



Sustainability supplement 2024

Dedicated to
People Flow™

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1 Report scope

This voluntary Sustainability Supplement complements KONE's Sustainability Statement, which has been compiled according to the Corporate Sustainability Reporting Directive (CSRD) regulation and published as part of KONE's 2024 [Annual review](#). While the Sustainability Statement covers material topics defined in the Double materiality assessment (DMA), this Supplement provides further information on KONE's approach to sustainability. Based on the DMA, the following matters are not among the most material sustainability topics for KONE, and therefore the data has been described and embedded into this Supplement:

- Environmental information about biodiversity, resource use and circular economy, water and other emissions to air
- Social information about diversity, equity, and inclusion (DEI), employee engagement, pay philosophy and continuous development
- Safety performance including safety trainings and how KONE's digital solutions further enhance safety
- Supply chain management, including supplier contracts, assessments and trainings
- Governance and related trainings

The Supplement has been prepared in reference to the Global Reporting Initiative (GRI) Standards. To be consistent with the previously reported and assured sustainability data, a 3-year retrospective trend has been presented also for those GHG emissions and safety data that are defined as material in accordance to CSRD requirements.

Unless otherwise stated, the reporting scope includes all production units, and all local and regional organizations where the parent company, KONE Corporation, applies operational control.

KONE supports the UN Sustainable Development agenda and its goals, and reports on its sustainability performance annually in line with the Communication of Progress process as defined by the UN Global Compact. The goals where KONE has the biggest impact through its operations have been linked to the company's strategic shifts, as well as key performance indicators.

2 Megatrends shaping the industry

Urbanization is diversifying, and competition between cities is intensifying. There is a pressing need for affordable living, and the role of urban renewal is increasing, relative to new construction.

Technological development, with the adoption of digital technologies and artificial intelligence (AI), accelerates and plays an increasing role as a driver for competitiveness across industries.

In terms of sustainability, hundreds of cities have committed to reaching carbon neutrality, while KONE's customers have also set ambitious climate targets of their own. Globally, the built environment produces approximately 40% of global carbon emissions.

Megatrends impacting KONE's business

Our business is shaped by three major megatrends: urbanization, sustainability, and technology. Together with the wider building industry, we play a role in developing smart and more sustainable cities.



Urbanization

Impact on elevator and escalator industry

KONE's response

- Population expected to grow to 9.7 billion by 2050
- Around two-thirds of the global population will live in cities by 2050
- Rise in single occupancy living
- Age group 65+ growing the fastest

- Increased demand for elevators, escalators and other people flow solutions to enable accessibility and ease of moving in buildings
- Growing need to maintain and upgrade safe and reliable infrastructure in aging buildings
- More value placed on smooth people flow in cities
- Affordable housing

- Provide new elevators and escalators for urban environments, enabling the best possible people flow and smart solutions in buildings
- Data-based design to create innovative solutions for healthier and smoother movement of people in and between buildings
- Maintenance and modernization solutions that ensure the best and most efficient performance through the lifecycle of equipment
- Modernization solutions that can improve, for example, the accessibility and adaptability of a building



Sustainability

- Global warming
- Increasing likelihood of extreme weather events
- Depletion of the world's natural resources
- Increased awareness of social issues such as human rights and diversity, equity, and inclusion
- Heightened interest in health and well-being

- Green and Net-Zero building a global priority
- Rising interest in embodied carbon data
- New demands for the climate resilience of logistics and equipment
- Increasing demand for circularity
- Rising customer, employee and equipment user expectations of environmental sustainability and social responsibility
- Rising interest in the use of healthy and environmentally friendly materials

- First in the industry to set ambitious science based targets to cut greenhouse gas (GHG) emissions, Scopes 1-3
- Continuous work to improve the already best-in-class energy efficiency of our products and solutions
- First in the industry to offer carbon neutral elevators and maintenance
- Maintenance and modernization solutions that increase the long lifetime of the equipment
- Work on the climate resilience of the logistics network and solution design
- Focus on diversity, equity, and inclusion
- Published a Human Rights policy
- Increased focus on sustainability in our supply chain, including human rights
- Use of new and innovative materials contributing to good indoor air quality and health
- Widest range of Environmental Product Declarations and Health Product Declarations in our industry



Technology

- Digitalization, including the Internet of Things (IoT) and artificial intelligence (AI)
- Faster mobile networks
- Touchless technology
- Robotics

- Rising interest in building automation systems, for example, elevators and escalators that can be connected to the building's ecosystem and users' devices
- New technologies enable improved user experience and smarter building management
- Need to form partnerships and co-innovate for smart and sustainable urban development
- Increasing need for cybersecurity and data privacy

- Creating better user experiences and more customizable People Flow® solutions to make buildings function better
- Smart, built-in connectivity and application programming interfaces that enable integration with third-party solutions such as service robots and building management systems
- Intelligent maintenance and modernization services that reduce equipment downtime, improve energy efficiency, and prolong equipment lifetime
- Partner ecosystem and co-creation with customers
- Using insights from user data to anticipate future needs
- End-to-end cybersecurity in our smart solutions

3 KONE strategy 2025–2030, Rise

In September 2024, KONE announced its ambitious strategy, Rise, for 2025–2030. During the six-year strategy period, KONE's ambition is to lead the industry. This means leadership in three areas: number 1 choice for our employees and customers, lead in innovation and sustainability, and lead in growth and profitability.

To reach this ambition, KONE has defined four strategic shifts: 1) Accelerate digital to fundamentally transform how KONE does service; 2) Drive modernization to unleash growth opportunities; 3) Win residential to lead in the industry's largest segment; and 4) Cut carbon to drive customer value and differentiation.

Digitalization is redefining industry, and the pace of change will only increase. KONE Accelerates digital by fundamentally transforming how service will be done. For KONE, connectivity and data are key enablers and the new norm. KONE provides its customers with more value through digital solutions that enable real-time information, immediate responses and transparency, along with safety and better equipment uptime. KONE's digitally enabled technicians deliver services smarter.

