the human rights impact assessment, DMA, Subcontractor Safety Development Program, and KSS reports, KONE has identified a need to further support partners in improving health and safety management and fostering a proactive safety culture. KONE is confident that enhancing Code of Conduct compliance monitoring and continuing the Subcontractor Safety Development Program will effectively reduce material negative health and safety impacts and promote positive outcomes for value chain workers.

3.3 Consumers and End-Users (S4)

3.3.1 Material impacts, risks, and opportunities

Personal health and safety of consumers and end-users is identified as a material topic for KONE. For details on the process used to identify and assess material IROs, see section 1.5. The material impact and risk are described in table 39, which includes relevant information on the time-horizon, value chain information and the management actions taken to address the IRO.

Recognized as a fundamental human right, safety is a core principle and top priority in KONE's Rise strategy. With billions of people using KONE elevators, escalators, and automatic doors every day, end-user safety is central to our business approach and embedded in everything we do.

KONE's products are designed to meet the needs of varied range of users, including the elderly, people with disabilities, children, and those transporting heavy or bulky items. KONE's solutions are widely used in high-traffic environments such as hospitals, shopping centers, and public transport hubs, where safety and reliability are critical.

Based on incident data in KSS, most consumer and end-user safety incidents are linked to misuse or inappropriate behavior around equipment, with children and young adults being particularly at risk. Additionally, incidents involving KONE products are often influenced by factors beyond KONE's control, such as property maintenance, building conditions and supervision.

All consumers and end-users who are likely to be materially impacted by KONE operations, value chain, products, and services, are included within the scope of KONE's disclosures.

Table 39. Material impacts, risks, and opportunities related to consumers and end-users

Material topic (time horizon)	Material impacts, risks and opportunities	Management response
Health and safety in downstream value chain (medium-term)	↓ Negative impact Misuse of KONE equipment, neglecting maintenance instructions or other unforeseen events may lead to equipment failures and cause severe incidents or fatalities to end-users. ↓ Risk Equipment malfunctions related injuries due to error in design or maintenance. Inadequate maintenance level, including by subcontractors. Postponement of modernization by the building owner.	• Safety is embedded in the product development process • Retrofit of identified safety hazards in KONE products. • Modular Based Maintenance (MBM) using preventive maintenance methods • Regular training of KONE's maintenance technicians • Safety promotion campaigns for customers and end-users • Develop modernization solutions for upgrading or replacing existing equipment with new solutions that meet or exceed the latest safety standard

3.3.2 Policies

Key policies related to consumers and end-users

Codes, standards and regulations set technical and operational requirements for KONE's solutions and services throughout their entire life-cycle from design, manufacturing and installation to service, modernization, and dismantling.

In addition to meeting local codes and regulatory requirements, KONE has established a series of health and safety management related policies, many of which also apply to end-users. For example, risk management is an integral part of KONE's business processes associated with the safety of solutions and services throughout their life-cycle, addressed with the Risk Management Policy. For details on the policies, please see section 3.1.2. Key policies that are particularly relevant to consumers and end-users are presented in table 31.

KONE's Quality, Health and Safety Policy Statements set the ambition and objectives applicable to all KONE units. See further information in section 3.1.2.

Policy for and KONE approach to consumer and end-user human rights

The KONE Human Rights Policy outlines the company's role, objectives, and responsibilities regarding its human rights commitments, and recognizes that safety is a shared responsibility involving all stakeholders, including end-users. KONE's human rights impact assessment considers end-users and customers from a health and safety perspective to identify any related risks. No specific groups of end-users or customers were identified as having high risk for human rights impacts in the assessment. In addition, KONE has not become aware of severe human rights incidents connected to its consumers or end-users during the reporting period. For more information on KONE's Human Rights Policy, due diligence process, alignment with internationally recognized standards and details about remediation processes, see section 3.1.2., 3.1.3., 3.2.3. and 4.1.

