

KONECRANES

REMUNERATION REPORT

REMUNERATION REPORT 2022

Letter from the Chair of the HR Committee

Dear Shareholders,



It is my pleasure to present you Konecranes' 2022 Remuneration Report on behalf of the Board's HR Committee. The Remuneration Report has been prepared in accordance with the requirements of the EU Shareholders' Rights Directive and the

Finnish Corporate Governance Code 2020 issued by the Finnish Securities Market Association. The Report is based on Konecranes' Remuneration Policy, which covers the principles for remuneration of the Konecranes Board of Directors, the President and CEO and the Deputy CEO.

At Konecranes, remuneration is linked to performance and achievements on all organizational levels. While providing a competitive and motivating compensation, the primary target of Konecranes management remuneration is to align the interests of shareholders, board members and executives, and to enhance commitment to achieve strategic targets and to promote the long-term financial success of the company, as well as to contribute to the positive development of shareholder value. The executive shareholding requirements support the alignment of corporate aims and executive interests.

In recent years, profitability improvement has been a key strategic focus area at Konecranes, and it has been emphasized in both short-term and long-term incentive metrics. The short term-incentive plan has been based on

annual targets related to Konecranes' financial performance. In 2022, as in 2021, the President and CEO's, the Deputy CEO's and other senior management's short-term incentives had a 70 percent weight on adjusted EBITA margin and 30 percent weight on orders growth.

In 2022, Konecranes had a record-high order intake, and the orders growth maximum target was reached. However, profitability declined from the previous year as the company faced delivery challenges due to component availability and supply chain constraints. Also, the accelerated cost inflation and the war in Ukraine had a negative impact on the performance. Profitability development is reflected in the outcomes of the short-term incentives presented in this report, resulting in lower 2022 short-term incentives to be paid in March 2023 compared to the 2021 short-term incentives paid out in 2022.

Konecranes' share-based compensation is based on longer-term financial performance and shareholder value creation, and in recent years, profitability has been emphasized in the Performance Share Plan metrics. Since the Performance Share Plan was launched in 2020, the adjusted earnings per share (EPS) has been the sole performance criterion. EPS is a widely used metric for assessing long-term financial performance, as EPS growth rate indicates well the corporate value growth over time.

In 2022, the three-year-long Performance Share Plan (PSP) was again divided into three one-year-long measurement periods, as the Board wanted to enable motivating, efficient and relevant target setting for the long-term incentives in the middle of the increased uncertainty caused by the COVID-19 pandemic, the war in Ukraine that had only just begun and

as the planned merger with Cargotec was cancelled. Despite the one-year-long measurement periods, any rewards based on the PSPs will be paid only after the three-year-long performance periods. As the adjusted EPS declined in 2022, the outcome for the measurement period 2022 of the share-based plans was lower compared to the two previous years.

In October 2022, Konecranes was pleased to welcome a new President and CEO, Anders Svensson. As he started at the company during the fourth quarter of the year, his remuneration data from 2022 covers only less than three months. To ensure the new President and CEO's commitment towards the company, and since he started at Konecranes only after the launch of the PSP 2022, he was granted 17,070 gross Konecranes shares through a Restricted Share Unit (RSU) plan, 40 percent of which will vest on December 31, 2023, and 60 percent on December 31, 2024. The President and CEO is currently the only participant in the RSU plan, and his remuneration is aligned with Konecranes' Remuneration Policy, which allows deviations, such as RSU shares, in special circumstances, for example when recruiting a new President and CEO.

Turning to future, Konecranes continues to develop its remuneration and to follow that the remuneration levels and elements are aligned with market practices. As a next step, starting from 2023, the short-term incentive targets of the President and CEO, the Deputy CEO and other senior management will have a 10 percent weight on ESG performance criterion which comprises elements of CO₂ emissions from own operations, safety and diversity and inclusion. Introducing an ESG criterion is fully aligned with Konecranes' ambitious sustainability agenda and further enforces the management's commitment to Konecranes' sustainability targets.

I welcome any feedback or comments on Konecranes' Remuneration Report 2022.

Janina Kugel
Chair of the Konecranes HR Committee

1. Introduction

This report has been prepared by the Konecranes' Board of Directors Human Resources Committee. It is based on **Konecranes' Remuneration Policy** and has been prepared in accordance with the requirements set forth by the amended EU Shareholders' Rights Directive, which was implemented in Finland in 2019, and the Finnish Corporate Governance Code 2020. The report will be presented at the Konecranes 2023 AGM, and the resolution of the AGM on the matter will be advisory.