With close to 10 million elevators and escalators ripe for modernization globally, and KONE's customers are looking for sustainable solutions – the modernization opportunity is as big as KONE makes it. KONE Drives modernization and differentiate with clear customer value in safety, energy efficiency, lower emissions, and digitalization, and strives for scale and speed through industrialization.

The residential segment accounts for over 50% of the global elevator and escalator market, and there is a strong customer demand for cost-effective solutions amongst KONE's residential customers. KONE will Win residential through our affordable, fit-for-purpose offering, coupled with the right service capabilities to meet the specific needs of its residential customers. KONE will also focus on selling and delivering efficiently.

The built environment accounts for approximately 40% of the global carbon emissions and KONE's customers are seeking ways to cut emissions related to construction and building operations. To Cut carbon, KONE will help its customers decarbonize while reducing its own carbon footprint. KONE will further improve the energy efficiency of elevators and escalators with technologies and solutions, as well as strengthen organizational capabilities to speed up decarbonization.

These strategic shifts primarily contribute to the four UN SDG Goals that aim to help companies navigate towards a more sustainable world by 2030. KONE follows the Goals: "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation" (SDG 9), "Make cities and human settlements inclusive, safe, resilient and sustainable" (SDG 11), "Ensure sustainable consumption and production patterns" (SDG 12), and "Take urgent action to combat climate change and its impacts" (SDG 13).

4 KONE's sustainability memberships and recognitions in 2024

4.1 KONE's most important sustainability memberships and positions of trust

- United Nations Global Compact
- World Business Council for Sustainable Development (WBCSD)
- Climate Leadership Coalition (CLC)
- Council on Tall Buildings and Urban Habitat (CTBUH)
- Green building councils in Australia, Indonesia, India, Philippines, Singapore, Malaysia, Vietnam, Thailand, Finland, Hungary, Austria, Spain, the Netherlands, Denmark, Norway and Sweden
- FIBS Finnish corporate responsibility network and FIBS' Diversity Charter Finland
- The International Organization for Standardization (ISO)
- The European Committee for Standardization (CEN)
- National standardization committees and trade associations, such as the Standardization Administration of China (SAC) and the American Society of Mechanical Engineers (ASME)
- International Trade Associations, such as the European Lift Association (ELA), the Pacific Asia Lift and Escalator Association (PALEA), China Elevator Association (CEA), and the National Elevator Industry, Inc. (NEII) in North America

4.2 External recognition on KONE's sustainability performance

In 2024, the following external recognitions for climate and sustainability performance were achieved:












- KONE was awarded a Gold medal in the EcoVadis sustainability assessment, ranking among the top 5% of the over 130,000 companies evaluated and in the top 1% in its industry. *
- Based on data reported through CDP's 2023 Climate Change questionnaire, KONE was one of the few companies to achieve an 'A' score, out of the over 21,000 companies assessed.
- KONE was awarded a position on the CDP 2023 Supplier Engagement Rating Leaderboard.
- KONE was recognized by Time Magazine and Statista on their 'World's Most Sustainable Companies of 2024' list of 500 companies, amongst the top 25%. This acknowledgment is a validation of KONE's commitment to its ambitious climate targets.
- As the only elevator and escalator company, KONE was ranked 55th on the Corporate Knights 2024 Clean200 list for publicly traded companies, which lead in clean economy solutions.
- Several KONE solutions in Asia received external recognition for their environmental performance during 2024. KONE received the Singapore Green Building Product (SGBP) certifications for seven products in total. Furthermore, KONE received Green Label Gold rating Certificates from the Green Product Council Indonesia (GPCI) for seven of its solutions. KONE also received Malaysia's Green Recognition Scheme MyHIJAU Mark for seven of its solutions and the LOTUS certification from the Vietnam Green Building Council (VGBC) for 18 solutions in total.
- KONE's manufacturing unit in Finland and KONE Great Britain continued to hold the Forest Stewardship Council (FSC®) chain of custody certification for sustainably sourced wooden components.

- KONE's environmental responsibility covers the full lifecycle of its products from design and manufacturing to installation, maintenance, modernization, and end-of-life treatment. In order to illustrate the environmental impact during the entire lifetime of our solutions, KONE publishes Environmental Product Declarations. KONE's Environmental Product Declaration (EPD) is a third-party verified document that describes lifecycle environmental impacts of our products. KONE's customers can use the declarations in obtaining green building certifications and when calculating the carbon footprint of the building. KONE's EPDs are compliant with EN 15804 standard required by LEED & BREEAM.
- KONE published six new EPDs and in total held 27 third-party verified EPDs (2023: 21) for elevators and escalators, which is the highest number in the industry
- KONE holds a total of six Health Product Declarations (HPDs)
- Best-in-class energy efficiency according to ISO 25745
 - 24 elevator models with the best A-class rating
 - 10 escalator models with the best A-+++ rating
- KONE's Kunshan Park in China achieved, for the first time, the Platinum certification of Zero Waste to Landfill by UL 2799A.

*EcoVadis has applied International Standard Industrial Classification (ISIC) in defining industry categories for each company. KONE is in the "Manufacture of general-purpose machinery" industry category.

5 Key sustainability performance indicators

KONE has defined key sustainability performance indicators (KPIs) which are reviewed regularly by the Board of Directors. These indicators support the UN Sustainable Development goals (SDGs). The essential SDGs are also set out in the following table.