Management systems for policy implementation and monitoring

KONE's integrated management system supports consumer and end-user safety by embedding safety into all stages of operations, from product design and installation to maintenance and continuous improvement. By combining quality, safety, environmental, and compliance management into a single framework, KONE ensures consistent risk assessments, clear accountability, and standardized processes across our business. This approach enables identifying and addressing potential hazards early, meeting regulatory and customer requirements, and driving corrective and preventive actions. In doing so, KONE provides consumers and end-users with safe, reliable products and services that are continuously monitored and improved. For more

information on KONE's Global Management Systems, see section 3.1.2.

3.3.3 Actions

Engaging with consumers and end-users

At KONE, consumer and end-user perspectives are integrated into decision-making through structured feedback mechanisms, including surveys, incident management, and direct customer engagement. Insights inform product design, service development and safety improvements. The Global Safety and Quality Function oversees these efforts, with the Senior Vice President of Safety and Quality responsible for the communication to the Executive Board and shaping organizational strategy.

KONE gathers additional insights through its annual customer loyalty survey, which includes over 13,000 interviews each year. Local teams review these results and incorporate actions into their plans.

Furthermore, KONE has launched an updated Customer Transaction Survey (CTS) enabling regional teams to act faster on feedback and implement service improvements more efficiently. Customers benefit directly from a more responsive organization, making service quality more reliable no matter where the customer is located. The CTS ensures consistent tracking and improvement of customer experience. By simplifying feedback processes and using digital tools, KONE makes it easier for customers to share their opinions and see tangible results. The program, initially implemented in specific regions, was extended to more than forty-five countries in 2025.

For any compliance-related concerns, the KONE Compliance Line reporting channel is publicly available at kone.com, to all KONE stakeholders, including customers, consumers, and end-users. See more under section 4.1.3. KONE highlights the Compliance Line in customer contract templates, ensuring an easily accessible and confidential channel for reporting concerns or potential misconduct.

KONE actively participates in trade associations, standardization forums, and organizations dedicated to shaping industry standards and best practices.

KONE is a member of the European Lift Association (ELA), which collects and analyzes incident data from various original equipment manufacturers (OEMs) and industry associations to support safety improvements. In the Americas, KONE also supports the Elevator and Escalator Safety Foundation through its involvement in industry trade associations.

Safety communications

Safety is a shared responsibility that also involves the owners and users of elevators, escalators, and automatic building doors. KONE collaborates closely with its customers to help them operate KONE equipment safely, identify potential safety hazards, and address situations that may pose safety risks.

KONE equipment are safe by design when instructions for operation, daily inspections, and maintenance programs are followed. At the completion of installation, KONE provides product owner documentation, hazard warning signs and instructions for correct product use. To further support safety, KONE offers training and educational materials to help customers prevent or mitigate risks, including product safety training for their employees. Building owners and maintenance service providers are responsible for the equipment being professionally maintained and kept in good condition. Owners are expected to promptly inform maintenance service providers of any identified hazards, such as unusual noises or debris on or around the equipment. KONE also organizes safety awareness campaigns in cooperation with customers, to encourage safe behavior among equipment users. Through active communication, training, and public engagement, KONE helps ensure safe use of its equipment. Special attention is given to children, recognized as one of the most vulnerable user groups. KONE's safety mascots, Bob and Max, have visited shopping centers, daycare centers, lower schools and customer sites globally to promote safety in a fun and engaging way. Educational materials for both children and adults, such as safety videos and a downloadable safety playbook, are available on kone.com.

Mitigating negative impacts on consumers and end-users

KONE is committed to effectively managing the material negative impacts to consumers and end-users associated with its operations, products, services, and value chain. To ensure the safety, reliability, and sustainability of its elevators, escalators, and building doors, KONE has allocated resources across various functions within the organization and is closely monitoring safety occurrences related to KONE products. KONE identifies actions to address potential negative impacts on consumers and end-users by conducting risk assessments, gathering stakeholder feedback, and analyzing incident data from KSS and other sources. KONE tracks and monitors the effectiveness of its actions in mitigating material risks and impacts through ongoing safety performance tracking, discussed in 3.1.4 and further in 3.3.4. All KONE's methods for installation, service and modernization are defined and risk assessed with user and third-party risks considered. Furthermore, end-user safety is carefully considered in the product development process. For more information about the process, see section 3.1.3.