Konecranes' Remuneration Policy was implemented in 2020 to formalize the existing and continuing practices and to illustrate the link between Konecranes' business targets and strategy and how those have been considered for existing remuneration principles. The Remuneration

Policy was first presented at the 2020 AGM. The AGM 2020 gave an advisory resolution to support the Remuneration Policy, covering the principles for remuneration of the members of the Board of Directors, President and CEO and Deputy CEO. The Remuneration Policy's validity is regularly reviewed by the Board of Directors and presented to the General Meeting at least every four years or whenever substantial changes are made to it.

In 2022, the remuneration decisions, also in the recruitment of the new CEO, were made within the frame of the Remuneration Policy. There were no deviations from the Remuneration Policy.

The primary target of Konecranes management remuneration is to align the interests of Board members, executives, and shareholders and to enhance commitment

to achieve strategic targets and to promote the long-term financial success of the Company, as well as to contribute to the positive development of shareholder value.

The executive shareholding requirements support the alignment of corporate aims and executive interests.

At Konecranes, remuneration is linked to performance and achievements on all organizational levels. The short term-incentive plan is based on annual targets related to the financial performance of the group. The long-term Performance Share Plan is based on longer-term financial performance and shareholder value creation.

Development of the fees of the Board of Directors and CEO compared to the development of the average remuneration of employees and to the Company's financial development over the preceding five financial years:

Financial Performance / Remuneration in EUR	2018	2019	2019 vs. 2018	2020	2020 vs. 2019	2021	2021 vs. 2020	2022	2022 vs. 2021
Net sales, MEUR	3,156.1	3,326.9	5.4%	3,178.95	-4.4%	3,185.7	0.2%	3,364.8	5.6%
Adjusted EBITA, MEUR	257.1	275.1	7.0%	260.8	-5.2%	312.2	19.7%	318.4	2.0%
Chair of the Board	140,000	140,000	0.0%	140,000	0.0%	140,000	0.0%	140,000	0.0%
Vice Chair of the Board								100,000	
Other board members	70,000	70,000	0.0%	70,000	0.0%	70,000	0.0%	70,000	0.0%
President & CEO *)	647,700	515,976	-16.5%	698,677	35.4%	901,303	29.0%	748,778	-16.9%
Average KC employees **)	48,059	50,931	6.0%	46,913	-7.9%	49,089	4.6%	53,129	8.2%
CEO-to-employee pay ratio	13.48	10.13	-24.8%	14.89	47.0%	18.36	23.3 %	14.09	-23.2%

* The compensation of the President and CEO reflects the remuneration of Panu Routila from 2018 to October 2019, Rob Smith from February 2020 to December 2021, Interim CEO Teo Ottola from January 2022 to October 18, 2022 and Anders Svensson from October 19, 2022 onwards. The remuneration details contain the base salary as well as the car and phone benefit, pension is not included in this amount.

** Excluding restructuring costs. The lower remuneration in 2020 compared to the previous years is due to COVID-19-related temporary layoffs and other temporary measures (e.g., shorter work weeks and utilization of holiday banks).

2. Remuneration of Board of Directors

The Board the Directors remuneration consists of Annual Fee, Board Meeting Attendance Fee, Committee Attendance Fee, and travel reimbursements.

The AGM 2022 confirmed that the annual remuneration of the Board of Directors remained unchanged. As per the AGM 2022 decision, 40 percent of the annual remuneration was paid in Konecranes shares acquired on behalf of the Board members at a price determined in public trading on Nasdaq Helsinki. According to the trading plan by the Company, the purchase of shares has been carried out in three equal instalments; each instalment purchased within a two-week period following each of the Company's interim report announcements and the Company's financial statement release. The Company pays transaction costs and transfer tax in connection with the purchase of remuneration shares.

Furthermore, the AGM 2022 decided that the Board members are eligible for a meeting fee of EUR 1,000 for each meeting they attend. For meetings of the Board committees, the Chairs of the Audit Committee

Fees payable to the Board members as confirmed by the latest Annual General Meeting on June 15, 2022

Annual fee 2022	Total EUR
Chair of the Board	140,000
Vice Chair	100,000
Board member	70,000
Fee per Board meeting	1,000
Fee per Board Committee meeting	1,500
Chair of the Audit and HR Committee per committee meeting	3,000

Board members are also reimbursed for their travel expenses.