	Key performance indicator	Target	2024 results	2023 results	Related UN SDG goals
Environmental matters	Greenhouse gas emissions from own operations (Scope 1 and 2) ¹⁾	Long-term target (2030): 50% reduction in absolute emissions from 2018, carbon neutral operations. Carbon neutral manufacturing units (end of 2024). 2024 target: 25% reduction in Scope 1 and 2 absolute carbon footprint from 2018.	Carbon neutral manufacturing units achieved in 2023 KONE reduced its net Scope 1 and 2 emissions by 29% compared to its 2018 emissions of 154,700 tCO ₂ e.	Carbon neutral manufacturing units achieved 18 months ahead of schedule by the end of Q2/2023	   
	Product-related greenhouse gas emissions (scope 3) ¹⁾	Long-term target (2030): 40% reduction in product-related Scope 3 emissions relative to ordered products	KONE's Scope 3 emissions per product ordered (62.2 tCO ₂ e/order) decreased by 8.7% compared to 2023 (68.2 tCO ₂ e/order) and by 12.8% compared to 2018 (71.4 tCO ₂ e/order).	KONE's Scope 3 emissions per product ordered (67.8 tCO ₂ e/order) decreased by 0.8% compared to 2022 (68.3 tCO ₂ e/order) and by 5.1% compared to 2018 (71.4 tCO ₂ e/order)	
	Share of renewable electricity used in our facilities, %	Long-term target (2030): 100% 2024 target: 98 % 2023 target > 90%	99 %	97 %	
	Number of products covered by Environmental Product Declarations	20 by 2023	27	21	
	Industrial Injury Frequency Rate (IIFR), employees ²⁾	2024 target: -7% from 2023 2025 target: -11% from 2024 2030 target: 0.6	IIFR 1.3	IIFR 1.1	 
Personnel and social matters	Total rolling 12-month turnover rate, % ³⁾		11.5%	13.1%	
	Share of women in director level positions, %	35% of director level positions occupied by women by 2030	27.4%	25.2%	
Business conduct	% of total employees who have completed Code of Conduct training during the year		96%	n/a ⁴⁾	
	% of KONE's total spend with regular trade suppliers and installation subcontractors that is covered by KONE Supplier Code of Conduct or equivalent accepted by KONE	87 %	87%	86%	
	% of distributors who have signed the Distributor Code of Conduct	100% during 2025	97%	92%	

¹⁾ The greenhouse gas emissions from our own operations and value chain have been calculated in accordance with ISO 14064 and the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The Scope 2 emissions have been calculated according to the dual reporting principles of the GHG Protocol Scope 2 Guidance (market- and location-based method).

²⁾ Number of severe and moderate work-related employee incidents divided by the number of total employee theoretical hours worked, multiplied by 1,000,000

³⁾ Total turnover (11.5%) = Permanent employee + Expatriate leavers (7,315) divided by average headcount in last 12 Months (63,873). Fixed term and Trainee employees (478 leavers) are not counted in the turnover.

⁴⁾ KONE's 2021 Code of Conduct e-learning was refreshed and re-issued to all KONE employees globally in 2024.

Regarding the environment, these indicators include KONE's scope 1, 2, and 3 emissions reductions, share of renewable electricity used in KONE's facilities, and the number of products covered by environmental product declarations (SGD 9, 11, 12 and 13). Regarding personnel and social matters, KONE follows the industrial injury frequency rate (IIFR), the turnover rate, as well as the share of women in director level positions (SDG 3, 4, 5, 8). Business conduct indicators follow the number of employees who have completed the Code of Conduct (CoC) training, the number of distributors who have signed the Distributors CoC, as well as the portion of spend towards suppliers who have signed the KONE Supplier CoC.

5.1 Environmental performance

5.1.1 GHG emissions

In 2020, KONE announced its climate pledge to significantly reduce greenhouse gas (GHG) emissions by 2030, in line with the Paris agreement limiting global warming to 1.5C. KONE was the first company in the elevator and escalator industry to set ambitious climate targets, validated against the latest climate science by the Science Based Targets initiative (SBTi).

With its climate pledge, KONE is committed to a 50% reduction in the emissions from its own operations (scope 1 & 2), compared to a 2018 baseline, and pledged to have carbon neutral operations by 2030. This includes both direct GHG emissions that occur from sources controlled or owned by KONE, such as vehicles (Scope 1), as well as indirect GHG emissions. In the second half of 2023, 18 months ahead of schedule, KONE's manufacturing units reached carbon neutrality.

In addition, KONE targets a 40% reduction in emissions related to its products' materials and lifetime energy consumption, relative to products ordered (Scope 3), by 2030. KONE's actions to reach this target help its customers reduce their carbon footprint and contribute to fostering more sustainable supply chains.

The GHG emission data is presented in section 6 of this supplement, and in more detail in the Sustainability Statement.

5.1.2 Biodiversity

KONE has set long-term (2030) and annual biodiversity targets, which state that KONE manufacturing units must not be located in or near UNESCO World Heritage sites, Nature 2000 sites or other conservation parks, or biodiversity-sensitive areas. In 2024, KONE met these targets. During 2025, KONE will review its existing biodiversity goals to align with the objectives of the Cut carbon shift in its new strategy.

5.1.3 Air pollution

Due to automated manufacturing systems and assembly lines, the amount of NOx, SOx, and VOC emissions KONE produces is nominal. KONE processes emit little to no NOx, SOx, or VOC. Typical production processes, such as automated punching and bending lines, as well as automated motor assembly lines, have a minimal environmental impact. KONE tracks the amount of NOx, SOx, and VOC emissions. KONE's long-term (2030) and annual target is to limit the amount of NOx and SOx emissions to less than one ton per year, and for VOC emissions to be below two tons per year. In 2024, KONE met the targets for air pollution reduction.

5.1.4 Resource use and circular economy

KONE focuses on reducing materials, energy, and resources in its solutions and operations. KONE optimizes material use through robotics, automation, product design, waste recycling, and reusing packaging. KONE aims to maximize positive environmental impacts and minimize adverse ones throughout the lifecycle of its solutions, from raw material extraction to recycling. Up to 90% of KONE's materials can be recovered. Modernization aids in building renovation and repurposing. KONE's products are designed for disassembly, reuse, and recycling. Although the amount of recycled material is currently low, KONE works with suppliers to increase it without compromising safety or quality.

KONE constantly tracks all waste consumption in its manufacturing units as part of regular facility monitoring. Most of the waste generated by the manufacturing processes is recycled or incinerated. The key material flows and raw materials are systematically monitored on a component or module level through automated warehousing systems. Many of KONE's

packaging materials are reusable and recyclable, designed to serve additional purposes during equipment installation. KONE also provides global guidance on waste management, aiming to prevent, reuse, or recycle waste.

