

KONE SUPPLIER CODE OF CONDUCT

INTRODUCTION

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

The KONE Supplier Code of Conduct ("Code") illustrates the values according to which KONE operates globally. KONE expects its suppliers to comply with the requirements of the Code in their dealings with KONE, their own employees and suppliers, as well as third parties including government officials.

1. LEGAL COMPLIANCE

The supplier shall comply with all applicable laws and regulations. Should a requirement of this Code contradict national laws or regulations the Supplier shall comply with whichever is stricter.

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

2. BUSINESS CONDUCT

2.1 Ethical Conduct

The supplier shall in all its operations be committed to high ethical standards in its business practices and shall prohibit any corrupt or fraudulent practices, tax evasion or money laundering activities.

2.2. Prohibition of Corrupt Practices

KONE prohibits, and has zero tolerance for, fraud, which is the act or intent of cheating, tricking, stealing, deceiving, misrepresenting or lying for any personal or professional advantage. Fraud is incompatible with KONE values and culture.

KONE maintains and expects its suppliers to have zero tolerance towards all forms of bribery, corruption and fraud and to have appropriate anti-bribery and anti-corruption policies and controls in place.

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

The supplier shall not provide any gift, corporate hospitality (including business lunches, dinners or entertainment) or other benefit to, or at the request of, a KONE employee.

In other circumstances, suppliers may offer modest business courtesies, provided they comply with applicable laws, and are limited in their scope, value and frequency. Cash or equivalent, such as gift cards, can never be offered. Supplier must never provide any gifts, corporate hospitality or other benefits to a KONE employee's family members or government officials.

KONE employees are not permitted to accept gifts, corporate hospitality or other benefits from a supplier who is involved in any ongoing or imminent tender or contract negotiations with KONE, or if the employee is in a position to influence the choice of supplier.

Suppliers must conduct risk-based due diligence on third parties, including agents, consultants and subcontractors, to ensure compliance with anti-corruption laws.

Suppliers must maintain accurate books and records that reflect all transactions transparently and completely.

2.3 Conflicts of Interest

The supplier shall avoid any situations where personal interests conflict, or appear to conflict, with their responsibilities to KONE. The supplier shall disclose any actual or potential conflicts of interest to KONE. The supplier shall ensure that its directors and employees or any third party acting on its behalf do not engage in any business with KONE employees where a conflict of interest exists.

Suppliers must inform KONE if any KONE employee or their immediate family member holds a material financial or other interest in the supplier's business, holds a managerial position, or works for the supplier.

2.4. Fair Competition

The supplier shall comply with all applicable competition (and antitrust) laws and regulations. For example, the supplier shall not enter into any agreements with its competitors to increase prices or to restrict the availability of products.

Suppliers must not exchange sensitive commercial information with KONE's competitors.

3. TRADE COMPLIANCE

The supplier must ensure that it, and its supply chain, complies with all applicable international trade sanctions issued by the UN, EU and US, and that it and its supply chain comply with all applicable export control and customs laws and regulations.

The supplier is required to inform KONE without undue delay if (i) the supplier itself, its immediate owner or ultimate beneficial owner, or any director, officer or representative of the supplier, is or becomes subject to international trade sanctions or restrictions, or (ii) the supplier becomes subject to a sanctions compliance investigation, or (iii) the supplier is or becomes aware that any of the products, software or technology it supplies to KONE is subject to any export controls, export restrictions or export license requirements.

The supplier must know its upstream supply chain and is required to provide KONE upon request and without delay information and proof about the manufacture or source origin of the products, software, technology or services it supplies to KONE.

4. DUE DILIGENCE

The Supplier shall implement a risk-based due diligence process, appropriate to its size and operations, to identify, prevent, mitigate, and, where necessary, address and remediate potential or actual adverse impacts on human rights, the environment, and ethical business practices across its own operations and supply chain.

Where risks are identified, the Supplier shall cooperate in good faith with KONE to develop and implement appropriate corrective actions within a reasonable timeframe. The Supplier shall maintain appropriate documentation and provide KONE with access to information necessary for assessing compliance with due diligence obligations. Failure to uphold these due diligence responsibilities may result in appropriate consequences, including suspension or termination of the business relationship, in line with KONE's own due diligence obligations.