Board meeting attendance in 2022

Member	Board meetings attended	Audit Committee meetings attended	HR Committee meetings attended
Chair			
Christoph Vitzthum	22/22		7/7
Vice Chair			
Pasi Laine	5/5		
Other Board Members			
Janina Kugel	21/22		7/7
Helene Svahn	5/5		
Niko Morkila	22/22	9/9	
Päivi Rekonen	22/22	9/9	
Pauli Anttila	5/5		
Per Vegard Nersest	22/22		7/7
Sami Piittisjärvi	5/5		
Ulf Liljedahl	22/22	9/9	

Pasi Laine, Helene Svahn, Pauli Anttila and Sami Piittisjärvi Board members since the AGM 2022 on June 15.

and the Human Resources Committee are entitled to a compensation of EUR 3,000 and the other Board members are entitled to a compensation of EUR 1,500 per each attended committee meeting.

In case the remuneration could not be paid in shares due to legal or other regulatory restrictions or due to other reasons related to the Company or a Board member, the annual remuneration would be paid fully in cash. In case the term of office of a member of the Board of Directors ends before the closing of the Annual General Meeting in 2023, he or she is entitled to the prorated amount of the annual remuneration calculated on the basis of his or her actual term in office. In 2022, all Konecranes Board members received 40 percent of their annual remuneration in Konecranes shares.

In addition to the Annual Fee, a Board Meeting Attendance Fee and Committee Attendance Fee was paid to the Board members and Board Committee members to compensate for any additional time commitment or duties. Travel

expenses for all Board members, including the employee representative, were compensated against receipt.

Konecranes' Board members are not in an employment relationship or service contract with Konecranes with the exception of Sami Piittisjärvi who was selected as a Board member among the employees. The other Board members do not participate in Konecranes' incentive programs or have pension schemes arranged by Konecranes.

In accordance with the agreement on employee representation between Konecranes and its employees, no Board remuneration shall be paid to Board members employed by the Company. Therefore, Sami Piittisjärvi did not receive remuneration for his Board membership and meeting attendance.

The members of the Shareholders' Nomination Board are not entitled to any remuneration from Konecranes on the basis of their membership.

Total remuneration paid to the Board of Directors in 2022

Member	EUR cash portion as part of Total Annual Remuneration	No. of shares as part of Total Annual Remuneration	EUR value of shares as part of Total Annual Remuneration	Committee and Board Meeting Fees			Total EUR
				EUR Committee Meeting Fees	EUR Board Meeting Fees (since AGM 2022)	EUR Committee and Board Meetings TOTAL	
Chair							
Christoph Vitzthum	77,036	1,874	51,298	9,000	4,000	13,000	141,334
Vice Chair							
Pasi Laine	40,028	1,037	26,639	-	4,000	4,000	70,667
Other Board Members							
Janina Kugel	38,543	936	25,624	18,000	3,000	21,000	85,167
Helene Svahn	28,043	725	18,624	-	4,000	4,000	50,667
Niko Morkila	38,543	936	25,624	12,000	4,000	16,000	80,167
Päivi Rekonen	38,543	936	25,624	12,000	4,000	16,000	80,167
Pauli Anttila	28,043	725	18,624	-	4,000	4,000	50,667
Per Vegard Nerseth	38,543	936	25,624	9,000	4,000	13,000	77,167
Ulf Liljedahl	38,543	936	25,624	24,000	4,000	28,000	92,167
Other Board Members	248,803	6,130	165,366	75,000	27,000	102,000	516,169
Total Board Compensation	365,866	9,041	243,304	84,000	35,000	119,000	728,170

Due to the payment cycle, Board remuneration from January 1, 2022 until the AGM 2022 was based on the decision made by the AGM 2021. From the AGM 2022 until December 31, 2022 the partial remuneration was based on the AGM 2022 decision.

Pasi Laine, Helene Svahn and Pauli Anttila have been members of the Board since the AGM 2022 (June 15, 2022). The Board meeting fees were decided by the AGM 2022.

The Board remuneration presented in the above table is based on payments made in 2022. The Committee meeting fees include fees of 6 HR Committee and 8 Audit Committee meetings. The Board meeting fees include fees of 4 Board meetings.

No remuneration was paid to Sami Piittisjärvi, in accordance with the agreement on employee representation between Konecranes and its employees.

3. Remuneration of the President and CEO and the Deputy CEO

The Konecranes Remuneration Policy applied since the 2020 Annual General Meeting defines the principles for the remuneration of the President and CEO and the Deputy CEO.

Both the President and CEO's and the Deputy CEO's remuneration are decided by the Board of Directors on the proposal by the HR Committee.

Remuneration of the Konecranes President and CEO and Deputy CEO includes a fixed salary with fringe benefits, performance-based annual variable pay and a long-term, performance-based share plan.