KONE's long-term and annual target for waste management is 0% landfill waste at our manufacturing units by 2030. Waste is always handled according to applicable laws and regulations, and KONE aims to exceed legal requirements. During 2024, KONE's total waste amount decreased by 11% compared to the previous year. The proportion of recycled and incinerated waste remained high, amounting to 96% of the total waste generated by KONE units globally. In the ten manufacturing units within KONE's data collection scope at the end of the year, the share of recycled or incinerated waste was 99%, only 0.5% (0.6% in 2023) was put into landfill.

As a substantial contribution to the circular economy, remote monitoring and predictive maintenance through KONE 24/7 Connect provide information on upcoming maintenance needs and identify potential issues before they cause problems. Round-the-clock monitoring increases safety and improves accessibility, and fact-based maintenance recommendations help prolong the equipment lifetime. Partial modernization through repairs and refurbishments extends the products' lifespan, thereby also substantially contributing to the transition to a circular economy.

5.1.5 Water

Primarily, KONE uses water for sanitary purposes, sourced from municipal supplies, with wastewater treated by local systems. Some manufacturing units use small amounts of water for industrial processes, such as painting and cooling, with closed-loop systems. Water usage and wastewater discharge are monitored and reported to authorities. Two KONE units have their own wastewater treatment, with third-party monitoring. Based on water risk assessment, some of KONE's manufacturing units are located in areas recognized with high levels of water stress. However, manufacturing units' water stress impact is rated minor in the 2023 annual environmental assessment.

KONE's long-term target (2030) and annual target for water efficiency and sourcing aim to keep water usage minimal,

maintaining it at or below the 2020 level (301,900m³) and to use mainly municipal water sources. In 2024, KONE met the targets for water consumption.

5.2 Social performance

KONE's goal is to have the most capable and engaged team of professionals, and help both its people as well as the company succeed in a changing world through an inclusive culture, flexible working practices, well-being support, and continuous learning opportunities. Employees are key to KONE's success, and KONE strives to offer the best employee experience throughout their journey. KONE's strong and unique culture supports the company's business growth and the employees in developing their skills in the changing market environment. This enables meeting evolving employee expectations with a sense of purpose and an employee-first mindset.

5.2.1 Diversity, Equity & Inclusion (DEI)

KONE values diversity in all its forms and welcomes new perspectives. KONE believes that future success depends on its collective ability to build diverse and inclusive teams, communities, and networks. When people are valued as their authentic selves, innovation can flourish, and work communities will thrive.

DEI is built into KONE's culture, and it is driven holistically and cross-functionally throughout the organization. DEI is integrated in KONE's people processes, and DEI-related data is collected to measure, report, and enable insight and data-based decision making.

KONE has set goals for promoting diversity and inclusion to guide its operations, and aims to make a step-change in the share of women at the director level, increasing it to 35% by 2030. In 2024, women in director-level positions reached 27.4 %, which is aligned with the long-term target. To continue enhancing the diversity of experiences and perspectives, KONE is focusing on hiring people from outside the industry, with competencies that complement the existing capabilities. KONE aims to become as diverse as its customers and the communities it serves. Increasing cultural diversity across KONE's global businesses and functions is another priority.

In January 2024, KONE launched a DEI e-learning course in 36 languages, targeted to all employees, and with the purpose of equipping the whole organization with the necessary knowledge to support KONE's DEI efforts. At the end of 2024, the completion rate for this e-learning was 62% of all employees, excluding operatives in China, who use a different learning system (where the DEI e-learning is planned to go live in Q1 2025).

Throughout the year, KONE celebrated diverse talent and promoted an inclusive workplace. In addition to a women's employee resource group (SPARK) and a LGBTIQ+ employee resource group (#fromKONEwithPride), a new employee resource group (ERG) with the name "Thrive" was established to create a platform to help KONE become an even better place to work, where mental health is cherished and supported. The aim of KONE's ERGs is to continuously improve the employees' inclusion experience through open discussion and positive actions.

5.2.2 Well-being & Flexibility

KONE believes well-being is essential for having energized, resilient, and motivated employees. KONE's culture and values reflect care through global and local programs focused on employee well-being.

KONE's well-being champions program consists of employee volunteers in selected countries. The purpose of the program is to raise awareness and promote well-being activities, programs, and services throughout the organization, and to inspire employees to take care of their well-being. Currently, 30 KONE countries have flexible working guidelines in place.

KONE aims to improve work-life balance and increase diversity in teams through flexible ways of working. KONE's aim is to provide some form of flexibility for every employee, recognizing multiple types of flexible working, such as remote and hybrid work, flexible working time, job sharing, compressed work weeks, and part-time work. Currently, 59 KONE countries have established flexible working guidelines.

For improved protection of KONE's employees and their families against the risk of financial loss, employees in all KONE countries have had access to life insurance by the end of 2024.

KONE countries are encouraged to set up employee assistance programs (EAP) to ensure employees always have easily accessible support available, regardless of the differences in local health care services. Currently, 45 KONE countries have an EAP in place.

5.2.3 Employee engagement

KONE's belief is that employee engagement can be strengthened through open, honest, and timely communication and dialogue about the company's culture, values, goals, and strategic direction. In 2024, 92% of KONE employees completed the Pulse Engagement Survey, illustrating the importance of this channel for employees to feel heard. At the same time, the Employee Engagement Index rose to 78% (2023: 77%), which shows strong engagement above benchmark averages.

5.2.4 Continuous development opportunities

Throughout 2024, 98% of KONE employees enhanced their knowledge and skills by participating in one or more training courses at KONE (including compliance-related trainings). The Upskilling program, which was part of KONE's previous strategy, Sustainable Success with Customers (2021-2024), successfully delivered focused competence development priorities for 12 KONE high volume roles. The volume roles cover 80% of all KONE employees. Additionally, all KONE employees have access to the Skillsoft Percipio online learning platform, where they can, for example, perform skills assessments and receive personalized learning recommendations based on the assessment results. In 2024, the average formal learning hours per employee globally was 21.4, compared to 33.1 in 2023 and 34.5 in 2022. China experienced a significant decrease in learning hours in 2024 due to extensive learning campaigns, which had taken place in 2022 and 2023, to enforce the launch of the learning management system (LMS) in China. While other areas saw a moderate increase in learning hours, the decline in China heavily impacted the global average.

