

POLICY STATEMENT ON DEMAG CRANES & COMPONENTS' HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE

This policy statement (the "Statement") has been issued by Demag Cranes & Components GmbH pursuant to Section 6 of the Act on Corporate Due Diligence Obligations in Supply Chains of 16 July 2021. Demag Cranes & Components GmbH ("Company") is a fully owned subsidiary of Konecranes Plc, parent company of the Konecranes group of companies ("Konecranes"), headquartered in Hyvinkää, Finland. Currently, the Konecranes Group employs approximately 16,500 people worldwide and the shares of Konecranes Plc are listed on Nasdaq Helsinki.

The Statement was adopted by the managing directors of Demag Cranes & Components GmbH on 16.5.2024.

Demag Cranes & Components

Demag Cranes & Components GmbH's core products are light crane systems, crane components, motors, drives and spare parts. The Company has two manufacturing sites in Germany, in Wetter and in Uslar.

The Company is purchasing products, spare parts and services from other Konecranes companies as well as from its and Konecranes Group's suppliers and subcontractors.

Our commitment to respecting human rights and addressing the environmental impact

Konecranes Group, to which Demag Cranes & Components GmbH belongs, has in place policies applicable for all Group companies. Konecranes Code of Conduct guides our everyday activities by clearly describing our internal standards and ethical values as well as our legal obligations as we conduct our business. Key human rights and environmental expectations are included in the Code of Conduct and more details are expressed in the Human Rights Policy; Health and Safety Policy Statement; and Environmental Policy Statement, which can be found at <https://www.konecranes.com/about/sustainability/policies-and-principles>.

We are committed to operating in a manner consistent with internationally recognized human rights as defined in the International Bill of Human Rights and International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. ILO principles covering occupational safety and health; freedom of association & collective bargaining; non-discrimination in employment and occupation; elimination of slavery and forced labor; and abolition of child labor. We are committed to the United Nations Guiding Principles on Business and Human Rights and the ten principles of the United Nations Global Compact.

Where national law and international human rights standards differ, we seek to follow the higher standard; where they are in conflict, we strive to find ways to respect human rights to the greatest extent possible. Where it is necessary to prioritize actions to address actual and potential adverse human rights impacts, we first seek to prevent and mitigate those that are the most severe or where delayed response would make them irremediable.

In addition to doing no harm, we want to support positive human rights outcomes, for example through our strong diversity, equity and inclusion (DEI) culture. As an evidence of the DEI commitment, Demag Cranes & Components signed in 2022 German Diversity Charter.

The responsibility and accountability for the management of human rights issues extends across Konecranes Group. The Group Sustainability team owns Human Rights Policy and coordinates the due diligence process globally with different operational topic owners.

We are committed to enabling a decarbonized and circular world and our climate ambition is aligned with the Paris Agreement in limiting global warming to 1.5°C. We also preserve nature by preventing harmful discharges into the air, water and ground while minimizing noise and light pollution. In addition, we aim to avoid the use of hazardous substances and follow responsible chemical management practices.

The processes, priority risks and expectations regarding managing human rights and environment-related risks described in sections I to III below are implemented at the Konecranes group level and apply to the operations of Demag Cranes & Components GmbH.

I. Description of the procedures

1. Risk management system

Enterprise risk management is part of our control system and is designed to ensure that any risks related to Demag's business operations are identified and managed adequately and appropriately to always safeguard the continuity of our business. The Group's risk management principles provide a basic framework for risk management across Konecranes, and each Group company or operating unit is responsible for its own risk management. This approach guarantees the best possible knowledge of local conditions, experience, and relevance.

