



KONE GENERAL TERMS AND CONDITIONS FOR PURCHASE OF GOODS AND SERVICES

1 APPLICABILITY

1.1 These general terms and conditions (the “GTC”) form an integral part of the Agreement. In case of any discrepancy between the body of the Agreement and this GTC, the Agreement shall prevail.

1.2 No terms or conditions delivered with or contained in Supplier's quotations, acknowledgements, acceptances, specifications, or similar documents will form part of the Agreement.

1.3 The Supplier shall accept the Agreement either expressly by written statement or impliedly by fulfilling the Agreement in whole or in part.

2 DEFINITIONS

The capitalized terms used in this GTC shall have the meanings defined below, unless otherwise defined in the Agreement:

“Agreement”	means either (i) the agreement signed or otherwise accepted by KONE and the Supplier to which this GTC is attached or, if no separate agreement exists, (ii) KONE's purchase order together with this GTC.
“Goods”	mean the items, products, goods, materials, equipment, devices, parts, tools, components, accessories, technical documentation to be delivered by the Supplier under the Agreement.
“Intellectual Property Rights”	mean copyright (including the right to modify, transfer and further assign copyright), trademark rights, trade secrets, know-how, patent rights and any other intellectual property rights whether registered or not.
“KONE”	means the KONE group entity purchasing the Goods and/or Services as specified in the Agreement.
“KONE Specific Materials”	mean Results and other materials developed, created or customized solely for KONE or which are of or relating to KONE's specifications, design and offering or are otherwise based on KONE's technology, copyrights or Confidential Information.
“Pre-Existing Materials”	shall mean Intellectual Property Rights and materials owned or possessed by either party prior to the date of the Agreement or created or acquired independently outside the scope of the Agreement.
“Services”	means the services to be provided or performed by the Supplier under the Agreement, including any Results generated during or resulting from the provision of the Services.
“Results”	means all documents, reports, data, materials, ideas, concepts, developments, amendments, work products, and other tangible or intangible outputs in any form or media created or provided by the Supplier in the course of the Services.
“Supplier”	means the entity providing the Goods and/or Services to KONE as specified in the Agreement.

3 GENERAL OBLIGATIONS AND QUALITY

3.1 The Goods shall be of satisfactory quality and free from defects in title, material, workmanship or design. If the purpose for which the Goods are required is made known to the Supplier expressly or by implication, the Goods shall be suitable for that purpose, or in the absence thereof, fit and sufficient for the purposes for which such Goods would ordinarily be used. The Goods shall conform to any Supplier's specifications, drawings, descriptions and samples and any specifications provided by KONE. Goods shall comply with and be manufactured in accordance with all applicable laws, regulations and standards.

3.2 The Supplier shall perform the Services and provide the Results in accordance with the specifications and other requirements of the Agreement, KONE's instructions and in compliance with all applicable laws, regulations and standards. The Supplier shall render the Services with promptness and diligence and execute the Services in a timely, professional and workmanlike manner, in accordance with the practices and high professional standards used in well-managed operations performing services similar to the Services. The Supplier shall provide all Results in the format and manner specified in the Agreement or otherwise agreed between the Parties. All Results shall be complete, accurate, and suitable for their intended purpose.

3.3 The Goods shall be packaged in accordance with methods suitable for transportation and preservation. All packaging must adhere to industry standards and applicable regulatory requirements.

3.4 The Supplier shall obtain and maintain at its own cost all necessary permits, registrations, filings and licenses required for the provision of the Goods and performance of the Services. Unless otherwise agreed between the parties, the Supplier shall be solely responsible for providing all facilities, hardware, materials, equipment, software, tools, licenses, personnel and other resources that may be required to provide the Goods and performance of Services.

3.5 If the Services are performed at KONE's premises, the Supplier shall comply with all safety, security, and confidentiality regulations and instructions in force at such premises as communicated by KONE to the Supplier.

