



Remuneration Report 2025

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People Flow™

Letter from the Chair of the Nomination and Compensation Committee

Dear Shareholders,

I am pleased to present KONE's Remuneration Report for 2025 on behalf of KONE's Nomination and Compensation Committee.

KONE's performance in 2025 is testament to the resilience and strength of our business. Despite uncertainties in the market environment, order momentum was robust with growth well-balanced across our geographical areas and businesses. Sales growth was supported by strong development in Service and Modernization, which in turn drove consistent profitability improvement toward our mid-term targets. Cash flow increased during the year and KONE ended 2025 with a solid financial position. Contributing to our financial development was the successful execution of our Rise strategy in its initial year.

Our business performance translated into solid results against the targets set in the 2025 short-term incentive (STI) plan, leading to STI earnings above the target level.

Over the three-year LTI period, financial performance improved steadily, supported by growth in Service and Modernization. We believe that embedding sustainability into all aspects of our business enables differentiation and long-term value creation. Thus, sustainability is emphasized alongside profitable growth in our LTI plan. Performance is measured through a sustainability index that tracks carbon emission reduction, diversity, safety performance and, as a new element for 2025, cybersecurity. We progressed well against our targets during the performance period.

KONE's Rise strategy represents a clear step up in our ambition level. We want to lead the industry by being the number one choice for employees and customers, by leading in innovation and sustainability and by leading in growth and profitability.

To support strategy execution, KONE's STI plan was modified effective 1 January 2025 with more ambitious target setting and higher achievement requirement. Correspondingly, the maximum earning opportunity was increased from 150% to 200% to provide appropriate reward potential for achieving the raised targets. The CEO's earning opportunity follows the same STI structure that applies to all eligible employees.

The remuneration of the Board of Directors and the CEO in 2025 was in full alignment with the Remuneration Policy.

Jussi Herlin

Chair of the KONE Nomination and Compensation Committee

KONE's Remuneration Report 2025

This report provides the details of how the Remuneration Policy has been implemented describing the remuneration of the Board of Directors ("Board") and the President and CEO ("CEO") of KONE Corporation from January 1, 2025 to December 31, 2025. The report is prepared in accordance with the Finnish Corporate Governance Code, as well as the provisions to the Finnish Securities Market Act and Limited Liability Companies Act. The remuneration of KONE's governing bodies is based on KONE's Remuneration Policy that was presented for the Annual General Meeting on February 29, 2024.



Remuneration of the Board of Directors

Board member	Annual fees	Nomination and Compensation Committee fees	Audit Committee fees	Remuneration based on employment*	Total (EUR)
Herlin Antti, Chairman of the Board	220,000	10,000			230,000
Herlin Jussi, Vice Chair of the Board*				229,376	229,376
Agrawala Banmali	110,000				110,000
Alahuhta Matti	110,000	10,000			120,000
Duinhoven Susan	110,000	10,000	10,000		130,000
Fredriksson Marika	110,000		20,000		130,000
Herlin Iiris	110,000				110,000
Ihamuotila Timo	110,000		10,000		120,000
Mikkilineni Krishna	110,000				110,000

*See remuneration based on employment terms in the adjacent text

On March 5, 2025, the Annual General Meeting (AGM) confirmed the following annual fees for the members of the Board of Directors:

- Chairman: EUR 220,000
- Vice Chair: EUR 125,000
- Member: EUR 110,000

Based on the decision of the AGM, 40 percent of the annual fees are paid as class B shares of KONE Corporation and the rest in cash.

Additionally, the AGM confirmed separate annual compensation to the members of the board committees:

- Chairman of the Audit Committee: EUR 20,000
- Members of the Audit Committee: EUR 10,000

- Chairman of the Nomination and Compensation Committee: EUR 20,000
- Members of the Nomination and Compensation Committee: EUR 10,000

The annual compensation of the members of the board committees is paid in cash. Possible travel expenses are reimbursed according to the travel policy of the company. Board fees are not paid to a board member who is employed by the company.

