

# **KONECRANES CODE OF CONDUCT**

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**Dear Colleagues,**

The good name and reputation of Konecranes is a result of the dedication and hard work of all of us. Together, we are responsible for preserving and enhancing this reputation. Konecranes' personnel represents a multitude of cultures, speaks a large number of different languages and belongs to different religions. Management culture in Konecranes is based on our company values: trust in people, total service commitment and sustained profitability. Our goal is not just to comply with the laws, rules and regulations that apply to our business; we also strive to abide by high standards of business conduct.

We do business in a direct, clear, and ethical manner. We are accountable for our words and actions, and strive to build a challenging and fulfilling work environment that rewards teamwork. We respect and recognize diverse work styles, lifestyles and cultural differences.

This **Code of Conduct** provides an overview of our fundamental requirements and guidelines for how we do business and describes the standards that we maintain in our operations. These are based on our business ethics and our commitment to integrity, which apply to all employees, directors, consultants, agents, contractors, sub-contractors and our business units around the world. This Code is to be applied in conjunction with the laws and regulations of the jurisdictions from where we operate.

The content of the Code is not new. The policies set forth in the Code are part of our long-standing tradition of maintaining ethical business standards. Please read the Code carefully and make sure that you understand its content, the consequences of non-compliance, and the Code's importance to the success of the Konecranes group.

If you have any questions, please speak to your immediate manager, Konecranes Compliance Officer or any of the other persons identified in this Code. When in doubt about the advisability or propriety of a particular practice or matter, you should seek appropriate guidance.

We all have a responsibility to uphold the principles of this Code and promptly communicate any violations or potential violations that may occur. Raising awareness about these topics, clarifying questions and resolving issues, are an essential part of making Konecranes a healthy workplace and an outstanding place to work.

Sincerely,

Panu Routila  
President & CEO

## **1. General Introduction**

Responsible business practices are essential for ensuring long-term competitive performance and profitability. Management culture in Konecranes is based on our company values: trust in people, total service commitment and sustained profitability. Management practices are also based on the general principles of sustainable development, which emphasise the integration of economic, social and ecological goals in our business activities. Konecranes participates in the United Nations Global Compact strategic initiative for sustainable business practices and supports the ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

Konecranes Code of Conduct outlines the fundamental requirements and guidelines for how we do business. Konecranes strives for the highest ethical conduct and with these principles we describe the legal and ethical standards, which we shall maintain towards our customers, business partners, suppliers and personnel and also towards the society and the financial markets in all of the countries where we do business.

Each and every employee irrespective of the position in the organization is expected to promote and comply with this Code of Conduct unless mandatory local or international laws or other valid regulations state otherwise.

## **2. Laws and Regulations**

Konecranes is committed to full compliance with applicable national and international laws. This includes, for example, laws and regulations on competition, corporate governance, taxation, financial disclosure, safety, preventing bribery, illicit payments and corruption, employee rights, environmental protection and recognition and protection of company assets, copyrights and other forms of intellectual property.

Konecranes will be managed with transparency and in accordance with the rules, guidelines and principles of good corporate governance pursuant to Konecranes' commitment to its shareholders, partners, clients, suppliers, employees and the community.

## **3. Fair Competition and Compliance with Competition Laws**

Konecranes supports and strives for fair competition and is committed to comply with applicable competition laws. Konecranes will refrain from any activities that might restrain fair competition or raise competition law concerns, for example sharing information on pricing, market shares or other similar non-public information with competitors.

Please refer to the [Konecranes Competition Compliance Summary](#) for further details, which can be found at [MyKonecranes > About Konecranes > Policies and principles](#).

#### **4. Confidentiality, Personal Data Protection and Privacy**

Confidential information about Konecranes and its partners, customers, suppliers and personnel must be kept secret and protected against unauthorized access. Employees may not use confidential information that comes to their knowledge as part of their work for personal profit nor disclose confidential information to any unauthorized parties.