Through continuous engagement with customers over the whole life-cycle of their building, KONE can address potential safety risks and actual material impacts and provide solutions that may exceed the locally required safety standards.

To address issues proactively, various product development and continual improvement initiatives applying Lean Six Sigma or similar methodology are initiated to improve KONE processes, services and products. Inputs for continual improvement are e.g., collected from KONE front lines using the Quality Issue Management (QIM) system or in some areas, equivalent local process.

KONE provides several digital and connected solutions that enhance safety and reliability for end-users and consumers.

KONE 24/7 Connected Services enhances KONE's service and modernization business by enabling predictive maintenance and data-driven equipment upgrades, as well as reducing equipment downtime and extending their life-cycle. For consumers and end-users,

this translates into safer, more reliable, and uninterrupted equipment use, with issues often prevented before they occur. Aligned with KONE's Rise strategy and focus on digital transition, the share of connected equipment in the maintenance base increased notably to over 40% at the end of 2025.

In line with its strategy, KONE focuses on improving user safety by modernizing existing equipment with solutions that meet or exceed the latest safety standards, ensuring safer, more reliable equipment performance.

At KONE, Dynamic Maintenance Planning (DMP) is being progressively deployed across multiple regions as part of the company's digital transformation efforts. DMP uses real-time equipment data to optimize route planning, maintenance visits and tasks performed at site. DMP contributes to sustainability by improving equipment reliability, safety and operational efficiency through timely, targeted interventions.

KONE has also piloted a new API-based solution in the UK, integrating customer portals with KONE systems to provide real-time updates on issue resolution and service visits. By giving facility managers and building owners instant access to equipment status, technician notes, and service progress directly in their own platforms, potential issues can be identified and addressed faster. This reduces downtime, lowers the risk of equipment being used while faulty, and ensures maintenance is carried out on time. To expand the benefits, KONE's global Service and Digital Offering team is collaborating with multiple frontlines to enable similar integrations, with the aim of scaling the solution globally and enhancing service transparency across markets.

Following the escalator video monitoring system pilot in 2024, KONE has piloted similar system for elevators to automatically detect unsafe passenger behavior or other pre-defined scenarios that could potentially lead to user incidents. In case of a recognized incident, the passengers can be guided towards safer behavior by audio-visual responses. The system records each observation and provides insights, enabling a targeted approach to further improve the safety of end-users.

Remediating negative impacts on consumers and end-users

In the rare event of a safety incident involving a user of KONE equipment, KONE's global incident management process is implemented consistently across all KONE units, except for incidents involving consumers or end-users in the United States, which, due to legal requirements, are not documented in KONE's global database (KSS). These incidents are still thoroughly investigated locally to identify and implement corrective and preventive actions with the same level of diligence. For comprehensive information regarding KONE's established safety reporting workflow, see section 3.1.3.

KONE maintains a retrofit process to address identified or potential safety risks. Information sources include, but are not limited to, actual user incidents, near misses, quality or warranty claims, QIM tickets, audits, third party inspections and technical callouts. When necessary, KONE proactively notifies customers, and/or respective authorities, as well as construction, elevator, and escalator industries of known defects that would require product recalls and repairs. KONE works closely with local authorities to mitigate potential negative impact for users of its equipment or in remediating actual negative impact.

To ensure the effectiveness and consistency of its incident management and reporting processes, KONE conducts regular internal and external audits of its management system. For more details on KONE's auditing practices, see section 3.1.2.

3.3.4 Targets

Health and safety targets, related to consumers and end-users, are set through a collaborative, data-driven process that incorporates safety performance metrics, regulatory requirements, improvement opportunities, and KONE's strategic objectives and policies. Feedback from customers, collected via loyalty surveys and KONE's global safety and quality networks, shape these targets, ensuring they meet the safety need of consumers and end-users throughout all KONE operations.

KONE monitors incidents involving consumers and end-users to identify common causes, assess which end-users may be at increased health and safety risk, and evaluate both the effectiveness of actions taken and overall performance. Incident data is recorded in KSS. Although no specific quantitative injury reduction target has been set due to data collection challenges, KONE tracks and analyses near misses, allowing potential hazards to be identified and mitigated before incidents occur.