Remuneration of the Executive Vice Chair with separate employment terms

Vice Chair of the Board, Jussi Herlin, has a separate employment contract for his role as Executive Vice Chair of the Board at KONE. The employment-based compensation consists of a base salary, benefits and an annual bonus decided by the Board.

The Vice Chair of the Board participates in KONE's short-term incentive plan that drives the delivery of

annual financial and operational performance and supports the delivery of the business strategy. The maximum earning opportunity for the short-term incentive was increased to 200% of the Executive Vice Chair's annual base salary as of 1 January 2025.

In 2025, Jussi Herlin's annual base salary and benefits were EUR 126,240. The Vice Chair received a bonus payout of EUR 103,136 in 2025 based on the performance criteria for 2024, tied to the Group's financial performance. Based on 2025 performance, the Vice Chair earned a bonus payout of EUR 141,372 which equaled 112% of the target opportunity. The reward will be paid in 2026.

The Executive Vice Chair's retirement age and pension is determined in accordance with Finland's Pensions Act. No separate agreement regarding early retirement has been made.

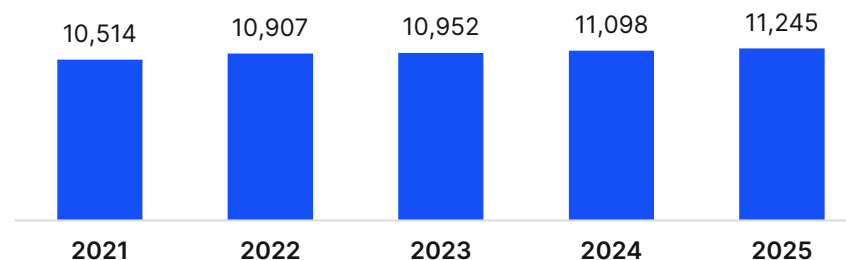
Board member Matti Alahuhta, who served as President and CEO of KONE until March 31, 2014, has received EUR 316,534 pension from KONE in 2025.

Development of KONE's financial performance and remuneration

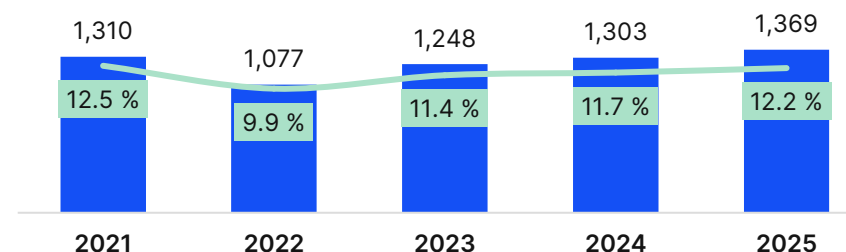
During the past five years, KONE's compound annual sales growth amounted to 2.3% (in comparable currencies). Although the significant decline of the Chinese construction market has been a headwind to financial performance, profitability has improved over the past three years thanks to the growth of the Service and Modernization businesses.

In 2025, KONE's sales grew 1.3% (4.0% growth at comparable currencies). Growth in Service and Modernization sales more than compensated for the decline in New Building Solutions. Profitability (adjusted EBIT-%) improved by 45 basis points, thanks to a favorable business mix. This offset the continued margin pressure in the Chinese new equipment market and increased investments into R&D and strategic growth areas.