3.6 The Supplier shall provide suitably qualified and experienced personnel to perform its obligations under the Agreement. If specific qualifications have been specified, Supplier personnel shall possess the stated qualifications. The Supplier agrees to use all reasonable efforts to avoid any changes regarding the key persons. If a key person ceases to be available to perform Supplier's obligations under the Agreement, Supplier shall promptly notify KONE thereof and replace such individual with another person of at least equal competence, and KONE reserves the right to reject recruitment of any key personnel of Supplier for a justified reason. KONE may, if dissatisfied with the performance of any Supplier employee, request, acting reasonably, that such employee be replaced at no cost to KONE as quickly as possible.

3.7 KONE shall perform those tasks expressly agreed as KONE's duties in the Agreement. KONE shall have no obligations other than those expressly specified in the Agreement.

4 CHANGES

4.1 Supplier shall not, without a written consent of KONE, be entitled to make additions, reductions or other changes to the Goods or Services, such as to the volumes, specifications or otherwise. Supplier shall promptly contact KONE if Supplier discovers a need for or otherwise considers any kind of changes.

4.2 KONE shall have the right to reschedule, change or cancel any ordered Goods and/or Services free of charge and without incurring any liability by notifying the Supplier thereof in writing at least 14 days prior to the agreed date of delivery of the Goods or the commencement of the Services.

4.3 If any change causes an increase or decrease in the cost of, or the time required for the performance of any Services or Goods, the purchase price and/or delivery schedule shall be adjusted accordingly in writing. The Supplier shall implement any changes for a reasonable price in accordance with the same pricing principles and price levels as originally agreed in the Agreement. Upon KONE's request, the Supplier shall provide evidence of the amount of work required.

5 DELIVERY AND DELAY

5.1 The delivery time is specified in the Agreement. If no delivery time is defined, the Supplier shall provide the Goods and Services as soon as practically possible or as soon as required by KONE. Any partial or early delivery of any Goods or Services requires KONE's consent.

5.2 Term of delivery (Incoterms® 2020) for the Goods shall be specified in the Agreement.

5.3 The Supplier shall notify KONE in writing upon completion of the Services. KONE shall then assess whether the Services and Results meet the requirements set forth in the Agreement. If directed by KONE, the Supplier shall carry out the actions outlined in Section 6.3.

5.4 The Supplier is not relieved from its obligations or KONE's rights and remedies are not limited by any testing, inspection, review or acceptance (or omissions to carry out such). Acceptance of any nonconforming Goods and/or Services will not release the Supplier from correcting such issues nor does it preclude KONE from any appropriate remedies.

5.5 If the Supplier has, or ought reasonably to have, reason to believe that it will not be able to comply with the agreed delivery time, it shall immediately notify KONE of such delay, the reason for the delay, and the expected duration of the delay. The Supplier's liability for late delivery shall not be limited as a consequence of such notification.

5.6 Should a delivery of Goods and/or Services, or part thereof, for which a specific delivery or completion date has been expressly agreed in the Agreement or otherwise between the Parties, be delayed beyond such date, KONE shall be entitled to liquidated damages in the amount of 2% of the contract price per each week of delay, up to a maximum of 15% of the contract price. Any amount of liquidated damages shall become due on demand. KONE shall be entitled to deduct any such amount from any Supplier's unpaid invoice or set off any such amount against any Supplier's invoice. This does not restrict KONE's right to any further compensation for damages caused by the Supplier's delay.

6 WARRANTIES AND LIABILITY

6.1 The Supplier warrants that the Goods and Services comply in every respect with the requirements and specifications set forth in the Agreement, including without limitation Supplier's responsibilities as defined in Sections 3.1 and 3.2.

6.2 The Supplier warrants all Goods for a period of 24 months from the date of delivery of the Goods (or any longer period that is agreed or applies by law) (the "**Warranty Period**").