Maintaining equipment in optimal technical condition is a key factor in ensuring consumer and end-user safety. KONE has established 'Field operational enablers' with progressively ambitious targets for all frontlines since 2020 to uphold high standards in equipment maintenance. These targets include, among other things, maintenance visit completion rates and the frequency of supervisor audits.

To strengthen consumer and end-user safety at every level, KONE has set a global target of one safety promotion event or meeting per 2,000 units in service. These actions are designed to raise awareness and reinforce compliance, supporting KONE's commitment to a zero-injury goal. Progress toward these targets is closely monitored in unit-level management meetings to ensure alignment with KONE's broader safety objectives and policies.

Annual budget plans for each business unit align financial and non-financial targets with stakeholder needs, risks, and opportunities, including impacts on consumers and end-users. For more on KONE's approach to establishing health and safety targets and performance tracking, see section 3.1.4. For more on how targeted actions are defined based on annual global safety budget instructions, see section 3.1.3.

4 Governance information

4.1 Business Conduct (G1)

4.1.1 Material impacts, risks, and opportunities

Corporate culture, the protection of whistleblowers and the prevention and detection of bribery and corruption, are identified as material topics for KONE. For details on the process used to identify and assess material IROs, see section 1.5. The material impacts are summarized in table 40, which includes relevant information on time-horizon, value chain information and the management actions taken to address the IRO.

At KONE, business conduct means acting with integrity, ensuring transparent and ethical practices, and complying with laws and regulations to foster trust among stakeholders. A strong corporate culture promotes fairness, accountability, and responsible decision-making; protecting whistleblowers strengthens transparency, consumer trust, and societal perceptions; and effective anti-bribery and anti-corruption measures enhance public confidence and support sustainable business practices. While the complete elimination of negative impacts may not be fully achievable, preventive measures are in place to mitigate risks and strengthen accountability across operations.

Table 40. Material impacts, risks, and opportunities related to business conduct

Material topic (time horizon)	Material impacts, risks and opportunities	Management response
Corporate culture in own operations (medium-term)	↑ Positive impact A positive corporate culture promotes ethical, sustainable practices and supports responsible decision-making, creating benefits for society.	• KONE's culture, built on the core principles and values, is the foundation of everything at KONE • Corporate culture related KPI's are included in KONE's Sustainability program monitoring, such as values, ethics, and compliance • In 2025, KONE assigned an annual, mandatory Code of Conduct e-learning for all employees
Protection of whistle-blowers in own operations (medium-term)	↑ Positive impact Whistleblower protection empowers people to speak up, promoting transparency, accountability, and trust in society.	• The KONE Compliance Line is available for employees, suppliers, distributors, and the public at all times • KONE's Code of conduct emphasizes KONE's non-retaliation policy: no form of retaliation is tolerated against anyone who has made a compliance report in good faith
Corruption and bribery in own operations (medium-term)	↑ Positive impact Preventing and detecting corruption ensures fair business practices, builds public trust, and supports sustainable societal cooperation.	• Global Compliance works closely with KONE's Assurance, Internal Controls and Risk Management teams to identify ABC risks and track the effectiveness of KONE's ABC program • Anti-Bribery and Corruption training was reassigned to staff and supervisors in 2025

4.1.2 Policies

The KONE Code of Conduct is a key element of the company's culture and business practices. It sets out the responsible and ethical conduct expected of KONE employees and companies. The Code addresses a range of topics such as conflicts of interest, corruption, competition compliance, third-party due diligence, human rights, fraud and theft, and how to report violations of the Code. The Code also emphasizes KONE's non-retaliation policy: KONE does not tolerate any form of retaliation against anyone who has made a compliance report in good faith. As a committed participant of the United Nations Global Compact, KONE upholds its ten principles on human rights, labor, environment, and anti-corruption. The Code is available in over thirty languages on kone.com. KONE's general Code of Conduct is complemented by KONE Supplier and Distributor Codes of Conduct. For more on the Codes, see section 3.2.2 and table 31.