Sales (MEUR)



Adjusted EBIT (MEUR) and adjusted EBIT margin (%)



5-year remuneration development (paid remuneration per year)

Average Compensation (EUR)	2021	2022	2023	2024	2025
Chairman of the Board	588,562	240,000	230,000	230,000	230,000
Vice Chair of the Board	107,865	151,766	126,457	241,255	229,376
Average Member of the Board	112,000	120,000	118,571	118,571	118,571
President and CEO*	3,755,742	1,585,350	1,228,416	1,031,179	2,028,947
Average KONE employee**	39,635	42,020	43,196	45,737	47,667

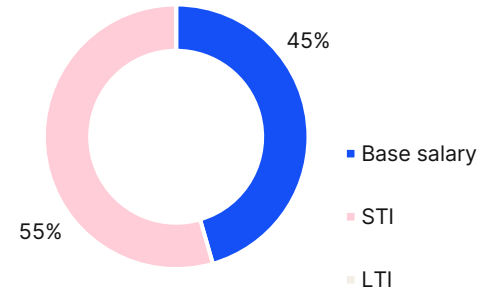
* Paid remuneration to Philippe Delorme from 1 January 2024 onwards and Henrik Ehrnrooth until 31 December 2023.

** Total KONE employee compensation divided by the average number of employees during the year.

Remuneration of the President and CEO

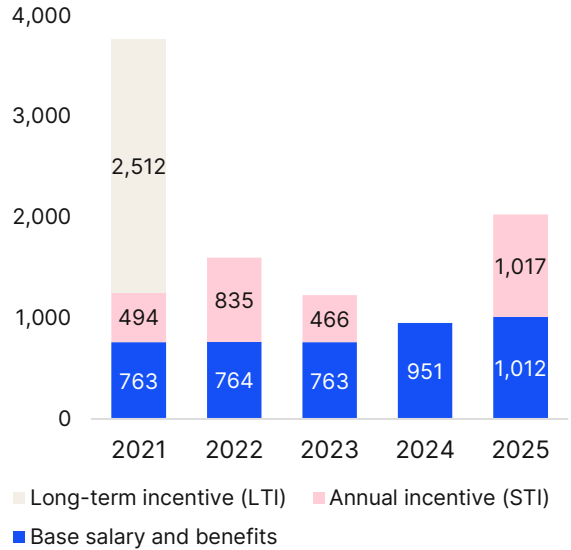
The Board of Directors determines the remuneration of the CEO based on the proposal from the Nomination and Compensation Committee in alignment with the principles of KONE Corporation Remuneration Policy. The CEO's remuneration consists of fixed remuneration including an annual base salary, fringe benefits and a contribution towards pension as well as variable remuneration including short-term incentive and long-term incentive plans. The substantial portion of the variable remuneration provides a strong alignment with the interests of KONE shareholders. The success of the CEO is measured by the Board of Directors based on KONE's achievement of its financial, strategic and operational targets.

Fixed and variable remuneration paid to the CEO in 2025



CEO Philippe Delorme, excluding benefits and pension

CEO remuneration paid in 2021-2025, tEUR



Former CEO Henrik Ehrnrooth 2021-2023, current CEO Philippe Delorme as of January 1, 2024. Excludes contribution towards pension.

The former CEO did not receive a share payment in 2022 and 2023 due to the long-term incentive structure changing to a three-year performance period in 2021. The current CEO joined KONE on January 1, 2024 and was therefore not eligible for STI or LTI payments payable in 2024, nor LTI payments payable in 2025.

Remuneration Philosophy

KONE's remuneration approach is built on strong principles of driving high performance, fair and competitive remuneration, encouraging value-based behavior and sustainability. We are committed to developing a strong pay for performance culture for employees at all levels across the organization.

The CEO's remuneration package is aligned with and supports our pay for performance culture. A significant portion of the CEO's remuneration package is based on variable pay. To ensure we maintain a strong connection between company performance and CEO remuneration, the performance targets for our short-term and long-term incentives are directly linked to KONE's business result.

Short-term incentive

The CEO participates in KONE's short-term incentive plan that drives the delivery of annual financial and operational performance and supports the delivery of

the business strategy. The maximum earning opportunity for the short-term incentive was increased from 150% to 200% of the CEO's annual base salary as of 1 January 2025, to reflect the higher ambition level in KONE's strategy.

Based on 2025 performance, the CEO Philippe Delorme earned a bonus payout of EUR 975,460 which equaled 115% of the target opportunity. The reward will be paid in 2026.