6.3 Without prejudice to any other rights and remedies of KONE, the Supplier shall without delay, at its own cost and expense: (i) correct any non-compliance or defect in the Goods appearing during or dating from the Warranty Period by a new delivery of replacement Goods, or, upon KONE's discretion, by repairing the defective Goods, and (ii) re-perform, repair or otherwise remedy any non-compliant Services and/or Results.

6.4 The Supplier shall be liable for all costs and expenses related to repair, replacement or other correction of any Goods and/or Services, including any costs associated with inspection, shipping (including by air freight in urgent cases), disassembly of the end-product necessary for the corrective measures. Any replaced or repaired Goods or parts thereof will be subject to a new warranty period from the date the remediation is completed to KONE's satisfaction.

6.5 In the event that the Supplier fails to remedy or refuses to remedy any non-conforming Goods and/or Services without undue delay, KONE shall be entitled at its option (i) to remedy the non-conformity or, after notifying the Supplier of its intent, have it remedied by a third party at the Supplier's expense, (ii) cancel the purchase of the Goods and/or Services in question and, as applicable, receive a refund, or (iii) receive price reduction for the Goods and/or Services.

7 INTELLECTUAL PROPERTY RIGHTS

7.1 Any Pre-Existing Materials shall be owned by the party who created or conceived such Pre-Existing Materials. No ownership of Intellectual Property Rights regarding Pre-Existing Materials shall be transferred by the Agreement.

7.2 For the avoidance of doubt, all tools, materials, samples, models, components, documents, or other property provided by KONE shall be considered KONE's Pre-Existing Material and shall be returned by the Supplier promptly upon KONE's request or upon contract termination or expiration. The Supplier shall not be entitled to utilize KONE's Pre-Existing Materials, KONE Specific Materials, business secrets, other know-how, Confidential Information or corresponding intangible for any purpose other than to deliver the Goods and Services to KONE.

7.3 All right, title and interest and all Intellectual Property Rights in and to the KONE Specific Materials shall vest in and be the sole and exclusive property of KONE. The said rights shall transfer from the Supplier to KONE upon creation of such KONE Specific Materials by the Supplier. The Supplier shall assign (and does hereby assign without the need for further consideration) and cause its employees and sub-contractors to assign any and all such Intellectual Property Rights to KONE and take such additional actions as may be requested by KONE or as are necessary to perfect the transfer of rights to KONE.

7.4 To the extent any of Supplier's Pre-existing Material is included in the KONE Specific Material, to the extent necessary for KONE to exploit such Results in its normal business use and purposes and in order to allow the unrestricted use and exploitation by KONE of such KONE Specific Material in accordance with KONE's rights under Section 7.3, KONE and its affiliates shall in any event be granted a fully paid-up, royalty-free, irrevocable, perpetual, worldwide, non-exclusive and transferable license to use, exploit, modify, execute, amend, translate, reproduce, display, make available, market, sell, distribute, sublicense, perform, take copies of such Pre-existing Material as part of the KONE Specific Material and prepare derivative works based on any such Pre-existing Material.

7.5 All right, title and interest and all Intellectual Property Rights in and to the Results of generic nature shall vest in and be the sole and exclusive property of the Supplier. KONE, its customers and business partners shall be granted a fully paid-up, royalty-free, irrevocable, perpetual, worldwide, non-exclusive license to use, exploit, modify, execute, amend, translate, reproduce, display, make available, market, sell, distribute, sublicense, perform, take copies of such Results and prepare derivative works based on any generic Results delivered to KONE.

8 INDEMNIFICATION

8.1 The Supplier shall indemnify and hold KONE harmless against any injuries to persons or damage to property caused by the Goods and/or Services.