As a part of ongoing efforts to prevent bribery and corruption, KONE has a standalone Anti-Bribery and Corruption (ABC) Policy. The ABC Policy builds on the Code of Conduct to provide guidance to employees on how to deal with risky situations. The Policy is internally and externally available in more than thirty languages and aligned with the United Nations Convention against corruption, reinforcing KONE's dedication to ethical standards. The policy states KONE's zero tolerance towards bribery and corruption, explains prohibited arrangements (including direct and indirect bribery, facilitation payments, excessive gifts and hospitality, and inappropriate donations and sponsorships), outlines third-party risks, describes KONE's risk-based approach towards the prevention of bribery and corruption, gives examples of practical risk situations that employees should look out for, and provides guidance on how to report any suspected violations.

In 2025, KONE launched a global Third-Party Due Diligence Policy that sets out the company's zero tolerance for bribery, corruption, and other illicit activities, and defines how business partners are identified, assessed, and monitored from a compliance perspective. The policy applies to all KONE entities and employees and extends across the value chain to suppliers, subcontractors, distributors, agents, joint venture partners, acquisition targets, and other third parties. It is based on a risk-based approach to due diligence, with enhanced procedures for higher-risk categories such as agents and distributors. The policy complements other compliance policies and forms part of the company's broader compliance framework. Policies are summarized in table 31.

4.1.3 Actions and targets

KONE culture

KONE's culture is grounded in its core principles of safety, quality and sustainability, which are never compromised, as well as in its core values of courage, customer, care and collaboration. These principles and values shape how KONE employees work together, both internally and externally, and bring the company's culture to life every day.

Culture is about how people connect, interact and work together. The way KONE culture is embedded into people and management processes supports the global consistency in the organization as well as aligning all employees with KONE values.

Annual people processes are essential tools for cultivating and strengthening KONE's culture, where regular feedback sessions play a vital role. The annual employee engagement survey, Pulse, is a key process that helps shape and develop KONE's culture by gathering feedback from all employees. KONE aims to build an even stronger feedback culture going forward.

All people leads are encouraged to carry out meaningful conversations and activities including recognizing and celebrating success at every level of the organization. Employee Resource Groups (ERGs), promote and bring KONE values to life through actions and collaboration across the organization. In addition, KONE's structured leadership approach serves as a framework creating consistency and alignment across all Areas.

KONE's Rise strategy encourages employees to focus on elements of the company culture that support successful strategy implementation. KONE leaders are expected to lead with courage, speed and simplicity, and to collaborate effectively across the organization. KONE's strategic ambition is to be the number one choice for employees and customers, and KONE's culture continues to be a crucial part of the journey and experience.

Inclusivity is embedded in KONE's culture and values. The development of inclusive teams, communities, and networks is seen as essential to KONE's long-term success. KONE's values are also reflected in annual performance evaluations, which are indirectly linked to the global short-term incentive program.

Mechanisms for identifying, reporting and investigating concerns

All KONE employees are expected to understand and comply with the Code of Conduct and to report any violations through the available channels. Internal channels include reporting to management, Human Resources, Legal, or Compliance functions. In addition, the KONE Compliance Line offers a confidential 24/7 reporting channel for employees, suppliers, distributors, and the public (including consumers and end-users) globally. The Compliance Line is highlighted in e.g., employee trainings, awareness materials, and in the Supplier and Distributor Codes of Conduct and intranet. More information and clear reporting instructions are available at kone.com. KONE conducts periodic surveys and assessments to test the awareness level of its reporting channels and the willingness of employees to report such concerns. For more details on incidents and complaints, see section 3.1.3 and 3.1.4.

The Compliance Line is operated by an independent third party and is accessible via phone and/or web in over 30 languages. Reports can be made in the reporter's native language and can be anonymous where permitted under data protection laws. Reports can be submitted on a range of topics related to the Code of Conduct violations and other topics relevant to the Code, such as fraud, theft, corruption, harassment, conflicts of interest, human rights, environment, and safety.

KONE has implemented the requirements set forth by the local implementations of the EU Whistleblowers Directive (EU 2019/1937) in KONE's operating locations. Where required by local whistleblower laws, KONE subsidiaries have local reporting lines and processes allowing for the local reporting of compliance concerns. The local staff have been given virtual training on how to handle reports coming through the local reporting lines covering the background requirement of the reporting line, how the process works, what to do if they receive a report, and the basics of compliance investigations.