In addition to the Finnish statutory pension, the CEO and Deputy CEO have a supplementary contribution pension benefit provided by the Company. The pension scheme for the President and CEO sets the defined contribution at 20 percent of the annual base salary, including fringe benefits and excluding performance-based compensation (annual or long-term incentives). The contribution level for the Deputy CEO is set at 1 percent of the annual base salary. The retirement age in this supplementary pension plan is 63 years.

Remuneration paid to the President and CEO and the Deputy CEO in 2022

In 2022, the fixed salary including salaries and fringe benefits paid to the President and CEO amounted to EUR 162,137 and for the Deputy CEO to EUR 640,003.

The short-term incentive payments for 2021 were paid in 2022 and amounted to EUR 659,999 for the previous President & CEO Rob Smith and EUR 229,089 for the Deputy CEO Teo Ottola. The short-term incentive plan 2021 for the previous President and CEO and Deputy CEO was based on the achievement of the following measures: 70 percent weight on Group adjusted EBITA margin and 30 percent weight on on Group orders received. The actual outcome was 82.5 percent out of the maximum 100 percent. In 2022, the Deputy CEO (then Interim CEO) Teo Ottola was also paid

Key remuneration elements for the President and CEO and the Deputy CEO according to the Remuneration Policy:

Remuneration element	Key features of the policy
Base salary To provide fixed remuneration reflecting the nature of the role and the business, the performance and contribution as well as external market trends	The base salary of the Konecranes CEO and Deputy CEO reflects the performance and individual work responsibilities, experience, skills, and knowledge. The Annual Salary Review Process also applies to the CEO and Deputy CEO and is completed by the Board of Directors after the evaluation and proposal by the HR Committee. Industry practices, market trends and average salary increases at Konecranes are considered when reviewing the salary.
Benefits and pension To provide additional fixed compensation in line with the Company's practices in the prevailing market	The CEO's and Deputy CEO's benefits mostly follow employment country practices. Other benefits may include a company car and a phone benefit. Also, a housing benefit may be offered if considered appropriate. The CEO / Deputy CEO normally participates in the statutory pension scheme of the relevant country. In addition, Konecranes provides supplementary contribution-based pension benefits to the CEO / Deputy CEO (Defined Contribution Plan). The retirement age will be defined according to applicable country legislation or may be defined in the CEO service contract.
Short-term incentives To provide a performance-based, variable remuneration tied to the achievement of annual key business and financial targets	The annual targets for the CEO and Deputy CEO are decided by the Board of Directors considering strategic business priorities. Typical performance indicators may be financial, operational, or strategic. The CEO's and Deputy CEO's annual incentive is based on the actual financial performance of the Company against the set targets. The actual pay-out amount is approved by the Board of Directors based on the HR Committee's evaluation and proposal prior to the payment.
Long-term incentives To support long-term shareholder return by linking a significant portion of the compensation to the long-term financial performance of Konecranes	Konecranes provides a rolling Performance Share Plan with a three-year performance period, after which the plan participants may earn rewards according to the realization of the criteria for the period. For each share plan period, a maximum reward is defined. The actual reward payment is based on the performance of the Company against the pre-set criteria, agreed and approved by the Board of Directors. If a threshold level for the criteria is not met, rewards are not awarded. For practical reasons, a part of the earned share reward is paid in cash to cover the necessary taxes for the reward.
Shareholding requirement To support alignment of corporate aims and executive interests	The CEO and Deputy CEO have a shareholding requirement tied to the share-based incentive plans. Restrictions on selling shares earned through the plans are defined in the incentive plans and executive contracts.

a one-off cash bonus of EUR 198,000. The bonus was paid as a compensation for the extraordinary workload caused by the planned merger in 2020–2022.

The short-term incentive plan for 2022 for the Deputy CEO was based on the achievement of the same measures as in 2021: 70 percent weight on Group adjusted EBITA margin and 30 percent weight on Group orders received. The short-term incentive payments for 2022 due to be paid in 2023 amount to EUR 89,114 for the Deputy CEO, and the outcome was 30 percent out of the maximum 100 percent.

Rewards based on the long-term Performance Share Plan (PSP) 2019 were paid in 2022. The plan had two criteria: 40 percent weight on sales growth compound annual growth rate (CAGR) of 2019–2021 and adjusted cumulative earnings per share (EPS) 2019–2021, excluding defined restructuring costs, purchase price allocation amortization and certain other unusual items, and the outcome for the PSP 2019 was 18 percent. The previous President & CEO did not participate PSP 2019, but the Deputy CEO was delivered 3,471 gross shares of which 50 percent was paid in shares and 50 percent in cash.

