



Transparency Statement

KONE Plc is a UK leader in the elevator and escalator industry, manufacturing industry-leading escalators, elevators, automatic building doors and automatic walkways. KONE offers services which cover the entire lifetime of a building, from the design phase to maintenance, repairs and modernisation solutions. KONE Global sales for 2016 totalled 8.784 billion euros. We invite you to find out more about the nature of our business by following this link to our web page; www.kone.com.

The UK Modern Slavery Act 2015 requires our business to disclose the efforts we have employed to ensure that our supply chain is free of slavery and human trafficking.

Victims of modern slavery experience some of the most severe breaches of human rights in the world today. This is irreconcilable with the values of KONE Plc. We take this opportunity to state that we have fulfilled our obligations under the Act, and confirm that our policies and procedures fully encapsulate and reflect our commitment to the Corporate Responsibility it identifies for us as a company, and that we are committed to ensuring that we perform purposefully and with integrity. We are conscious that our policies need to be continually reviewed, and our enquiries are as thorough as possible to be able to achieve full transparency throughout our supply chain, and to challenge our suppliers through those enquiries to explore transparency in that of our suppliers' supply chain. We reinforce our commitment to eradicate slavery, servitude, forced and compulsory labour and human trafficking.

KONE Plc has a supply chain network that exists to support its manufacturing, installation, modernisation and service operations, and its day-to-day business operations including the transportation of products and equipment. We receive most of the equipment that we install from KONE factories located in different parts of the world. We have a dedicated Sourcing Team who manage, resource and regulate our sourcing process. We have produced a compact and concise Supplier Enquiry pack, which sets out the standards of behaviour and conduct required to become a local supplier of KONE Plc. Before we do any business with any supplier, we expect all our suppliers to meet and commit to the provisions set out in our Supplier Code of Conduct. Our Supplier Enquiry Pack includes specific enquiries relating to The Modern Slavery Act 2015. Our dedicated Sourcing Team complete a regular audit process with all our suppliers irrespective of size, and continually monitor our supply chain to ensure that there is a full and genuine commitment to their engagement with us. Our Sourcing Team will also conduct some face-to-face on site visits, and this will include a visit to each of our top 30 suppliers. A formal written application request is sent out to all suppliers providing opportunity for any internal changes to be reported to us, so that our records are always up to date. We provide full transparency of the KONE Supplier Code of Conduct, which is clearly displayed on our website to show any potential suppliers what they need to comply with should they want to "Become a KONE Supplier". The KONE Supplier Code of Conduct is currently available in over 20 languages.

The KONE Code of Conduct sets out the standard of behaviour that is expected of KONE employees and KONE Companies, and gives clear guidance about the kind of behaviour that is not tolerated. Topics covered include complying with the laws and rules of society, the work environment and human rights, anti-bribery, discrimination, safety, product and service marketing, fair competition, the environment and sustainability. All our employees are expected to read and understand the code, and to report any violations to KONE's Compliance Officers or to the Global Compliance team, or relevant local legal function.

It is compulsory for all KONE employees with daily access to a computer to complete the Code of Conduct online training programme. KONE have dedicated compliance officers to help employees comply with KONE's Code of Conduct.



The compulsory training at KONE is offered via online training programmes which are delivered in 30 different languages, and Policy documents are available in over 30 languages to all employees.

KONE has recently launched a new dedicated KONE Compliance Line which enables employees to report compliance concerns relating to violations of the KONE Code of Conduct either through web or telephone. KONE encourages employees to "Speak Up" and report their concerns, together with the assurance that their identity is safeguarded if they so wish due to the anonymity offered by the system. All registered concerns will be given a reference number to allow for the caller to ring back, tap in the reference number on the phone and retrieve any feedback on what action has been taken or should further information or clarification be required, to maintain the anonymity of the call.

Our HR department provide all new starters with a "new starter's pack" which includes detail of the Code of Conduct policy and the newly introduced KONE Compliance Line, together with an invitation to attend a KONE induction course. This is an obligatory course which is given to all new starters, to capture all employees on temporary fixed contracts as well as all permanent staff. The induction course formally introduces the employee to KONE and the KONE policies. The course will cover the content of the starter's pack in more detail and provide a greater depth of understanding on our Policies.

KONE HR also work closely with our Sourcing team to confirm that employment agencies have committed to the KONE Code of Conduct before seeking assistance to place employees in employment with KONE.

We fully understand that KONE must play its part in combatting modern slavery effectively, and that this requires full traceability, increased transparency and collaboration, and we feel that by working together and working positively we can make an impact on sustaining human rights.

This Statement has been approved by our Board of Directors, who will review and update it as necessary on an annual basis. This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015.

A handwritten signature in blue ink, appearing to read "P. Griffin", is written over the printed name and title.

Peter Griffin
Finance Director
KONE Plc

3rd April, 2017