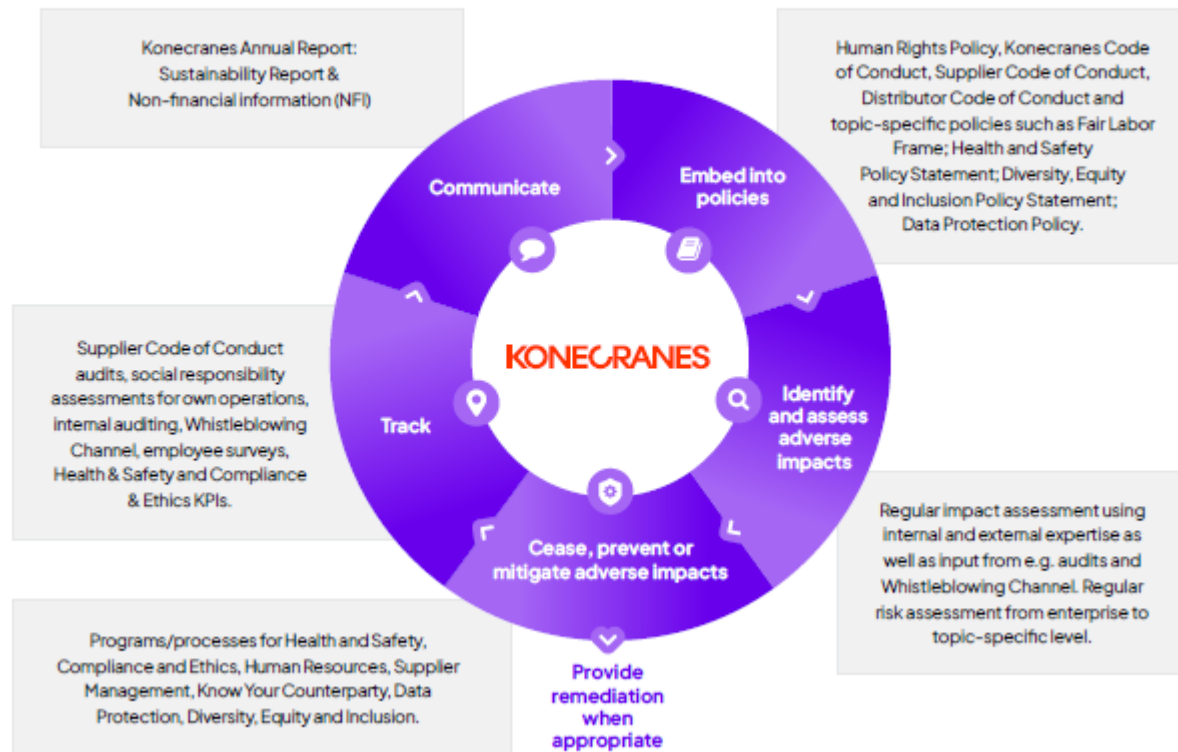
The Group's risk management principles define risk management as a continuous and systematic activity aimed at protecting employees from personal injury, safeguarding the assets of all Group companies and the Group as a whole, and ensuring stable and profitable financial performance. By minimizing losses due to realized risks and optimizing the cost of risk management, we can safeguard our overall long-term competitiveness.

Enterprise risk management includes management of human rights and environmental risks. We review key risks on an annual basis to ensure that our mitigation activities throughout the Group are effective. In prioritizing risks, we use a scale of probability and estimate the impact of those risks on the business. Identified risks are managed by several Group functions and business teams.

With regard to human rights, the key process feeding input for the enterprise risk management is human rights due diligence process. As part of our overall human rights due diligence, we regularly assess human rights risks and impacts, engage with affected stakeholders, and develop and implement procedures for preventing, mitigating and monitoring potential and actual adverse human rights impacts in our own operations and business relationships. We also report on our process and performance. We work to continuously improve our due diligence process.

On top of the above-mentioned risk management layers, we conduct, on a regular basis, more detailed processes that focus on specific topics, such as health & safety, environment and data protection.

Elements of human rights due diligence



2. Risk analysis in own operations

Our human rights risks and impacts identification is done with a cross-functional internal team and includes input from external human rights experts. The severity of the risks is defined based on the scale, scope and the remediability of each individual risk, and likelihood is estimated based on tracking channels and expert knowledge. We annually review this analysis, taking into account changes in our business and the results we get from our monitoring channels, such as our grievance channels and from Social Responsibility assessments, which are conducted against Konecranes Fair Labor Frame. We seek to collect input for the analysis from affected people through different means, such as employee surveys and discussions with employee representatives.

Environment-related risks within the meaning of the Act in our own operations have been assessed based on expert opinions and internal studies pertaining to the use of mercury and persistent organic pollutants, waste containing substances, and transboundary shipments of waste.

3. Risk analysis in supply chain

Our risk analysis in the supply chain follows the same high-level process as analysis for our own operations, and the same cross-functional team is leading it.

The supply chain risk analysis is pictured below. To define risk likelihoods, we get updates for country-level risks from the Global Risk map tool, which is based on 5 international indexes, such as the Fundamental Human Rights Index & the Global Slavery Index. Risk severity assessment is based on external expert knowledge on typical risks of the supplier categories, enriched with internal expert knowledge, information from Konecranes' own monitoring channels, such as supplier code of conduct audits, suppliers' concerns risen via Konecranes Whistleblowing Channel or other ways of reporting compliance concerns and via the Konecranes legal and compliance survey.