The Performance Share Plans 2020, 2021 and 2022 consist of a three-year-long performance period including three one-year-long measurement periods with separate targets decided by the Board of Directors. The criterion for the measurement period 2020 for PSP 2020 was adjusted earnings per share (EPS) and the outcome for the measurement period 2020 was 96 percent. The criterion for the measurement period 2021 for both PSP 2020 and PSP 2021 was adjusted earnings per share (EPS) and the outcome for the measurement period 2021 was 100 percent. The criterion for the measurement period 2022 for PSP 2020, PSP 2021 and PSP 2022 was adjusted earnings per share (EPS) and the outcome for the measurement period 2022 was 11 percent.

The three-year-long performance period for PSP 2020 ended in December 2022 and the total outcome from three one-year-long measurement periods was 69 percent. The

PSP 2020 rewards are due to be paid in 2023, and the Deputy CEO will be delivered 11,061 gross shares, of which 50 percent will be paid in shares and 50 percent in cash.

The previous Konecranes President and CEO Rob Smith participated in the PSP 2020 and PSP 2021 Plans. As he left the Company on December 31, 2021, he is not entitled to any share-based compensation based on these plans.

PSP 2021 related rewards are due to be paid in 2024, and PSP 2022 related rewards in 2025, in case plan conditions are met.

In 2022, the total remuneration paid to the President and CEO amounted to EUR 162,137, and for the Deputy CEO and Interim CEO to EUR 1,165,569.

Remuneration elements and terms of employment of the President and CEO and Deputy CEO

	President and CEO Anders Svensson (from October 19, 2022)	Deputy CEO Teo Ottola (Interim CEO from January 1 to October 18, 2022)
Base salary	Fixed salary with fringe benefits Monthly salary: EUR 66,667.00	Fixed salary with fringe benefits Monthly salary: EUR 26,011.44
Short-term incentives	Based on financial performance Max. 100% of annual base salary	Based on financial performance Max. 100% of annual base salary
Long-term incentives	Restricted Share Unit (RSU) 2017 plan (17,170 gross shares, 40% vesting on December 31, 2023 and 60% on December 31, 2024)	Performance Share Plans 2020, 2021 and 2022
Proportion of fixed and variable pay (as % of total target remuneration)	67% base salary 33% STI* 0% LTI* * target opportunity, long-term incentive is excluding RSU 2017. As the new CEO started as late as in October 2022, he did not participate in the PSP 2022 program nor the STI program	43% base salary 22% STI* 35% LTI* * target opportunity
Pensions	Finnish Statutory pension Defined contribution plan at 20% of annual salary	Finnish Statutory pension Defined contribution plan at 1% of salary
Shareholding requirements	Must hold min. 50% of any net shares given based on reward plans <ul style="list-style-type: none"> • Until the value of shareholding equals annual salary, and • Membership in the Konecranes Leadership Team continues 	Must hold min. 50% of any net shares given based on reward plans <ul style="list-style-type: none"> • Until the value of shareholding equals annual salary, and • Membership in the Konecranes Leadership Team continues
Period of notice	6 months' notice by the President and CEO and by the Company	6 months' notice by the Deputy CEO or 9 months' notice by the Company
Severance pay	Equals to 12 months' salary and fringe benefits in case of termination prior to the age of 63, in addition to the salary for the notice period	Equals to 9 months' salary and fringe benefits, in addition to the salary for the notice period
Retirement age	63 years	65 years 6 months

Short-term incentives

2022		Target levels			STI outcome			
KPI	Weight	Low (12.5%)	Target (50%)	Max (100%)	Performance outcome	Total performance outcome	President and CEO	Deputy CEO
Orders received (MEUR)	30%	3,130	3,268	3,369	100%	30.0%	–	EUR 89,114
Adjusted EBITA (%)	70%	9.8%	10.3%	10.8%	0%			
2021		Target levels			STI outcome			
KPI	Weight	Low (12.5%)	Target (50%)	Max (100%)	Performance outcome	Total performance outcome	President and CEO	Deputy CEO
Orders received (MEUR)	30%	2,700	2,800	2,950	100%	82.5%	EUR 659,999	EUR 229,089
Adjusted EBITA (%)	70%	8.2%	9.5%	10.1%	75%			