KONE investigates reported concerns independently, objectively and in a timely and professional manner by a dedicated, impartial KONE Compliance Team, free from any conflicts of interest. Corrective actions are taken when necessary, including disciplinary action (including termination of employment or business relationships), process improvements, and further training. In cases where a compliance investigation establishes that a Code of Conduct violation has occurred, relevant functions and stakeholders, e.g. Compliance, Management, Legal and Human Resource functions, agree on remedial steps based on the facts of the case and local law. When appropriate, individuals are assigned to follow up on specific remedial actions to ensure that they have taken place. KONE's case management system integrates the web, phone, and other reporting channels to allow for a secure and confidential system for managing reports and follow-up. KONE consistently monitors such reports by area, type, country, and other criteria, looking for any trends or other meaningful information.

Key compliance cases and statistics on all compliance cases are reported to the Global Compliance Committee on a quarterly basis. Individual compliance cases are also discussed as necessary with the Committee, KONE's President and CEO and/or the Executive Board. A summary of key compliance cases and statistics is provided to the Audit Committee and external auditors annually.

KONE clearly communicates in its Code of Conduct, the Supplier and Distributor Codes of Conduct and other policies, training materials and Compliance Line Speak up Guidelines, that it prohibits retaliation against any individual who reports a Code of Conduct violation in good faith. A report is made in good faith when the reporting person has reasonable grounds to believe that the information provided was true at the time of reporting. In addition, to the extent allowed by local law, KONE maintains the confidentiality of reporters' identities to further reduce the risk of retaliation. In countries where anonymous reporting is not allowed, all other reporting channels are available. All the reports are kept confidential on a strict need to know basis, while maintaining KONE's prohibition against retaliation. Access to the reporting system is limited to dedicated trained individuals tasked with handling compliance reports

At risk functions for bribery and corruption

KONE's operations are divided into eight global functions: Commercial and Operations, Technology and Innovation, Supply Chain, Purchasing, Strategy and Transformation,

People and Communications, Finance and Legal and four geographical areas: Americas, Europe, Greater China, and Asia-Pacific, Middle East and Africa. To enhance its efforts in preventing and detecting bribery and corruption, KONE conducted a comprehensive global anti-bribery and corruption risk assessment in 2021. In the assessment KONE identified purchasing, sales, and marketing to have an elevated risk for bribery and corruption. These high-risk functions are categorized under Purchasing, Supply Chain and Commercial and Operations. In addition, some geographical areas pose a greater risk for bribery and corruption namely Asia-Pacific, Middle East and Africa and Greater China. These risks are evaluated internally on a continuous basis. KONE reports metrics at a global function level to ensure consistent coverage of all relevant roles with elevated risk for corruption and bribery. This approach accounts for variations in role names and descriptions, which may not always capture all at-risk positions. In addition, when KONE reports training completions of these functions, only active KONE employees are included. Those on leave are assigned the course upon return to work.

Code of conduct, anti-bribery and corruption training

Compliance training is a core element of KONE's ethics and compliance program. Key e-learnings, including the Code of Conduct, Competition Compliance, and Anti-Bribery and Corruption, are refreshed and assigned regularly, with at least one mandatory training rolled out each year for all employees, including Executive Board members.

In 2025, the Code of Conduct e-learning was updated and re-issued globally to all employees, including the Board of Directors. The course provides an overview of the Code and includes real-life scenarios employees may encounter in their daily work. Topics covered by the e-learning include corruption and bribery, related KONE policies, procedures for handling suspicion and detection as well as fraud, conflicts of interest, modern slavery, gifts and hospitality, how to apply the Code, and how to report actual or potential misconducts. The training includes clear confirmation from employees that they agree to comply with the Code of Conduct. All new joiners at KONE are required to complete the most recent Code of Conduct e-learning, and the Competition Compliance e-learning (updated in 2022) is also mandatory for all new staff and supervisors.