KONE facilitates professional growth and continuous development of its people through performance discussions. In 2024, 96% of employees whose goals and performance were tracked via the people management tool Workday,

completed their performance appraisals for the year 2023. In the previous year, the completion rate was the same. During the reporting year, 96% of employees had set their goals for 2024. KONE's aim is to ensure that all KONE employees (100%) who are part of the process complete their appraisal in the tool and have personal goals in place.

5.2.5 Pay philosophy

KONE is committed to transparent, fair and inclusive pay practices to attract, motivate, and retain talent, but also to foster a positive and inclusive work environment. In 2024, KONE published its pay philosophy that aims to provide clarity, and to establish a common understanding of how salary decisions are made at KONE. With sustainability as one of the strategic areas where KONE wants to lead, the philosophy will guide the implementation of pay transparency and equity initiatives, ensuring a consistent and equitable approach to compensation across KONE, so that everyone has the opportunity to thrive.

Creating a great place to work also means treating employees fairly. Therefore, KONE respects its employees' right to associate freely as well as to engage in collective bargaining. A total of 79,5% (2023:72%, 2022:71%) of KONE's employees are covered by collective agreements.

5.3 Safety

Safety is a salient human right and as such, it is one of KONE's core principles. For KONE, no task is important enough to compromise safety. KONE's goal is that all employees, subcontractors, and partners have the required skills, equipment, safeguards, and guidance to remain safe. Therefore, KONE fosters workers' physical and psychological safety through global and local safety training, and promotion initiatives.

All KONE employees are required to complete a global safety e-learning course, available in 36 languages, covering KONE's safety management framework and Health and Safety Policy statement. This documentation sets forth KONE's safety objectives, commitments, and responsibilities. At the end of the year 2024, 91% of employees had duly completed

the training (GRI403-5). KONE workers also receive health and safety training, relevant to their individual work tasks. To complement KONE's global e-learning program, KONE frontline units, responsible for local operations, arrange role-based safety training and regular refresher training according to global and local company and regulatory requirements. To drive modern, proactive safety leadership, KONE has a global e-learning course on safety leadership available in 16 languages.

KONE has also set minimum requirements for subcontractor training. Depending on local practices, subcontractors participate in safety training, Toolbox talks, and worksite safety moments as arranged by KONE. In 2024, KONE piloted an updated KONE Installation Safety and Method Passport initiative, with further plans to expand the revised framework globally to make sure that the company's own employees, as well as subcontractors, are equally competent in KONE methods and safety instructions.

KONE monitors and analyzes a wide range of leading and lagging safety performance indicators. As an example of a proactive indicator, KONE follows the number of near miss reports; see table 'Number of near miss reports'. Learn more about KONE's safety performance indicators and reporting processes in the Sustainability Statement.

KONE prioritizes end user safety throughout the lifetime of its equipment. KONE's innovative digital solutions, such as KONE 24/7 Connect, further enhance safety by providing predictive maintenance for elevators, escalators, and automatic doors. This service identifies potential issues before they cause problems, reducing breakdown risks and improving accessibility and safety.

In construction, digitalization and connectivity boost efficiency and safety. KONE SiteFlow ensures safety and ease of work remotely, allowing managers to oversee multiple sites from a central office. Smart construction elevators use sensors and AI to predict maintenance needs and identify issues early, reducing downtime and hazards.

By accelerating digital, KONE aims at leveraging data to its full potential to enhance product and process quality, efficiency and safety.

5.4 Supply chain management

KONE is committed to ensuring that its suppliers align with the company's sustainability goals and practices. KONE's supplier management includes several key measures to assess and improve suppliers' sustainability performance.

5.4.1 Suppliers' environmental, health and safety and human rights requirements

According to KONE's purchasing policy, all KONE suppliers are required to agree to and sign the Supplier Code of Conduct (SCoC) and demonstrate compliance with the behaviors expected by KONE. Deviations from this requirement may be permitted if the supplier's own Code of Conduct is verified and deemed to align with KONE's standards, subject to approval by the legal department. The environmental requirements are listed and given to suppliers in the environmental annex. KONE requires its key suppliers to sign the environmental annex as part of their supply and purchase agreement. The targets for the Supplier Code of Conduct and environmental annex compliance are set annually after a thorough analysis of supplier performance, and their adherence to this critical policy. By the end of 2024, 87% (2023: 86%) of KONE's total spend with regular trade suppliers and installation subcontractors was with parties who had signed KONE's Supplier Code of Conduct or equivalent, and 98% of targeted supplier spend was with suppliers who had signed the environmental annex. The target for SCoC was 87% and for the Environmental annex, it was 100%.

5.4.2 Supplier sustainability assessment and supplier excellence certification

Most of KONE's raw materials and components purchased for new equipment production come from approximately 200 key suppliers. The environmental and social responsibility terms for these suppliers are measured through the supplier sustainability assessment. If improvement needs or non-compliance with KONE's requirements are identified, KONE demands corrective measures from the supplier. In 2024, suppliers representing 75% of all material purchases were in

the scope of the sustainability assessment. In addition, the sustainability assessment, together with the quality maturity assessment and supplier ISO certification, are used as criteria for Supplier Excellence Certification which applies to KONE's key suppliers. In 2024, 100% of KONE's targeted strategic suppliers were ISO 9001 certified (2023: 100%), 100% were ISO 14001 certified (2023: 100%), and 81% of them had ISO 45001 certifications (2023: 81%).