Long-term incentives

						Allocated shares*		Awarded shares*	
KPI	Performance period	KPI	Performance outcome	Total performance outcome	Payment/vesting schedule	President and CEO	Deputy CEO	President and CEO	Deputy CEO
PSP 2019	2019–2021	sales growth CAGR adjusted EPS	0% 30%	18%	Paid in 2022	–	19,000	–	3,471
PSP 2020	2020	adjusted EPS	96%	69%	To be paid in 2023	–	16,000	–	11,061
	2021	adjusted EPS	100%						
	2022	adjusted EPS	11%						
PSP 2021	2021	adjusted EPS	100%	n/a	To be paid in 2024	–	16,000	–	n/a
	2022	adjusted EPS	11%						
	2023	adjusted EPS	n/a						
PSP 2022	2022	adjusted EPS	11%	n/a	To be paid in 2025	–	22,000	–	n/a
	2023	adjusted EPS	n/a						
	2024	n/a	n/a						

* Gross shares, including the reward paid in cash.

Remuneration of the President and CEO and Deputy CEO in 2022 and 2021

	2022 Anders Svensson	2022 Teo Ottola	2022 Rob Smith	2021 Rob Smith	2021 Teo Ottola
	President & CEO	Deputy CEO (Interim CEO, from January 1 until October 18, 2022)	Former President & CEO	Former President & CEO	Deputy CEO
Fixed Salary (Salaries and fringe benefits)	162,137	640,003	-	901,303	311,174
Short-term incentives paid (based on previous year's performance)	-	229,089	659,999	256,284	87,125
One-time bonus	-	198,000			
Value of long-term incentive rewards paid	-	98,477	-	-	4,691
Variable Pay	-	525,566	659,999	256,284	91,816
Total Remuneration paid	162,137	1,165,569	659,999	1,157,587	402,990
Proportion of fixed and variable pay (as % of total target remuneration)	100% / 0%	55% / 45%	100% / 0%	78% / 22%	77% / 23%
Estimated short-term incentives due payment (based on previous year performance)		89,114	-	659,999	245,062
Gross shares delivered		3,672	-	-	127
Performance share rights allocated (# of share rights)	-	54,000	-	-	51,000
Restricted share rights allocated (# of share rights)	17,170	-	-	-	-
Shareholding in Konecranes Plc (# of shares)	0	45,220	-		43,308
Expense of statutory/voluntary pension plans	62,487	198,862	-	290,836	66,481

Long-term Incentives

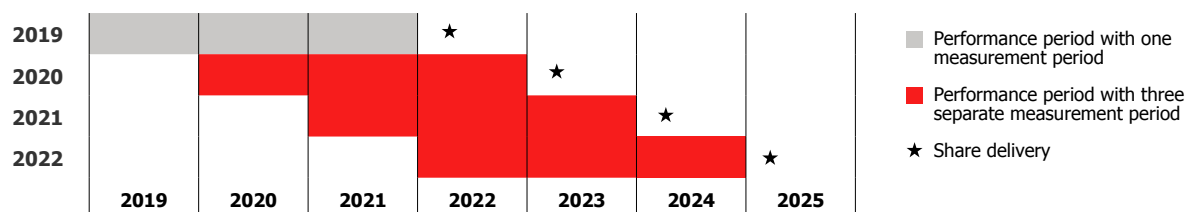
Performance Share Plan (PSP)

The aim of Konecranes' Performance Share Plans is to align the objectives of shareholders and Konecranes' key employees to increase the value of the Company, to commit key employees to the Company and to reward employees for achieving set targets. The actual grant is directly linked to Key Performance Indicators supporting long-term shareholder return and applies multi-year performance period.

All the currently active PSP plans have three-year performance periods, but the measurement periods vary. The PSP plans launched before 2020 had a measurement period of three years, whereas the most recent three PSP plans have had three separate one-year-long measurement periods within the three-year performance period. Despite the one-year-long measurement periods, remuneration is paid only after the three-year-long performance period. Due to the uncertainty caused by the COVID-19 pandemic in 2020 and 2021, the war in Ukraine in 2022, as well as the planned merger announcement made in 2021, the Board of Directors decided to apply one-year-long measurement periods instead of three-year-long periods for the Plans started in 2020, 2021 and 2022 to enable efficient and relevant target-setting. The PSP 2023 plan, established on February 1, 2023, again has a measurement period of three years.

The potential rewards from the PSP plans will be paid partly in shares and partly in cash. The cash proportion is intended to cover taxes and tax-related costs arising from the rewards to the plan participants. As a rule, no reward will be paid, if the plan participant's employment or service ends before the reward payment.