4. Preventive measures in own operations

As part of risk and impact prevention and mitigation, we have in place several processes, such as:

- A thorough compliance and ethics program
- Health and safety and environmental management systems
- Fair labor practices, including social responsibility assessment
- Personal data protection processes

Our Compliance and Ethics program forms the basis of human rights and environmental risk prevention. Konecranes Code of Conduct states key human rights and environmental expectations. All employees are required to complete Code of Conduct training regularly. The Code of Conduct training is also part of the new employee induction training. We have a Group executive-level Compliance & Ethics Committee to oversee the implementation and development of our Compliance and Ethics program, which is managed by the Group Compliance & Ethics team. Our Whistleblowing processes, part of the Compliance and Ethics program as well, are explained in section 6 of this Statement.

We want to make sure everyone gets home safely, every day. Our work in managing safety starts from our own employees but extends beyond the company's boundaries to our suppliers, subcontractors, everyone engaged with our products and everyone we work with. We integrate safety in all our operations, including manufacturing, installations and maintenance, office, and remote work as well as travel. Demag Cranes & Components GmbH operations both in Wetter and Uslar are certified for an ISO 45001 health and safety management system. We have internal topical Global Safety Standards to ensure minimum requirements are followed. We embed safety into everyone's daily job by supporting our employees in recognizing hazards,

making health and safety observations, and promoting the company-wide Life-Saving Behaviors. One of the cornerstones of our strong safety culture is training. We have a wide training offering, from mandatory role-based and task-specific topics to more general safety introductions.

We have dedicated human resources management processes to provide fair working conditions and protect labor rights such as freedom of association and collective bargaining. We are proud of the strong collaboration and partnership that exists between our dedicated works councils and the management team. Through regular and constructive dialogues and meetings, we prioritize the well-being and interests of our employees, fostering a positive and supportive work environment. Our joint efforts aim to promote transparency, fairness, and mutual understanding, ensuring that the voices of our employees are heard, and their concerns are addressed effectively. By working together closely, we have been able to implement policies and initiatives that not only benefit our employees but also contribute to the overall success and growth of our company. We remain committed to maintaining this open and productive relationship, as we believe that our collective efforts are key to achieving our shared goals and fostering a thriving workplace culture.

Konecranes' strong Diversity, Equity and Inclusion program helps to prevent discrimination. Inclusion means that the strengths of differences are welcomed and leveraged, and that we offer a working environment where everyone can be themselves and feel valued for their contribution.

Furthermore, we take privacy seriously and place a high priority on personal data protection. We have a dedicated data protection organization and defined processes, guidelines, requirements, and procedures covering all personal data in our control, whether or not it concerns our own employees, customers, suppliers or subcontractors. In all cases, personal data shall be processed fairly and carefully. We have implemented appropriate organizational and technical measures and set-up contractual arrangements, where necessary, to ensure individuals' right to data protection/privacy.

Our environmental work is driven globally by the Health, Safety and Environmental Excellence program that focuses on implementing rules for environmental behavior, implementing minimum requirements for environmental management as well as certifying our operations with ISO 14001 Environmental Management System. Demag Cranes & Components GmbH has a certified ISO 14001 environmental management system covering both Wetter and Uslar operations. Environmental minimum requirements standardize our ways of working by defining common rules for all operations in areas of energy management, chemical handling as well as for waste management. We have clear instructions in place to ensure that residual waste and hazardous waste are disposed of according to local requirements and through licensed waste management companies. Our key requirements related to harmful substances, which apply to both our own operations and purchased components, are described in the global Konecranes Restricted Substances List, which is updated annually. Substances on the list are harmful either to human beings or to the environment.

- Latest version of the Konecranes Restricted Substances List is available at <https://www.konecranes.com/suppliers/doing-business-with-konecranes>

Climate change might cause human right risks for those people living in the areas already impacted by extreme weather conditions and other adverse climate change impacts. In 2022, Konecranes Group set science-based climate targets aligned with limiting the global warming to 1.5 degree. Targets cover both own operations and value chain. Demag Cranes and Components GmbH is doing its part to reach the Group target and in particular each factory in Germany has its climate targets aligned with the Group target.

Further commitments and practices are defined in topic-specific policies and processes.

5. Preventive measures vis-à-vis direct suppliers

As part of risk and impact prevention and mitigation we have in place supplier sustainability and compliance management.

We want to address the human rights and environment related impacts in the supply chain. The Procurement organization is responsible for compliance with the legal, ethical, environmental, and other sustainability obligations of our supplier base and sets the requirements and processes for procurement. Our goal is to evaluate and set requirements that help to ensure that social and environmental impacts are managed properly through responsible procurement. The Procurement organization is trained on requirements and processes set for supply chain and subcontracting.