8.2 The Supplier shall indemnify, defend and hold KONE harmless against any and all claims, actions, damages, losses, costs, expenses and proceedings (including reasonable attorneys' fees) arising from any infringement or alleged infringement of any third party Intellectual Property Rights by the Goods, Services or Results or their use, sale or other operation by KONE. The Supplier's undertaking is conditional upon the Supplier being notified of such claim without undue delay after KONE becomes aware of it, and the Supplier being authorized to handle the claim and to negotiate any settlement thereof; provided, however, that any settlement must be approved by KONE.

8.3 In the event of a claim, action, demand, suit or proceeding regarding infringement or alleged infringement of Intellectual Property Rights, the Supplier shall without undue delay and at its own expense either: (i) procure a right for KONE to continue to use the Goods, Services and/or Results; (ii) modify the infringing Goods, Services and/or Results to be non-infringing while continuing to meet the requirements of the Agreement; or (iii) replace the infringing Goods, Services and/or Results with non-



infringing equivalents. Otherwise, KONE is entitled to terminate the Agreement and Supplier shall return all amounts paid to the Supplier under the Agreement.

9 PRICE AND PAYMENT TERMS

9.1 The price of the Goods and Services is detailed in the Agreement. Unless otherwise set out in the Agreement, all rates and prices are fixed and the price shall be (i) inclusive of all services, materials, costs, expenses, and compensation necessary for the performance of the Agreement or that KONE is liable to pay to the Supplier for the delivery of the Goods and Services, and (ii) all taxes, duties, levies and other possible charges, except for value added tax, which shall be added to the price and specified separately in each invoice, as applicable.

9.2 Where time-based remuneration has been agreed, the Supplier shall charge the rate set forth in the Agreement for the number of working days performed. If the Supplier provides Services for less than the billable hours per day as defined in the Agreement, the Services shall be charged on an hourly basis, with the hourly rate calculated as the daily rate divided by the number of billable hours per day. The Supplier shall maintain accurate records of time spent and shall provide detailed timesheets with invoices. The Supplier shall issue an invoice to KONE at the beginning of each month for Services provided during the previous month. The Supplier shall not be entitled to invoice any Services performed more than three (3) months prior to the invoice date.

9.3 The Supplier's invoices shall include all the following information as condition precedent to KONE's obligation to pay the price to the Supplier: KONE's purchase order number, purchase order line item that the invoiced item is referring to, item number, item description, invoiced quantity, the price of the Goods and/or Services invoiced, value added tax payable by KONE, and any other information required by KONE (invoice that matches the structure of the purchase order and includes each of the above particulars is hereinafter called a "valid invoice"). Up-to-date information about the invoice information requirements can be found from [KONE Supplier Invoicing](#) page.

9.4 The Supplier shall issue a valid invoice to KONE promptly after the delivery of the Goods and/or performance of the Services or, where milestone payments are agreed, after the agreed milestone is completed in each case in accordance with the Agreement, and provided at all times that the Supplier has received a confirmation that the corresponding Goods have been received at KONE's premises and/or the corresponding Services have been accepted by KONE.

9.5 KONE shall pay duly issued invoices within the later of the period stated on the purchase order and sixty (60) days from receipt of a valid invoice. The Supplier shall use electronic invoicing when submitting invoices to KONE.

9.6 Where KONE has agreed to reimburse the Supplier for travel and accommodation expenses, all such expenses shall be approved by KONE in advance and will only be reimbursed against original receipts.

9.7 To the extent KONE reasonably disputes part of an invoice, KONE may withhold payment for such disputed part until the dispute has been resolved. Such withholding shall not be considered a breach of the Agreement.

10 CONFIDENTIALITY

10.1 The Supplier shall keep any information and data received from KONE, in whatever form, in relation to the Agreement or otherwise concerning KONE group's business, products or technologies (the "**Confidential Information**") in strict confidence except Information which: (i) can be shown to be known by the Supplier by written records made prior to disclosure by KONE; (ii) is or becomes part of the public domain without breach of the confidentiality obligations herein; or (iii) was independently developed by personnel of the Supplier having no access to the Confidential Information. Supplier shall not disclose the Confidential Information to any third parties (except as permitted

in Section 10.2) nor use it for any purpose other than the proper fulfillment of the Agreement without the prior written permission of KONE.