Konecranes respects the privacy and integrity of its stakeholders and employees and aims to apply strict standards when processing personal data. Konecranes collects and retains only that personal information which is allowed by law and is appropriate for its effective operations. All personal data collected and held by Konecranes will be processed fairly, lawfully and carefully and in a way that protects the privacy of our personnel and other individuals.

Employees who are collecting or processing any personal data, responsible for maintaining personal data and those who are provided access to such information must use it only for the purposes and within the limits that have been identified for personal data for each data file. More information can be found from [MyKonecranes > Internal Knowledge > Departments > Data Protection](#). Employees may not disclose personal data in violation of applicable laws or the instructions. Access to personal records is limited to personnel who have appropriate authorization and a clear business need for that information.

#### **5. Protection and Proper Use of Konecranes Assets**

##### ***Konecranes assets***

This Code requires all employees to protect Konecranes' assets<sup>1</sup> and ensure their efficient use for lawful business purposes. Theft, carelessness and waste have a direct impact on Konecranes' profitability. Employees are expected to take measures to prevent damage to and theft or misuse of Konecranes' property. When any employee leaves Konecranes, all property belonging to Konecranes must be returned. Except as specifically authorized, Konecranes assets, including equipment, materials, resources and proprietary information, must be used for business purposes only. All employees are expected to protect Konecranes' funds and property as he/she would his/her own, guarding against misuse, loss, fraud or theft.

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<sup>1</sup> Assets are defined as Konecranes owned property, funds, information or intellectual property, as well as equipment used on an individual basis, such as mobile phones and computers.

## 6. Prohibition against Insider Trading and Unlawful Disclosure of Inside Information

Konecranes respects and follows relevant securities laws by ensuring that inside information is secure and protected.

Inside information is any information of a precise nature, which has not been made public, relating directly or indirectly, to Konecranes or any other issuer of publicly traded financial instruments or financial instruments (including shares) issued by Konecranes or such other issuer, and would, if made public, be likely to have a significant effect on the price of those financial instruments or on the price of related derivative financial instruments. The effect of the inside information on the price of the security or other financial instrument can be positive or negative.

In the course of performing their working duties at Konecranes, employees may obtain inside information or other non-public information about Konecranes itself, Konecranes' suppliers, customers or other counterparties. Employees are prohibited from buying or selling Konecranes' financial instruments or any securities of a publicly traded company or related derivative financial instruments whenever they are in possession of inside information or material nonpublic information regarding or concerning Konecranes or that company, as the case may be. Passing such information on to someone who may buy or sell securities or recommending that they buy or sell securities on the basis of such information – known as “tipping” – is also prohibited, as is any disclosure of inside information, except where the disclosure is allowed under applicable laws.

Please refer to the [Konecranes Plc Insider Regulations](#) for further details, which can be found at [MyKonecranes > About Konecranes > Policies and principles](#).

## 7. Know Your Customer and Vendor ("KYC")

Konecranes has also adopted a KYC procedure to help make sure that it only does business with firms and individuals that share its standards for compliance and integrity.

Employees must refuse to do business with and provide no assistance to those who engage in illegal conduct related to Konecranes' goods or have failed to pass the KYC procedure outlined in the Konecranes Credit Policy, and employees are required to report any violations of the KYC procedure to the Compliance Officer or the confidential reporting channel. All employees are required to familiarize themselves with and abide by the KYC procedure.

Please refer to the [Konecranes Group Credit Policy](#) for further details, which can be found at [MyKonecranes > About Konecranes > Policies and principles](#).

## 8. Economic Sanctions and Embargos

Konecranes complies with all national and international sanctions applicable to its business. To this effect, Konecranes conducts appropriate diligence in respect of its obligations under applicable sanctions lists. Employees must not transact with individuals and entities appearing on sanctions lists screened by Konecranes.

Please refer to the [Konecranes Instructions on Sanctions and Export Controls](#) for further details, which can be found at MyKonecranes > Internal Knowledge > Export Control, Trade Compliance.