The Konecranes Supplier Code of Conduct includes the minimum requirements for suppliers on topics such as human rights, health and safety, environmental management, anti-corruption and compliance with laws and regulations. The Code was updated and the latest version is in force as of February 2024. The Code is available in multiple languages. Depending on supplier's risk level, we require or recommend supplier to have a contractual commitment to comply with our Supplier Code of Conduct or equal requirements.

- <https://www.konecranes.com/suppliers-code-of-conduct-other-languages>

We perform supplier evaluations, which are divided in self-assessments and on-site audits. Unless our prescreening shows supplier's risk level to be low, our risk-based Know Your Supplier process assumes to carry out a background check in a form of a self-assessment before the supplier or subcontractor relationship begins, and to evaluate whether the potential supplier or subcontractor is fulfilling the requirements set in Konecranes Supplier Code of Conduct. We also require defined suppliers and subcontractors to repeat the self-assessment every three years.

Our supply chain due diligence process is covering our key suppliers and subcontractors used by us. We are constantly improving the coverage and prioritize the assessments with suppliers and subcontractors that are considered risky from human rights and environmental point of view. Konecranes Group conducts globally annually around 30 audits for selected new and existing suppliers based on identified risks.

As our human rights risk assessment has revealed minerals sourcing to be a high-risk area for us, we are on Group-level a member of an industry initiative where we collaborate with peer companies to find solutions on this industry level challenge across the supplier tiers.

6. Complaints procedures and remedial action

We encourage our employees and any external stakeholders to report all human rights, environmental and other compliance and ethics concerns relating to us, without fear of retaliation. We offer multiple ways for dialogue and the chance to raise topics, such as:

- Dialogue with employee representatives and labor unions
- Health and safety observation and incident reporting process and system
- Customer feedback processes
- Whistleblowing Channel through which employees and external stakeholders can anonymously report any type of human rights grievances or other compliance concerns (available at <https://www.demagcranes.com/en/whistleblowing-channel>)

We will take all necessary steps to address reports made in good faith and to find a solution most suited for each situation. If we cause or contribute to negative human rights impacts, we seek to provide access to remedy for the affected people either by ourselves or through cooperating in remediation through legitimate processes.

7. Indirect suppliers

We require our direct suppliers to set the same level of requirements as we have in Konecranes Supplier Code of Conduct for their sub-suppliers and subcontractors.

The Whistleblowing Channel described above in paragraph 6 can also be used to report concerns related to the actions of our indirect suppliers.

8. Documentation and reporting obligation

We maintain internal documentation of the processes and measures described in this Statement.

We monitor the impacts and effectiveness of actions regularly, at least once a year, utilizing several internal and external channels, including surveys, audits, and the Whistleblowing Channel.

The first annual report on the fulfilment of due diligence obligations of Demag Cranes & Components GmbH will be published in 2025.

II. Priority risks

We seek a comprehensive understanding of all our human rights risks and impacts, and prioritize action on those that are more likely to cause severe impacts on people in our own operations or in our value chain. Amongst our relevant potential human rights risk areas are occupational health and safety, working conditions, non-discrimination and harassment, slavery and forced labor as well as privacy. Based on the severity, likelihood and mitigation actions taken, occupational health and safety is a priority risk both in our own operations and in our direct suppliers' operations.

Based on our analysis the environmental topics covered by the Act, the use of mercury and persistent organic pollutants, waste containing substances, and transboundary shipments of waste are not priority risks for us or in our supply chain. We recognize climate risks having potential negative impact on short-, medium-, and long-term. Thorough information about climate risks management can be found from Konecranes CDP answer (chapter C2), available at [Konecranes.com](https://www.konecranes.com).

III. Expectations for employees and suppliers

Compliance and ethical behavior form the basis of everything we do. As a company, we are committed to conducting our business with integrity and high ethical standards, beyond mere legal compliance requirements. This is key to our performance and success as a company. Our Code of Conduct guides our everyday activities by clearly describing our internal standards and ethical values as well as our legal obligations as we conduct our business. Key human rights and environmental expectations are included in the Code of Conduct, and we expect our employees to comply with the Code and follow the applicable topic-specific policies and processes, for example Health and Safety Policy Statement, Environmental Policy Statement, Fair Labor Frame as well as Diversity, Equity, and Inclusion Policy.

We work with and encourage our business partners to respect internally recognized human rights within their business and in turn, their business relationships. Furthermore, our suppliers and subcontractors are expected to comply with principles set out in the Konecranes Supplier Code of Conduct. Whilst we strive for dialogue

and continuous improvement, human rights or environmental breaches could ultimately lead to the termination of a contract, or relationship.