



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 and reliability.

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

1. LEGAL COMPLIANCE

The supplier shall comply with all applicable laws and regulations, including all applicable export control laws and international trade sanctions.

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

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

2. BUSINESS CONDUCT

2.1 Ethical Conduct

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

2.2 Prohibition of Corruptive Practices

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

The supplier shall ensure that its directors, employees and 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.

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

The supplier should not provide any business courtesies to a KONE employee or his/her family members in any situation in which it might influence, or appear to influence, an employee's decision in relation to the supplier. Therefore, the supplier should use restraint in offering business courtesies to KONE employees and his/her family members. Any business courtesies must be reasonable both to their scope, value and frequency, and must reflect ordinary local business customs. Cash or equivalent, such as gift cards, can never be offered.

2.3 Conflicts of Interest

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

The supplier must inform KONE if a KONE employee or his/her immediate family member holds a material financial or other interest in the supplier. The supplier must also inform KONE if a KONE employee or his/her immediate family member holds a managerial position at the supplier, or works for the supplier and such employment creates a conflict of interest or the appearance thereof.

2.4 Fair Competition

The supplier shall compete in a fair manner in compliance with all applicable competition 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.

3. LABOR AND HUMAN RIGHTS

3.1 Non-discrimination

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

3.2 Child or Forced Labor

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

3.3 Respect and Dignity

The supplier shall treat its employees with dignity and respect, and shall ensure that its employees have a harassment-free working environment. The supplier shall not tolerate any type of harassment of its employ-

ees, whether direct or indirect, physical or verbal.

3.4 Wages and Benefits

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

3.5 Freedom of Association

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

4. HEALTH AND SAFETY

The supplier shall provide its employees a safe and healthy working environment in compliance with all applicable laws and regulations.

Appropriate health and safety information, training and equipment shall be provided to the 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 and biological substances. The supplier's employees shall not be under the influence of alcohol or illegal drugs while working for KONE.

5. ENVIRONMENT

The supplier shall make all reasonable efforts to protect the environment, and to keep the impact of its activities and products on the environment as low as possible. In particular, the supplier shall obtain, maintain and comply with all environmental permits, licenses and registrations necessary for its operations.

The supplier shall monitor, control and appropriately treat wastewater, air emissions and other waste generated from its operations. The supplier shall strive to reduce waste to the extent possible.

The supplier shall have an adequate and systematic approach to take environmental aspects into account that includes, if applicable, establishing a suitable environmental management system. The supplier shall adhere to all applicable environmental laws and regulations and KONE requirements regarding the prohibition or restriction of specific substances including labeling for recycling and disposal, including the KONE List of Restricted Substances, if applicable.

The supplier is encouraged to determine the carbon footprint of its products.

6. IPR AND PUBLICITY

The supplier shall conform to all applicable laws and international treaties on intellectual property rights. The supplier shall not infringe KONE's or any third party's intellectual property rights.

Unless otherwise agreed, the supplier is not entitled to publicize its cooperation with KONE or utilize KONE trademarks without the express prior written consent of KONE.

7. MONITORING

The supplier shall regularly monitor its conformance with the Code.

The supplier shall upon request provide KONE access to all relevant information and documents needed to verify the supplier's conformance with the Code. 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 premises to validate the supplier's conformance 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 has a serious concern that something is not consistent with this Code, the supplier shall report the matter to KONE. We encourage the supplier to discuss the matter with KONE's local senior management, but the supplier may also contact KONE's Compliance Function at compliance@kone.com.

8. 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, sub-contractors, consultants and partners comply with the principles of the Code.

Acknowledged and approved

Place	_____	Date	_____
Company name	_____		
Signature	_____		
Company registration number	_____		