5.4.3 Supplier human rights assessments

KONE conducts an annual risk assessment to identify and prioritize human rights risks in the supply chain. A plan and target for suppliers' online and onsite human rights assessments are prepared each year based on this risk assessment. After the supplier human rights assessment, KONE requests corrective actions as needed, verified by re-assessments to mitigate actual risks. In 2024, KONE completed 100% of the planned onsite human rights assessments and the response rate for the targeted online assessments was 79%.

5.4.4 Training on sustainable procurement

To reinforce the important role procurement plays in supporting KONE's sustainability goals and to ensure that suppliers align with the company's sustainability targets and practices, KONE organizes annual sustainability training for its procurement organization. The training contents and targeted audience are specified annually in a thorough analysis of priorities and competence gaps. In 2024, 69% of the KONE procurement organization joined the training. The target for 2024 was 80%.

5.5 Governance

KONE has operations in over 60 countries and collaborates with partners in close to 100 countries worldwide. Due to KONE's global presence, it is crucial to ensure that clear compliance rules and guidance are in place. This enables KONE to conduct business with the highest ethical standards throughout its entire value chain. KONE provides regular mandatory compliance training to all employees globally. Detailed information about global training is available in the Sustainability Statement. In addition to globally assigned mandatory trainings, regional compliance teams have rolled out location-specific training. In 2024, harassment prevention training courses were rolled out to all employees in the Americas. In KONE Middle East, Türkiye, and Africa, face-to-face trainings on the Code of Conduct and the KONE Compliance Line were held for employees based in eight different countries. In Greater China, the regional compliance team held face-to-face training courses on the Code of Conduct and the KONE Compliance Line, covering 32 branches.

6 Data tables

KONE's greenhouse gas emissions, tCO₂e

KONE's total greenhouse gas emissions, tCO₂e Scope 1, 2 and 3 greenhouse gas emissions data externally assured (GRI 305-1, GRI 305-2 and 305-3)

Greenhouse gas emissions, tCO ₂ e		2022	2023	2024
Direct emissions from own operations (Scope 1)*	Vehicle fleet	108,300	106,900	104,500
	Heating fuels	8,300	6,900	3,900
	Cooling gases	200	400	100
Emissions from purchased electricity and district heat in own operations (Scope 2)*	Electricity consumption, market-based (location-based 2024: 31,300 tCO ₂ e)	8,600	1,700	900
	District heat consumption, market-based (location-based 2024: 1,300 tCO ₂ e)	1,400	800	500
Total Scope 1 and 2 emissions		126,700	116,700	109,900
Indirect emissions from our value chain (Scope 3)	Purchased goods and services (Materials used for products and packaging**)	4,411,000	4,410,400	4,125,400
	Upstream transportation and distribution (logistics***)	108,000	108,600	107,400
	Waste generated in operations	4,500	2,600	1,900
	Business air travel	10,100	18,000	20,200
	Use of sold products (Lifetime energy consumption of products**)	8,546,000	8,113,300	7,300,800
	Use of sold products (Annual energy consumption of products)	391,200	364,000	328,500
Total Scope 3 emissions****		13,079,600	12,798,400	11,555,700
Total Scope 1, 2 and 3 emissions		13,206,300	12,769,400	11,665,700
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions*****	Nitrogen oxides (NOx)	0	0.3	0.3
	Sulfur oxides (SOx)	0	0	0
	Volatile organic compounds (VOC)	0.9	1.3	1.2

*KONE's environmental reporting covers over 99% 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.

***2022 logistics figure is restated; logistics figures 2022 and 2023 are not comparable with 2021

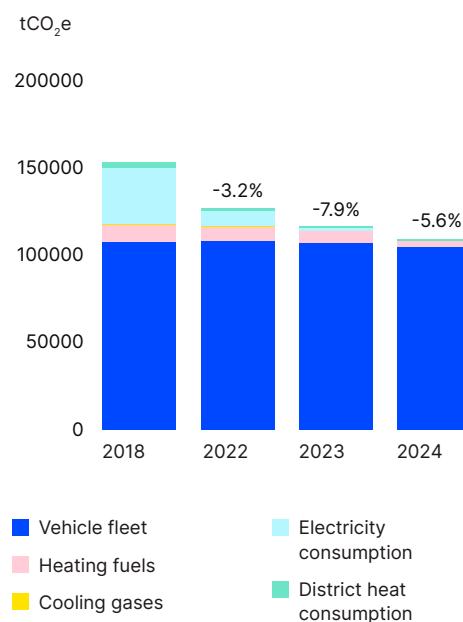
****Includes the following categories materials used for products and packaging, logistics, waste, business air travel and lifetime energy consumption of products

*****Emissions from our manufacturing process

KONE's progress on science-based targets

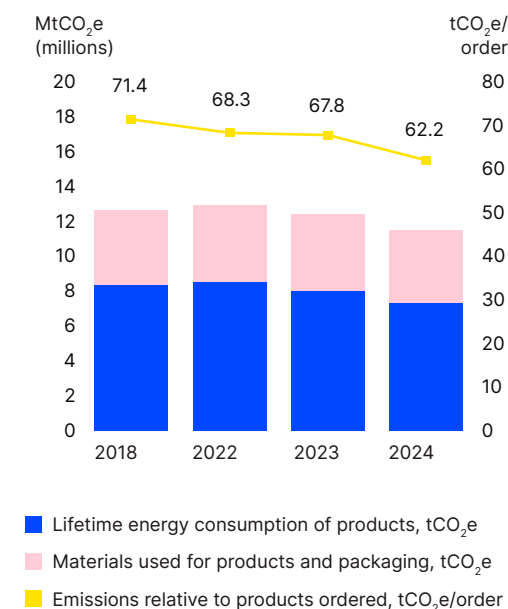
Greenhouse gas emissions from own operations (Scope 1 and 2)*

Target: 50% absolute reduction by 2030 from 2018 base-year and 28% absolute reduction in 2024 from 2018 base-year.



Product-related greenhouse gas emissions (Scope 3)**

Target: 40% reduction relative to ordered products by 2030 from 2018 base-year and 12,8% reduction compared to 2018.