10.2 The Supplier shall restrict access to and disclosure of the Confidential Information only to such of its employees, affiliates and subcontractors as are necessary for the proper performance of Supplier's obligations under the Agreement. The Supplier shall ensure that each employee, agent or subcontractor is subject to and comply with same obligations of confidentiality as applicable to the Supplier. The Supplier will be liable for any unauthorized disclosure by any of its employees, affiliates or subcontractors.

10.3 The obligations set forth in this Section 10 shall survive the expiration or termination of the Agreement for any reason. Upon KONE's request, the Supplier shall return and/or securely destroy all Confidential Information obtained from KONE.

11 DATA PROTECTION AND CYBERSECURITY

11.1 The Supplier shall ensure that any processing of personal data under the Agreement is performed in accordance with all applicable data protection laws, including the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679).

11.2 To the extent the Supplier operates as a data controller, as defined in the GDPR, it shall be responsible for lawful processing of personal data and ensuring that all applicable legal requirements are complied with. The Supplier agrees that personal data of the Supplier's representatives will be processed by KONE group entities and entities operating at KONE's request under the Agreement and for supplier relationship management purposes. The Supplier shall ensure it is entitled to share such personal data under the Agreement.

11.3 To the extent the Supplier will receive, have access to, and/or otherwise process personal data of KONE's employees or employees of KONE's customers or suppliers, the Supplier shall process such personal data solely for the purpose of the Agreement and in compliance with KONE's instructions and applicable personal data legislation. In particular, the Supplier shall implement appropriate technical and organizational measures to ensure an appropriate level of security of personal data. Supplier acknowledges that the processing of personal data may require the conclusion of additional data processing agreements with KONE. Supplier shall upon KONE's request promptly enter into any such agreement, as designated by KONE and as required by applicable data protection laws.

11.4 For Goods or Results that include software or digital functionality, the Supplier confirms that they shall be developed and maintained using risk-appropriate security controls, shall not intentionally include viruses or malware, and that the Supplier shall have the capability to manage vulnerabilities and respond to security and privacy incidents.

11.5 The Supplier must have a documented process to manage cybersecurity, aligned with relevant legislation and consistent with good industry practices. Upon KONE's request, the Supplier must provide evidence of this process.

11.6 The Supplier shall promptly inform KONE of any cybersecurity incidents affecting parties' cooperation, Confidential Information of KONE, the Goods or Services, and shall fully cooperate with KONE to mitigate any effects to KONE's business.

12 TERM AND TERMINATION

12.1 The Agreement shall remain in force for the period defined in the Agreement or until the delivery has been completed and all obligations under the Agreement have been met (including the warranty obligations), unless terminated earlier in accordance with this GTC.

12.2 Either Party may terminate the Agreement with immediate effect at any time by written notice to the other party if the other party (i) is in material breach of the Agreement and fails to remedy such breach, if capable of remedy, within 14 days after issuance



of a written notice thereof, or (ii) files for bankruptcy or liquidation or becomes insolvent.

12.3 KONE may terminate the Agreement for convenience by giving 14 days' prior written notice to the Supplier. Upon such notice, the Supplier shall stop all work and cause its subcontractors to stop all work. KONE shall, as Supplier's sole and exclusive remedy and KONE's entire liability, pay to the Supplier the value of the delivered but unpaid Goods and/or Services.

12.4 Upon termination or expiration of the Agreement, the Supplier shall return all property belonging to KONE obtained in the course of performing the Services.

12.5 Sections 6 (*Warranties and Liability*), 7 (*Intellectual Property Rights*), 10 (*Confidentiality*), 15 (*Governing Law and Dispute Resolution*) and any other sections that by their nature are deemed to survive, shall survive the termination of the Agreement.