The Supplier should extend these due diligence principles to its own suppliers, subcontractors, and business partners proportionate to the risk and scale of the business relationship. This includes vetting third parties for human rights and environmental risks, ensuring that they adhere to similar standards, and taking appropriate action if violations are found.

In addition to human rights and environmental risks, the Supplier's due diligence process shall also address risks related to corruption, fraud, trade sanctions, financial integrity, data protection, and cybersecurity, where relevant. These expectations apply to the Supplier's own operations as well as to its suppliers, subcontractors, and other business partners.

4.1. Human Rights Due Diligence

The Supplier shall identify, assess, and address actual and potential human rights impacts in its operations and supply chains, in a manner proportionate to its size and activities. This includes ensuring fair labor practices, preventing forced and child labor and modern slavery, protection of vulnerable groups, promoting non-discrimination, and providing safe working conditions.

4.2. Environmental Due Diligence

The Supplier shall identify and mitigate environmental risks and impacts, including those related to resource use, emissions, pollution, waste, and biodiversity. The Supplier shall adopt measures to minimize environmental harm and promote sustainability throughout its operations, appropriate to its scale and context.

4.3. Conflict Minerals

The Supplier shall exercise due diligence to ensure that any minerals used in its products are sourced responsibly and do not contribute to armed conflict, human rights abuses, or environmental harm. The Supplier shall comply with relevant international standards, such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

5. RESPECT FOR LABOR AND HUMAN RIGHTS

The supplier is expected to respect internationally recognized human rights, including those set out in the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, and the principles set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

5.1. Non-Discrimination

The Supplier shall promote a diverse, equitable, and inclusive workplace where all individuals are treated with dignity and respect. The supplier shall not discriminate in the hiring, compensation, promotion, discipline, termination or retirement of employees based on gender, gender identity, age, health status, religion or belief, marital status, sexual orientation, disability, social class, political opinion, or national or ethnic origin, or any other characteristic that does not relate to the individual's qualifications or the inherent requirements for the job.

5.2. Child and Forced Labor

The supplier shall not use workers under the age of 15 or under the local legal minimum age for work or mandatory schooling age, whichever is higher. No young worker shall do work that is mentally, physically, socially or morally dangerous or harmful or interferes with their schooling by depriving them of the opportunity to attend school. The supplier shall under no circumstances use forced labor (including trafficked, indentured, or bonded labor) or contract with subcontractors or suppliers using child labor or forced labor. Mental and physical coercion, slavery and human trafficking are prohibited. The supplier shall actively prevent all forms of modern slavery, including debt bondage, human trafficking, and involuntary servitude, within its operations and supply chain.

5.3 Respect and Dignity

The supplier shall treat its employees with dignity and respect and shall ensure that no worker is subject to any physical, sexual, psychological or verbal harassment, abuse or other form of intimidation.

5.4 Terms of Employment

The supplier shall ensure that compensation paid to its employees (including contractors, temporary or part-time employees) complies with all applicable wage laws, including those relating to minimum wages, overtime hours, paid leave and mandatory benefits. Where legal minimum wages fall short of a living wage, the Supplier is expected to work progressively toward paying a living wage in good faith. The supplier shall ensure that all employees are provided with employment documents that are freely agreed and which respect their legal and contractual rights.

5.5 Freedom of Association and Collective Bargaining

The supplier shall respect its employees' right to freely associate and bargain collectively, including industrial action, in compliance with all applicable laws and regulations. Employees shall not be intimidated or harassed in the exercise of their legal right to join or refrain from joining any organization.

5.6 Grievances

The supplier shall provide its employees with the means to raise their concerns about any of the compliance requirements outlined in this Code, and any employee who makes such a report in good faith shall be protected from retaliation.

5.7 Community Rights

The supplier shall respect community rights, such as access to land, land usage rights and the right to a safe environment, in all its operations. The supplier should assess, anticipate and avoid negative impacts on local communities within which it operates whenever possible, with a particular emphasis on vulnerable groups such as children, ethnic minorities and indigenous people. Where operations may affect the rights of Indigenous Peoples or involve land traditionally owned or used by local communities, the Supplier shall ensure that free, prior, and informed consent (FPIC) is obtained in accordance with international standards.