Energy consumption, MWh		2022	2023	2024
Direct	Heating and vehicle fleet fuels (heating oil, natural gas, liquid petroleum gas, petrol, diesel and diesel with biofuel blend)	455,300	450,400	427,400
Direct	Biofuel (from 100% renewable sources)	800	700	2,000
Indirect	Green electricity (purchased and on-site production)	62,500	71,300	99,000
	Other than green electricity	12,100	2,200	1,400
	District heat	12,000	12,600	10,200
Total		542,700	537,100	540,000

Waste, tonnes		2022	2023	2024
Recycled waste		33,300	35,600	32,400
Incinerated waste		2,000	2,400	1,800
Landfill waste		800	700	700
Hazardous waste		2,900	1,200	800
Total		39,000	40,000	35,700

Water and effluents		2022	2023	2024
Water withdrawal, m³	Municipal water	235,400	295,200	298,500
	Ground water	4,400	0	0
Total		239,900	295,200	298,500
Wastewater effluents from manufacturing units, tonnes		1	0.3	0.3

Materials used, tonnes (calculated)*		2022	2023	2024
Manufacturing	Metals (steel, aluminum, copper)	1,136,000	1,162,000	1,139,700
	Concrete	217,000	215,800	214,400
	Others	43,000	45,100	43,800
	Plastics	12,000	11,500	11,800
	Rubber	11,000	11,100	12,000
	Electronics	7,000	6,800	5,600
	Glass	5,000	4,000	5,100
Packaging	Plywood	115,000	119,000	112,600
	Wood	33,000	30,800	31,300
	Metals	7,000	7,300	7,200
	Paper/cardboard	6,000	5,100	5,100
	Plastics	3,000	2,900	3,000
Office consumables, paper (actual data)	Paper	400	900	300
Total		1,595,400	1,622,100	1,591,900

*The figures for manufacturing and packaging materials are based on latest life cycle assessment data and products ordered from KONE during the reporting year.

Social data

Woman distribution	
Share of woman	11.9%
Share of women in director level positions and above (KG Grade 3 and above)	27.4%
Share of women in the Executive Board	16.7%
Share of women in the Board of Directors	33.3%
Voluntary turnover rate, compared to 12-month average headcount	7.3%

Age Distribution	-30	31-50	51-
All KONE employees	23.2%	60.0%	16.7%
Executive Board	0.0%	50.0%	50.0%
Board of Directors	0.0%	22.2%	77.8%

Gender distribution per region	Female	Male
Americas	12.3%	87.7%
Asia-Pacific, Middle East and Africa	10.1%	89.9%
Europe	16.3%	83.7%
Greater China	8.9%	91.1%

Temporary employees, gender distribution per region	Female	Male
Americas	33.3%	66.7%
Asia-Pacific, Middle East and Africa	18.2%	81.8%
Europe	19.7%	80.3%
Greater China	5.1%	94.9%

Part-time employees, gender distribution per region	Female	Male
Americas	0.0%	100.0%
Asia-Pacific, Middle East and Africa	32.0%	68.0%
Europe	47.5%	52.5%
Greater China	0.0%	0.0%

Full-time employees, gender distribution per region	Female	Male
Americas	12.3%	87.7%
Asia-Pacific, Middle East and Africa	10.1%	89.9%
Europe	15.1%	84.9%
Greater China	8.9%	91.1%

Employees with permanent contract per region	Female	Male
Americas	99.9%	99.9%
Asia-Pacific, Middle East and Africa	97.0%	98.5%
Europe	95.7%	96.6%
Greater China	99.7%	99.4%

Employees by region	
Americas	12.4%
Asia-Pacific, Middle East and Africa	19.3%
Europe	32.7%
Greater China	35.7%

Voluntary turnover rate	
Region	
Americas	7.5%
Asia-Pacific, Middle East and Africa	7.7%
Europe	5.4%
Greater China	8.6%
Gender	
Female	5.8%
Male	7.4%
Age group	
30 and under	13.4%
31-50	6.1%
51 and above	2.9%

New hires, gender distribution per region	Female	Male
Americas	11.50%	88.50%
Asia-Pacific, Middle East and Africa	15.60%	84.40%
Europe	20%	80%
Greater China	6%	94%

New hires, age distribution per region	-30	31-50	51
Americas	39.3%	48.9%	11.7%
Asia-Pacific, Middle East and Africa	59.0%	38.6%	2.3%
Europe	47.0%	44.4%	8.6%
Greater China	65.8%	32.6%	1.6%

Total number of new hires:	8,821
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Nationalities represented in KONE workforce	153
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Number of near-miss reports

2022	2023	2024	target 2024	target 2025	target 2030
175,000	181,289	205,041	N/A	N/A	N/A

General safety training completion rate (KONE Way for Safety)

2022	2023	2024	target 2024	target 2025	target 2030
N/A	90%*	91%	100%	100%	100%

*2023 rate excluding installers and technicians in Finland and Baltics

7 Reporting principles

All local and regional organizations where parent company KONE Corporation has control, and all production units are included in the reporting scope, unless otherwise stated. Actual facility-related environmental data has been collected from KONE's ten manufacturing units and from 60 subsidiaries in Asia-Pacific, EMEA, and North America. The collected facilities' data covers 99% of all KONE's employees and 100% of employees working at our manufacturing units. Waste data collection covers 52% and water data collection covers 62% of our operating countries globally, including all KONE manufacturing sites.

KONE calculates the average annual energy consumption of products according to the ISO 25745 standards for the most sold configurations and expected usage profiles in each geographical region.

Emissions for waste in KONE's own operations are calculated by multiplying the collected waste data with the emission factors retrieved from the Department for Environment, Food and Rural Affairs (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, according to applicable laws and requirements.

The figures for manufacturing and packaging materials are based on latest lifecycle assessment data and products ordered from KONE during the reporting year.

Calculation and reporting principles for Scope 1, 2, and 3 emissions have been described in Sustainability Statement.