## 9. Computer and Communication Resources

Konecranes' computer and communication resources, including computers, smartphones, voicemail, chat and e-mail, provide substantial benefits, but they also present significant security and liability risks to employees and Konecranes. It is extremely important that employees take all necessary measures to secure their computers and all electronic devices with passwords and other relevant measures. This applies also to situations where an employee uses his or her own devices to access or store Konecranes information. All sensitive, confidential or restricted electronic information must be password protected.

If employees have any reason to believe that their password or the security of a Konecranes computer, smartphone or communication resource or personal device used to access or store Konecranes information has been compromised, they must change their password immediately and report the incident to the Konecranes IT Helpdesk.

When employees are using Konecranes' resources to send e-mail, voicemail or instant messages or to access Internet services, they are acting as a representative of Konecranes. Any improper use of these resources may damage Konecranes' reputation and expose them and Konecranes to legal liability.

All of the computing resources used to provide computing and network connections throughout the organization are the property of Konecranes and are intended for use by employees to conduct Konecranes' business. Incidental and occasional personal use of e-mail and telephones is permitted. Private messages may not be sent with illegal, unauthorized or unethical intentions, nor may this kind of messages include any illegal content or breach third-party rights. It is recommended that private messages are saved in a separate folder, which is recognizable by its title as consisting of private messages. This applies to both incoming and outgoing messages.

Please refer to the [Konecranes IT Security Policy](#) for further details, which can be found at MyKonecranes > About Konecranes > Policies and principles.

## **10. Financial Reporting**

Konecranes has uniform, generally accepted accounting principles standards and definitions that are followed in the financial accounting and reporting by all units. Group consolidated financial statements are done in accordance with IFRS standards.

Konecranes provides its stakeholders with information on its status and performance simultaneously and with the same content, transparently and openly, without preference or favour for any group or individual and in compliance with the law, the stock exchange regulations and the accepted practices of the equities market.

## **11. Konecranes Books and Records**

Konecranes must record its financial activities in compliance with all applicable laws and accounting practices. All transactions are to be properly authorized, and accurately and completely recorded. The making of false or misleading entries, records or documentation is strictly prohibited. Employees must never create a false or misleading report or make a payment or establish an account on behalf of Konecranes with the understanding that any part of the payment or account is to be used for a purpose other than as described by the supporting documents.

If an employee is aware or suspects anyone falsifying Konecranes' books and records, the employee must report this immediately to his/her immediate manager, the Compliance Officer or the confidential reporting channel. Concealing information from management or from internal or external auditors can cause serious damage to Konecranes.

## **12. Record Retention**

Konecranes is committed to complying with applicable laws and regulations relating to the preservation of records. All records are to be maintained, at a minimum, for the period of time required by such laws and regulations. Records which are critical for Konecranes' business, including corporate records, originals of contracts, etc. must be identified and stored in a secure location on Konecranes' premises.

If an employee learns of a subpoena or a pending or contemplated litigation or government investigation, the employee must retain and preserve ALL records that may be responsive to the subpoena or relevant to the litigation or that may pertain to the investigation until he/she is advised by the Legal Department as to how to proceed. Any physical destruction of documents must be authorized by the Legal Department and the Compliance Officer.

### 13. Human Rights

Konecranes supports and respects the protection of human rights as defined in the UN Declaration of Human Rights. Konecranes promotes freedom from any discrimination based for example on race, nationality, sex, religion and age, and works for equal opportunities throughout the Group.

Konecranes upholds the freedom of association and the effective recognition of the right to collective bargaining. Konecranes does not accept the use of child or forced labour. Nor does the Group tolerate working conditions that are in conflict with international laws and practices. We expect our entire supplier network to engage in business practices that are in line with our principles.

### 14. Environment

Konecranes' environmental activities are based on a life-cycle thinking. The target is to develop and produce environmentally advanced solutions and services that fulfil its customers' vital requirements. High priority is given to developing products and services that have low emissions and high efficiency. Efforts are taken to achieve sustainable development also in our internal operations by means of raw materials, processes, products, and the reduction of wastes and emissions by making use of the latest technical advances.