In addition to the Code of Conduct training, KONE reinforced its commitment to ethical business practices through targeted anti-bribery and corruption (ABC) training. The ABC Policy, introduced in 2023, was accompanied by a mandatory e-learning course for all employees, including Executive Management. The same course was re-issued in 2025 to all office-based staff and supervisors. It covers the definition of corruption and bribery, KONE's zero-tolerance policy, and provides guidance on preventing, detecting, and responding to corrupt business practices. Additionally, employees are instructed on how to report misconduct. The training includes clear confirmation from employees that they agree to comply with the ABC Policy. Respectively 98% of all active KONE employees in the target group (24,527) had completed the training by year end 2025. 98% of employees in functions with higher risk for bribery and corruption had completed the training. The ABC e-learning is part of onboarding and assigned to all new employees. For more information on business conduct policies and Code of Conduct training see section 4.1.2.

Preventive measures and actions

To prevent bribery and corruption, KONE has developed comprehensive anti-bribery and corruption measures. KONE continues to implement frontline compliance risk assessments and localized programs with a strong focus on addressing bribery and corruption. In 2025, KONE expanded its organization by adding new resources in key areas, including those identified as higher risk from a compliance perspective. The additional personnel strengthen KONE's ability to monitor, prevent, and address compliance risks across regions and functions, ensuring that expertise is available closer to the business. KONE also initiated local risk assessments in new 10 countries with a strong focus on anti-bribery and corruption among other compliance topics. Separate targeted compliance training to frontlines and corporate functions on topics including anti-bribery and corruption as well as gifts and corporate hospitality continued during 2025. See table 41 for the training completion rates.

KONE actively seeks reliable and fair relations with suppliers, distributors, and other partners for mutual benefit. To ensure transparency and compliance, KONE has a third-party due diligence process in place for distributors and centralized information on global distributor management. For details on the process, see section 3.2.3. Additionally, KONE conducts annual distributor training sessions in selected geographical areas, covering essential topics such as sanctions, bribery, corruption, and human rights. These trainings were conducted also during 2025. KONE ensures that the latest version of the distributor Code of Conduct has been signed by active KONE distributors. An annual distributor due diligence questionnaire is sent to all distributors and includes detailed questions on bribery and corruption, as well as on working conditions. KONE holds its suppliers to the same high standards regarding anti-bribery and corruption. KONE Supplier Code of Conduct includes an extensive chapter dedicated to these critical issues, emphasizing KONE's shared commitment to ethical business practices. For more information on KONE Distributor and Supplier Codes of Conduct, see section 3.2.2 and table 31.

KONE has incorporated anti-bribery and corruption clauses in global contract templates to better align business relationships with customers with KONE's stringent anti-corruption policies. In addition, Global Ethics and Compliance systematically screens target entities during mergers and acquisitions as part of KONE's risk management strategy. The compliance screening of customers was extended and automated during 2025. The screening process helps KONE maintain its commitment to ethical conduct and compliance with anti-bribery regulations.

KONE launched a new conflict of interest declaration tool integrated into KONE's Human Resources system in 2024. During 2025, KONE continued implementing the tool across all operations. Employees can disclose any potential conflicts of interest to their manager through the tool, in which all relevant information is documented including any necessary resolutions. The tool also provides the capability for requiring employees to "self-affirm" that they do not have any conflicts. The tool serves as a risk mitigation mechanism to detect and prevent situations where employees' personal interests may conflict with those of the company. In addition, all employees are encouraged to speak up if they suspect or become aware of a violation of the Code of Conduct, including those related to corruption and bribery.

Table 41. Completion rate of Code of conduct trainings [1]

Target group	2025 Target group	Completed (Target)	2024 Target group	Completed (Target)	2023 Target group	Completed (Target)
Own employees	66,494	97% (97%)	65,673	95% (95%)	54,000	85% (92%)
Employees in at-risk functions	38,394	98%	37,464	98%	36,622	86%
The Board of Directors and Executive management	22	100%	21	100%	9[2]	100%

[1]All mandatory compliance training courses are monitored through KONE's learning management system, which records completion rates for each training module. In China, operatives are trained on a separate China Learning Management system (China LMS). The Greater China Compliance team monitors and tracks completions through the China LMS and reports these to Global Compliance function periodically.
[2]In 2023 the Code of Conduct training was not assigned to the Borad of Directors. The number includes only Executive management.