Performance Share Plan



Performance Share Plan (year)	PSP 2019	PSP 2020	PSP 2021	PSP 2022
Performance period	2019–2021	2020–2022	2021–2023	2022–2024
Number of participants *	182	148	159	159
Measure	Adjusted Cumulative EPS and Sales Growth CAGR %	Adjusted EPS for years 2020, 2021 and 2022 **	Adjusted EPS for years 2021 and 2022 **	Adjusted EPS for year 2022 **
Performance share rights allocated (# of share rights)	584,000	517,000	556,800	564,500
Grant date share value, EUR/share	32.16	22.60	32.20	22.11
Total share value, based on the grant date value	EUR 18,781,440	EUR 11,684,200	EUR 17,928,960	EUR 12,481,095
Total gross shares delivered	104,661	N/A	N/A	N/A
Gross shares delivered to CEO & Deputy CEO				
Anders Svensson, CEO since October 19, 2022	0	N/A	N/A	N/A
Teo Ottola, Deputy CEO (Interim CEO, from October 7, 2019 to January 31, 2020 and from January 1 to October 18, 2022)	3,471	N/A	N/A	N/A

* At the end of December 2022

** PSP 2020, PSP 2021 and PSP 2022 have three separate 1-year measurement periods with separate targets for each 1-year period. Measure for years 2020, 2021 and 2022 was adjusted EPS.

2019–2021 Performance Share Plan (paid in 2022)

The 2019–2021 PSP plan had two criteria: 40 percent weight on sales growth compound annual growth rate (CAGR) of 2019–2021 and 60 percent weight on adjusted cumulative earnings per share (EPS) 2019–2021, excluding defined restructuring costs, purchase price allocation amortization and certain other unusual items. The plan was directed to approximately 200 key employees, with a maximum of 670,000 allocated Konecranes shares, including the proportion to be paid in cash. There was one cap on the value of total reward: if the share price had grown 75 percent from granting to vesting, the exceeding reward would have been cut. The payment of the total reward from the 2019–2021 plan took place in 2022. The outcome of the PSP plan was 18 percent.

2020–2022 Performance Share Plan (payable in 2023)

The 2020–2022 PSP plan had a three-year-long performance period with three separate one-year-long measurement periods. The Board of Directors has annually resolved the criterion and separate targets for each measurement period, and the criterion for all measurement periods (2020, 2021 and 2022) was adjusted EPS. Adjustments to the EPS included defined restructuring costs, mergers and acquisitions related transaction costs and other unusual items. The target group of the plan for the performance period 2020–2022 consisted of a maximum of 160 key employees of the Konecranes Group. The rewards to be paid on the basis of the performance period correspond to the value of a maximum total of 600,000 Konecranes shares, including the proportion to be paid in cash. The outcome for the measurement period 2020 was 96 percent, 100 percent for the measurement period 2021 and 11 percent for the measurement period 2022. The total

outcome of the plan was 69 percent. The payment of the total reward from the three-year performance period takes place in 2023, if the plan term conditions are met.

2021–2023 Performance Share Plan (payable in 2024)

The 2021–2023 PSP plan has a three-year performance period with three separate one-year-long measurement periods with separate targets for 2021, 2022 and 2023. The Board of Directors has annually resolved the criterion and targets for each measurement period, and the criterion for both 2021 and 2022 was adjusted EPS. Adjustments to the EPS have included defined restructuring costs, mergers and acquisitions related transaction costs and other unusual items. The target group of the plan for the performance period 2021–2023 consists of a maximum of 170 key employees of the Konecranes Group. The rewards to be paid on the basis of the performance period correspond to the value of a maximum total of 634,921 Konecranes shares, including the proportion to be paid in cash. The outcome for the measurement period 2021 was 100 percent, and the outcome for the measurement period 2022 was 11 percent. The payment of the total reward from the three-year performance period takes place in 2024, if the plan term conditions are met.

2022–2024 Performance Share Plan (payable in 2025)

The 2022–2024 plan has a three-year-long performance period with three separate one-year-long measurement periods and separate targets for 2022, 2023 and 2024. The criterion for the measurement period 2022 is adjusted EPS. Adjustments to the EPS include defined restructuring costs, mergers and acquisitions related deal costs and other unusual items. The target group of the plan for the performance period 2022–2024 consists of a maximum

of 170 key employees of the Konecranes Group. The rewards to be paid on the basis of the performance period correspond to the value of a maximum total of 600,000 Konecranes shares, including the proportion to be paid in cash. The outcome for the measurement period 2022 was 11 percent. The payment of the total reward takes place in 2025, if the plan term conditions are met.