Please refer to the [Konecranes Environmental Policy](#) for further details, which can be found at MyKonecranes > About Konecranes > Policies and principles.

### 15. Equal Opportunities and Non-Discrimination

Konecranes is an equal opportunity employer in hiring and promoting practices, benefits and wages. Konecranes will not tolerate discrimination against any person on the basis of race, religion, colour, gender, age, marital status, national origin, sexual orientation, citizenship, or disability (where the applicant or employee is qualified to perform the essential functions of the job with or without reasonable accommodation), or any other basis prohibited by law in recruiting, hiring, placement, promotion, or any other condition of employment. Employees are entitled to equal opportunity and equal treatment based on merit.

Konecranes will not tolerate the use of discriminatory language, nor any other remarks, jokes, or conduct that create or foster an offensive or hostile work environment.

Please refer to the [Konecranes Respect in the Workplace Policy](#) for further details, which can be found at MyKonecranes > About Konecranes > Policies and principles.

## 16. Sexual and Other Forms of Harassment

Konecranes strictly prohibits any form of harassment in the workplace, including sexual harassment. Konecranes will take prompt and appropriate action to prevent and, where appropriate, punish behaviour that constitutes harassment.

Any conduct which constitutes moral or physical harassment, or any other form of abuse of power, is equally prohibited.

Please refer to the [Konecranes Respect in the Workplace Policy](#) for further details, which can be found at [MyKonecranes > About Konecranes > Policies and principles](#).

## 17. Health and Safety

Konecranes strives to offer its employees an interesting and challenging working environment where openness, respect, trust and equal opportunities prevail. The company continuously develops a safe and hazard-free workplace for its employees, contractors and others working in different parts of our organisation.

Konecranes also applies such product development and manufacturing processes as well as such quality assurance methods that aim at minimizing health and safety risks related to the use of its products and services.

Please refer to the [Konecranes Safety Policy](#) for further details, which can be found at [MyKonecranes > About Konecranes > Policies and principles](#).

## 18. Conflicts of Interest<sup>2</sup>

Konecranes employees must avoid all situations where their personal interests<sup>3</sup> may conflict with those of Konecranes and Konecranes' stakeholders. This means, for instance, that the employees are not allowed to accept or provide a personal gift, hospitality or entertainment, except for personal gifts or entertainment of nominal value not exceeding reasonable and customary standards of hospitality. Should there be any doubt that the acceptance of a gift or favour may lead to a possible conflict of interest, the employee must clarify the situation with the Compliance Officer in advance. Konecranes does not provide financial support to political parties or other political organisations or to individual candidate's election campaigns.

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<sup>2</sup> A "conflict of interest" occurs when the personal interest (whether direct or indirect) of a particular employee influences or is capable of influencing the proper performance of his/her employment duties and which gives rise, or is capable of giving rise, to a conflict between the personal interest of the employee and the rights and interests of Konecranes, which may result in damage to the rights and interests, property and/or business reputation of Konecranes.

<sup>3</sup> A "personal interest" of an employee is an interest of an employee involving the opportunity for the employee, while performing his/her employment duties to derive a particular gain in terms of money, valuables, or other tangibles or services and/or other property rights, whether for him/herself, his/her family or third parties.

Particular care should be taken if an employee or an affiliated person has a direct or indirect interest in a company or is able to exercise influence over a company with whom Konecranes does business or which competes with Konecranes. For the purposes of this Code, "affiliated person" means a spouse, domestic partner or significant other, child, parent, sibling, cousin, close personal friend or any other person (including nominees) who may act on the employee's behalf. For example, a conflict of interest can also arise when one relative is directly subordinate to another.

Employees owe a duty to Konecranes to advance Konecranes' legitimate interests whenever the opportunity to do so arises. If employees learn of a business or investment opportunity in which Konecranes may be interested or which is otherwise within its sphere of business activities, including through the use of corporate property or information or the employee's position in Konecranes, such as from a competitor or actual or potential customer, supplier or business associate of Konecranes, employees may not pursue or participate in the opportunity without the prior written approval of the Compliance Officer. Employees may not use corporate property or information, or their position at Konecranes for improper personal gain, and employees may not compete with Konecranes.