Employee data is extracted from KONE's Human Resources (HR) system, supplied by a leading service provider. Employee numbers are reported in the headcount at the end of the reporting period. Data from the KONE employee engagement survey Pulse is maintained on the survey platform, supplied by a leading vendor. All training and course completion data comes from KONE's global learning management system Workday, except in China, where a local LMS is used for the field operatives. The percentage of employees covered by

collective bargaining agreements is an estimate, based on figures collected from units manually.

Global safety trainings are tracked on KONE's global learning platform, although China is using a local platform, and their completion rates are added to the global totals manually. Local safety training programs are not monitored on the global platform, but instead on area level, and compliance with programs and requirements is controlled with regular auditing.

The number of near miss reports is consolidated in the KONE Safety Solution (KSS), KONE's global platform for reporting and managing near misses and incidents involving employees, subcontractors, third parties, and end users. All KONE employees and certain external workers in KONE's own workforce have access to KSS, with a few exceptions.

Signed supplier and distributor Codes of Conduct are tracked manually. Supplier sustainability assessment surveys are sent out, as well as tracked electronically by KONE. KONE screens and monitors relevant suppliers, customers, and other third parties with whom business is conducted. This is done through a third-party compliance screening solution covering international adverse media, as well as sanctions and watchlists. Key suppliers' ISO certificates are tracked in KONE's supplier management portal.

8 Independent practitioner's assurance report

To the Management of KONE Oyj

Scope

We have been engaged by KONE Oyj (hereafter “KONE”) to perform a ‘limited assurance engagement,’ as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on KONE's selected indicators presented below (the “Subject Matter”) contained in GRI Content Index as part of the KONE Sustainability Supplement for the reporting period 1.1.-31.12.2024 (the “Report”).

Selected indicators
GRI 301-1 Materials used by weight or volume
GRI 302-1 Energy consumption within the organization
GRI 302-4 Reduction of energy consumption
GRI 303-3 Water withdrawal
GRI 305-1 Direct (Scope 1) GHG emissions
GRI 305-2 Energy indirect (Scope 2) GHG emissions
<ul style="list-style-type: none">• GRI 305-3 Other indirect (Scope 3) GHG emissions• Purchased goods and services (Materials used for products and packaging)• Upstream transportation and distribution (logistics)• Waste generated in operations• Business air travel• Use of sold products (Lifetime energy consumption of products)• Use of sold products (Annual energy consumption of products)
GRI 305-5 Reduction of GHG emissions
GRI 306-2 Management of significant waste-related impacts
GRI 306-3 Waste generated
GRI 403-5 Worker training on occupational health and safety
GRI 405-1 Diversity of governance bodies and employees
Own indicator: Percentage reduction in the Scope 1 and 2 Emissions relative to the Baseline Year
Own indicator: Share of women in director level positions
Own indicator: Near misses

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the report, and accordingly, we do not express a conclusion on this information.

Criteria applied by KONE

In preparing the Subject Matter, KONE applied the Global Reporting Initiative (GRI) Sustainability Reporting Standards (the “Criteria”). As a result, the Subject Matter information may not be suitable for another purpose.

KONE's responsibilities

KONE's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Practitioner's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 Revised'), and the terms of reference for this engagement as agreed with KONE on 20.11.2024. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- a) Gathering an understanding of KONE's material sustainability reporting topics, organization and activities,
- b) Interview with senior management to understand KONE's sustainability management,
- c) Interviews with personnel responsible for gathering and consolidation of the Subject Matter to understand the systems, processes and controls related to gathering and consolidating the information,
- d) Assessing sustainability data from internal and external sources and checking the data to reporting information on a sample basis to check the accuracy of the data.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter in KONE Sustainability Supplement for the reporting period 1.1.–31.12.2024, in order for it to be in accordance with the Criteria.

Helsinki, 12.2.2025

Ernst & Young Oy
Authorized Public Accountant Firm

Heikki Ilkka
Authorized Public Accountant

9 GRI content index

Global Reporting Initiative (GRI)- and UN Sustainable Development Goal (SDG) table

Statement of use
GRI 1 used

KONE Oyj has reported the information cited in this GRI content index for the period 1.1.-31.12.2024 with reference to the GRI Standards.
GRI 1: Foundation 2021

			Related SDGs	Page	Further information	Assurance
ENVIRONMENTAL STANDARDS						
GRI 301: Materials (2016)	301-1	Materials used by weight or volume	8, 12	p. 12, 13 + now see separate table		X
GRI 302: Energy (2016)	302-1	Energy consumption within the organization	8, 12, 13	p. 12, 13 + see separate table	also reported in Sustainability statement	x
	302-4	Reduction of energy consumption	8, 12, 13	p. 12, 13 + see separate table	also reported in Sustainability statement	x
GRI 303: Water and Effluents (2018)	303-3	Water withdrawal	9, 11, 12, 13	p. 12, 13 + see separate table	Water withdrawal from areas with water stress not reported.	x
GRI 305: Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	12, 13	p. 12, 13 + see separate table	also reported in Sustainability statement	x
	305-2	Energy indirect (Scope 2) GHG emissions	12, 13	p. 12, 13 + see separate table	also reported in Sustainability statement	x
	305-3	Other indirect (Scope 3) GHG emissions	9, 11, 12, 13	p. 12, 13 + see separate table	also reported in Sustainability statement	x
	305-5	Reduction of GHG emissions	9, 11, 12, 13	p. 12, 13 + see separate table	also reported in Sustainability statement	x
GRI 306: Waste (2020)	306-2	Management of significant waste- related impacts	11, 12	p. 12, 13 + see separate table		x
	306-3	Waste generated	11, 12	p. 12, 13 + see separate table		x
SOCIAL STANDARDS						
GRI 403: Occupational health and safety (2018)	403-5	Worker training on occupational health and safety	3, 4, 8	p. 14, 15 + see separate table		x
GRI 405: Diversity and equal opportunity (2016)	405-1	Diversity of governance bodies and employees	5, 8	p. 14, 15 + see separate table	KONE indicator Share of women in director level positions.	x



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People Flow™**