5.8 Use of Security Forces

For the protection of business projects, the Supplier shall only use reliable security forces and shall ensure through appropriate training that these security forces comply with all applicable laws and, in particular, do not violate the prohibition of torture, do not unlawfully endanger the life and limb of people and do not impair the freedom of association of workers.

6. HEALTH AND SAFETY

The supplier shall ensure that its employees have a safe and healthy working environment in compliance with all applicable laws and regulations. The supplier shall assess health and safety risks at their facilities and maintain an effective system for employees reporting safety issues.

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

7. ENVIRONMENT

The supplier shall take all reasonable and proportionate measures to prevent, minimize, or bring to an end any adverse environmental impacts associated with its operations, products, or services. This includes impacts on air, water, soil, biodiversity, ecosystems, and climate.

The supplier shall comply with all applicable environmental laws, regulations and relevant international standards as well as any KONE requirements regarding the prohibition, restriction, labeling for recycling or disposal of specific substances, as specified in the Environmental Annex to the Supply and Purchase Agreement.

The supplier shall obtain, maintain and comply with all applicable environmental permits, licenses and registrations necessary for its operations. The supplier shall monitor, control, minimize and appropriately treat emissions and pollutants (including to air, soil and water) and other waste generated from its operations. The supplier shall avoid or minimize harm to biodiversity and ecosystems and take particular care in operations that may affect protected areas, species, or forests. The supplier shall continuously improve its environmental performance and strive to reduce its carbon footprint, for example through enhanced energy efficiency, transition to renewable energy sources, and improved waste prevention, reuse, and recycling practices.

The supplier shall implement an appropriate, structured, and systematic approach to managing environmental responsibilities, including, where relevant, the establishment of an environmental management system in line with internationally recognized standards (e.g., ISO 14001). Where applicable, the Supplier shall also promote environmentally responsible practices within its own supply chain and business partners, in line with the principles set out in the KONE Supplier Code of Conduct and related due diligence requirements. KONE encourages suppliers to set environmental targets in line with SBT-i and other internationally recognized standards.

8. INTELLECTUAL PROPERTY RIGHTS AND PUBLICITY

The supplier shall comply with all applicable laws and international treaties on intellectual property rights. The supplier must not infringe upon the intellectual property rights of KONE or any third party. This includes, but is not limited to, patents, trademarks, copyrights, trade secrets, and design rights.

Unless explicitly agreed otherwise with KONE in writing, the supplier is not entitled to publicize its cooperation with KONE or utilize KONE's trademarks or other intellectual property rights in any form.

9. DATA PROTECTION AND PRIVACY

The supplier shall process personal data in compliance with applicable data protection laws, including the EU General Data Protection Regulation (GDPR).

The supplier shall implement appropriate technical and organizational measures to ensure the confidentiality, integrity, and availability of personal data.

10. MONITORING AND REPORTING

The supplier shall regularly (at least annually) monitor its compliance with the Code.

The supplier shall upon request provide KONE access to all relevant information and documents needed to verify the supplier's compliance with the Code. The supplier is required to allow KONE to perform monitoring activities. Should KONE have a reason to believe that the supplier may be in breach of the Code (e.g. based on media reports), KONE may itself or through a third-party auditor survey the supplier's relevant premises to validate the supplier's compliance with the Code.

Should the supplier have, in the reasonable opinion of KONE, materially violated the Code, KONE is entitled to terminate the business relationship with the supplier with immediate effect.

If the supplier becomes aware of a breach of any of the requirements of the Code by its own employees or KONE employees, the Supplier shall inform KONE as soon as possible. If the supplier is unable to discuss the matter with KONE Purchasing, reports can be sent to compliance@KONE.com or made (anonymously where permitted by local law) via the KONE Compliance Line reporting channel: <https://www.speakupfeedback.eu/web/konesuppliers/>.

11. APPLICABILITY

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

The supplier shall ensure that its suppliers, subcontractors, consultants, and partners comply with the principles of the Code.

Acknowledged and approved

Place_____Date_____

Company name_____

Signature_____

Company registration number_____