## **19. Corruption or Bribery**

Konecranes is committed to work against corruption in all its forms, including extortion and bribery. Konecranes or its employees must not accept, make, seek or offer bribes or monetary advantages of any kind. This includes money, benefits, entertainment or services or any material benefit to or from public officials or other business partners, which are given with the intent of gaining improper business or personal gain. Konecranes does not accept participation in or support money-laundering under any circumstances.

Please refer to the [Konecranes Anti-Corruption Policy](#), which sets out employees' responsibilities in relation to ensuring compliance with applicable anti-bribery laws, rules and regulations. It can be found at [MyKonecranes > About Konecranes > Policies and principles](#).

## **20. Suppliers and Subcontractors**

Konecranes expects its suppliers and subcontractors to conduct their business in compliance with the same high legal, ethical, environmental and employee related principles that Konecranes itself applies. These principles are of high importance when establishing or conducting business relationships. Konecranes promotes the application of these principles among its suppliers or subcontractors and aims to monitor their actions in this respect.

## 21. Relations with the Media

Only official Konecranes spokespersons or employees specifically authorised by the CEO or CFO may speak with the press, securities analysts, other members of the financial community, shareholders or groups or organizations as a Konecranes representative or about Konecranes business. Requests for financial information about Konecranes from the financial community or shareholders should be referred to Vice President, Investor relations. Requests for financial information or other information about Konecranes from the media, the press, or the public should be referred to Vice President, Marketing and Communications.

The information given to the media and disseminated publically must be informative and true in nature.

Any public information generated and communicated by Konecranes must comply with all applicable laws and regulations. Any public financial information on Konecranes must completely, accurately and reliably present the financial situation of Konecranes at the relevant date or period, having been prepared within the applicable timeframe.

Konecranes observes a silent period prior to the publication of its financial statements and interim reports starting at the end of the quarter in question. During this time Konecranes' representatives do not comment on Konecranes' financial position.

Please refer to the [External Communication Guidelines](#) for further details, which can be found at MyKonecranes > Internal Knowledge > Marketing & Communications > MarCom Guidelines.

## 22. Implementation

This Code of Conduct has been approved by the Konecranes Board of Directors. The principles are applicable within the entire Konecranes Group and in all areas of Konecranes' business. Both the Group's management and its employees must follow the standards set in these principles without any exceptions. Konecranes ensures that these principles are effectively communicated to all employees and requires that they are adopted and put into practise by everyone. When necessary, the Konecranes Code of Conduct is complemented by more detailed principles and instructions.

With any concerns or questions about the compliance or interpretation of this Code of Conduct or potential violations of these principles, the Compliance Officer should be contacted. The Compliance Officer is responsible for judging the seriousness of any possible violation and deciding on possible further actions. Employees must always feel free to discuss all possible questions or potential violations regarding these principles with the management. Preventing an employee from reporting misconduct of these principles is prohibited.

### **23. Monitoring and Reporting**

Konecranes Compliance Committee will review this Code annually and propose changes to the Code when necessary for Audit Committee and Board approval.

The Internal Audit and management will audit conduct under this policy in the Konecranes Group. The Internal Audit and senior management will report the results and relevant findings of any audits carried out to the Audit Committee of the Konecranes Board of Directors. Furthermore, all notices of suspected incidents (made either in person or through the confidential e-mail reporting channel (compliance@konecranes.com)) will be properly investigated by Internal Audit and findings are reported to the Audit Committee of the Konecranes Board of Directors.

#### **Contact information:**

Until the Compliance Officer is appointed, in case of any concerns or questions please contact Ms. Sirpa Poitsalo, Senior Vice President, General Counsel, Ms. Katja Tauriainen, Legal Counsel, or Ms. Satu Soimola, Legal Counsel.

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