Remuneration paid to the CEO, EUR

Year	Base salary	Short-term incentive	Long-term incentive	Benefits	Pension	Total compensation
2025	844,137	1,017,025	-	87,785	80,000	2,028,947
2024	819,436	-	-	131,743	80,000	1,031,179

CEO Philippe Delorme joined KONE on January 1, 2024. In 2025, he was not eligible for long-term incentive payment that is based on previous years' performance

Performance criteria	Performance year 2024, paid in 2025				Performance year 2025, paid in 2026			
	Weight	Outcome %*	Weighted outcome**	Payout, EUR	Weight	Outcome %*	Weighted outcome**	Payout, EUR
EBIT	34%	97%	33%		24%	110%	27 %	
Orders received margin	17%	150%	26%		16%	106%	17 %	
Sales					24%	111%	26 %	
Lifts in service growth	12.75%	150%	19%					
Cash flow	8.5%	110%	9%		8%	166%	13 %	
Strategy execution	12.75%	139%	18%					
Connectivity					8%	82,5%	7 %	
Individual Performance	15%	100%	15%		20%	125%	25%	
Total weighted outcome	100%		120%	1,017,025	100%		115%	975,460

* Performance outcome levels: Minimum 0%, Target 100%, Maximum 200%

** % of annual base salary

Due to business sensitivity and competition reasons, financial targets are not disclosed.

Long-term incentive

The CEO is included in the performance-based long-term incentive plan for the Group's top management decided by the Board each year. The performance criteria emphasize profitable growth and sustainability. It consists of annually commencing

individual share plans, each with a three-year rolling performance period. The plans vest and are delivered in one portion after the three-year period, based on accumulated performance outcomes.

The CEO's maximum earning opportunity in the KONE long-term incentive plan 2025 equaled to 74,368 KONE Class B shares. The high portion of

variable pay is in alignment with the KONE Corporation Remuneration Policy, which promotes long-term financial performance and sustainable shareholder value creation.

Long-term incentive plans of the CEO

Performance-based long-term incentive plan	Performance period	Vesting year	Performance outcome (3-year average)	Maximum number of granted shares *	Paid shares	Value of vested award, EUR
LTI 2023 **	January 2023–December 2025	2026		0		
LTI 2024	January 2024–December 2026	2027		85,247		
LTI 2025	January 2025–December 2027	2028		74,368		

* Gross before deduction for taxes.

** Philippe Delorme is not eligible for LTI 2023 as he joined KONE on 1 January 2024.

Long-term incentive plan Performance criteria	Performance year 2024			Performance year 2025		
	Weight	Performance outcome % Minimum 0% Target 100% Maximum 120%	Weighted outcome	Weight	Performance outcome % Minimum 0% Target 100% Maximum 120%	Weighted outcome
Adjusted EBIT margin %	40 %	83 %	33 %	40 %	101%	40%
Sales growth	40 %	113 %	45 %	40 %	120%	48%
Sustainability targets *				20%	120%	24%
Emissions from Operations (Scope 1 & 2)	5 %	120 %	6 %	4 %	Above maximum	
Emissions from Products (Scope 3)	5 %	120 %	6 %	6 %	Above maximum	
Safety improvement	5 %	0 %	0 %	3 %	Above target	
Diversity and inclusion	5 %	120 %	6 %	4 %	Below target	
Cybersecurity				3 %	Above maximum	
Total weighted outcome	100 %		96 %	100 %		112%

*Sustainability Index from 2025 onwards

** Performance outcome levels: Minimum 0%, Target 100%, Maximum 120%

Due to business sensitivity and competition reasons, financial targets are not disclosed.



KONE Corporation

Corporate Offices

Keilasatama 3
P.O. Box 7
FI-02150 Espoo Finland
Tel. +358 (0)204 751
www.kone.com

For further information please contact:

Natalia Valtasaari
Vice President, Investor Relations
Tel. +358 (0)204 75 4705

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