13 RELATIONSHIP BETWEEN THE PARTIES

13.1 Nothing in the Agreement shall be construed as establishing or creating an employment relationship between KONE and the Supplier or any of the Supplier's employees or subcontractors. The Supplier agrees that it is providing the Services as an independent contractor and that any employees of the Supplier involved in providing the Services shall remain employees of the Supplier only and shall not be deemed employees of KONE.

13.2 The Supplier shall indemnify and hold KONE harmless against any claims relating to the existence of an employment relationship between the Supplier's personnel and KONE. Where the Supplier uses subcontractors under the Agreement, the provisions of this Section 13 shall apply equally to such subcontractors.

14 COMPLIANCE

14.1 The Supplier confirms that it has read and accepted [KONE Supplier Code of Conduct](#).

14.2 The Supplier confirms that it complies with all applicable export control laws and regulations, including but not limited to international trade restrictions and dual-use items. The Supplier shall obtain all required export licenses necessary to perform Supplier's obligations under Agreement.

14.3 Supplier shall provide KONE with any applicable export control classification numbers (ECCN) and other information and documentation relating to the Goods and Services necessary for KONE to comply with applicable export control laws and regulations, and in particular in relation to any possible export restrictions and dual-use items (including all relevant technical specifications and other documentation necessary for KONE to verify whether the Goods supplied under this Agreement qualify as dual-use items).

14.4 The Supplier confirms that neither the Supplier nor any director, officer, representative, or owner of the Supplier is subject to international trade restrictions or trade sanctions, including without limitation those imposed by the United Nations, European Union and/or United States ("**International Trade Sanctions**"). Should the Supplier or any of its directors, officers, representatives, or owners during the term of the Agreement become subject to International Trade Sanctions, it shall immediately notify KONE thereof. If the Supplier, directly or through its owners or beneficiaries, is or becomes subject to International Trade Sanctions including without limitation being or becoming listed on the OFAC's Specially Designated Nationals (SDN) list, Sectoral Sanctions Identification (SSI) list or any other such restricted party list as may be published by the United Nations, European Union and/or United States, KONE shall have the right to terminate the Agreement with immediate effect and without any liability for damages and KONE shall be released from any further contractual obligations towards the Supplier.

14.5 KONE may use third party service providers to carry out automated compliance screening and due diligence on the Supplier before and during the term of the Agreement in order to

ensure KONE's compliance with international laws, regulations and standards and to assess the Supplier's conformity with the terms and conditions of the Agreement and KONE Supplier Code of Conduct.

15 GOVERNING LAW AND DISPUTE RESOLUTION

15.1 The Agreement shall be governed by and construed in accordance with the laws of the country where the relevant KONE entity has its principal place of business.

15.2 All disputes arising out of or in connection with the Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce. The language of the arbitration shall be English. The seat of the arbitration shall take place in the capital of the country where the relevant KONE entity has its principal place of business.

16 MISCELLANEOUS

16.1 The Agreement constitutes the entire agreement between the parties relating to the subject matter hereof.

16.2 Any amendments to the Agreement must be made in writing signed by the authorized representatives of both parties.

16.3 The Supplier shall maintain adequate insurance to cover any liability the Supplier may incur in connection with or as a result of the performance of its obligations under the Agreement. The Supplier shall upon request present the corresponding insurance certificates to KONE.

16.4 The Supplier shall at the request of KONE provide information on its subcontractors. The Supplier shall remain responsible and liable for the work of its subcontractors as for its own. KONE is entitled at any time to reject or request a change of a subcontractor for a justified reason.

16.5 The Supplier may not transfer or assign the Agreement or any part of it without the prior written consent of KONE. KONE may transfer or assign the Agreement or any part thereof to any company affiliated with KONE.

16.6 The Supplier shall not be entitled to use KONE as a reference or in any way publicize its relationship with KONE (including but not limited to social media) without the prior written consent of KONE.

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_____