Restricted Share Unit Plan 2017 (RSU)

In addition to the Performance Share Plan, Konecranes has a Restricted Share Unit Plan (RSU) which can be used for retention purposes under special conditions. The vesting periods can last from 12 to 36 months. The prerequisite for reward payment is that a key employee's employment or service continues until the end of the vesting period. The rewards to be allocated on the basis of the entire plan will amount to a maximum total of 200,000 Konecranes shares, including the proportion to be paid in cash.

Currently, there is only one participant in the RSU 2017 plan: the Konecranes President and CEO Anders Svensson who joined the Company in October 2022. He has been allocated 17,170 gross shares, of which 40 percent will be vesting on December 31, 2023 and 60 percent on December 31, 2024.

Restricted Share Unit Plan (RSU 2020)

On October 27, 2020, the Board of Directors of Konecranes decided to establish a share-based incentive plan for the Konecranes Group key employees following the announcement of the planned merger with Cargotec Corporation. The Restricted Share Unit Plan 2020 was intended to function as a bridge plan for the transition period before the closing of the Merger and forming

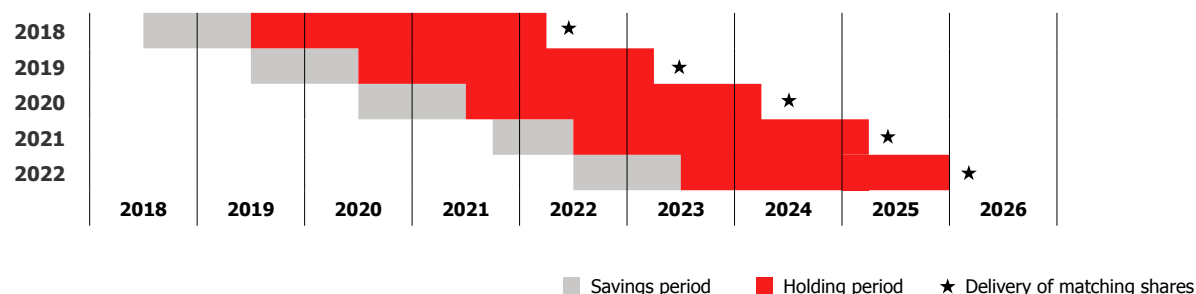
the Future Company in the Merger. The aim of the plan was to align the objectives of the shareholders and the key employees, to secure business continuity during the transition period, and to retain key employees at Konecranes. The reward from the plan was conditional to the closing of the Merger. As the planned merger with Cargotec was cancelled in March 2022, the RSU 2020 plan was also cancelled, and no remuneration has been or will be paid based on the plan.

Employee Share Savings Plan (ESSP)

In 2012, Konecranes launched an Employee Share Savings Plan for all employees, including the Management, except in those countries where the plan could not be offered for legal or administrative reasons. Participants can save a monthly sum of up to 5 percent of their gross salary, which is used to buy Konecranes shares from the market on behalf of the participants. If participants are still in possession of these shares after an approximate three-year-long holding period, they will receive one matching share for every two initially purchased shares.

This ESSP plan is also available for the President and CEO and Deputy CEO. The President and CEO has not participated in the ESSP, but the Deputy CEO participates in the ESSP 2022 plan which is currently on savings period with potential rewards due in 2026. In May 2022, the Deputy CEO was delivered ESSP 2018 matching shares: 201 gross shares, 50 percent of which was paid in shares and 50 percent in cash.

Employee Share Savings Plan



Employee Share Savings Plan (year)	ESSP 2018	ESSP 2019	ESSP 2020	ESSP 2021	ESSP 2022
Savings period	July 1, 2018– June 30, 2019	July 1, 2019– June 30, 2020	October 1, 2020– June 30, 2021	July 1, 2021– June 30, 2022	August 1, 2022– June 30, 2023
Number of participants *	1,620	1,729	2,071	2,195	2,348
Number of shares acquired	105,239	143,287	87,480	158,370	30,017 (On-going)
Delivered or expected matching shares to be delivered *	52,620	71,644	43,740	79,185	15,009 (on-going)
Share price by delivery date or by the end of December 2022 (for non-vested plans), EUR/share	26.47	28.76	28.76	28.76	28.76
Value of the delivered or expected matching shares **	EUR 1,392,851	EUR 2,060,481	EUR 1,257,962	EUR 2,277,361	EUR 431,659 (on-going)

* At the end of December 2022

** Share value by delivery date or by the end of December 2022 (for non-vested plans)