

Konecranes AGM 2020

Shareholders' questions and answers by the Company's management

June 11, 2020

- 1. Do the remuneration principles and criteria remain similar compared to previous years; are they in line with the principles and criteria that one could expect based on previous years' Remuneration Statements?**

Yes, the general principles are the same. Some minor changes have been made to the target levels of the short-term incentive program of the senior management (excl. the CEO).

- 2. What are the maximum pay-out levels of the short and long-term incentive programs of the CEO in relation to the base salary?**

The maximum short-term target incentive of the CEO is 100% of the annual base salary. The value of the long-term incentive reward is impacted significantly by the performance of the company against to the set targets and the share price at the time of the payment (an example on this is presented on page 12 of the Remuneration Policy).

- 3. Has the Board considered any other KPIs than EPS for the long-term incentive programs of the company?**

The HR committee retains the flexibility to define the relevant KPIs for its long-term and short-term incentive plans on an annual basis based on the strategic direction of the Konecranes group and propose those to the Board of Directors for approval. Potential to grow the absolute EPS was a key logic behind the MHPS acquisition. Hence, the Board considers that the EPS has been an appropriate KPI during the immediate integration period. As the company's focus is increasingly shifting towards profitable growth, the Board has introduced sales growth CAGR-% as a measure for the performance period 2019-2021, in addition to the cumulative adjusted EPS.

- 4. How is the number of shares delivered to each participant under the long-term incentive programs determined, especially regarding the CEO? To what extent does the share price at the time of delivery have an impact?**

In the Performance Share Plan, the number of shares delivered is a factor of allocated performance share rights in the beginning of the performance period and the performance of the company against the measured KPI(s). In principle, the share price at the time of delivery does not impact the number of shares being delivered. However, e.g. in the performance period 2018-2020, there are two caps on the value of total reward 1) If the reward exceeds 200% of participant's annual base salary, the exceeding reward will be cut, and 2) If the share price exceeds EUR 56, the exceeding reward will be cut. For the performance period 2019-2021, if the share price has grown 75% from granting to vesting, the exceeding reward will be cut. The same principles apply also to the CEO.