

# CORPORATE GOVERNANCE STATEMENT 2023

## Governance

The governance and management of Cargotec Corporation (“Cargotec” or “Company”) are based on the Finnish Limited Liability Companies Act and Securities Markets Act, as well as the Company’s Articles of Association and Code of Conduct. The Cargotec class B share is listed at Nasdaq Helsinki, Finland, and the Company complies with the rules and guidelines of Helsinki Stock Exchange and the Finnish Financial Supervision Authority as well as with all the recommendations of the Finnish Corporate Governance Code 2020, published by the Securities Markets Association ([www.cgfinland.fi/en](http://www.cgfinland.fi/en)).

The corporate governance statement has been reviewed by the Board’s Audit and Risk Management Committee. It is issued as a separate report and disclosed, together with the financial statements, Board of Directors’ report, and the remuneration report, on the Company website. Up-to-date information on governance and remuneration is available on the website.

Cargotec’s shareholders exercise the highest decision making power at the Shareholders’ meeting. The Annual General Meeting (AGM) appoints the members of the Board and the Auditors. The Company is managed by the Board of Directors and the President and CEO, appointed by the Board.

## Shareholders’ Meeting

The Annual General Meeting is held annually within six months of the closing of the financial period, on a day designated by the Board. An extraordinary Shareholders’ meeting in respect of specific matters shall be held when considered necessary by the Board, or when requested in writing by a Company auditor or by shareholders representing at least 10 percent of all the issued shares of the Company.

The issues decided on by the AGM include the adoption of the financial statements, distribution of profit, granting of release from liability to the members of the Board of Directors and to the CEO, as well as the election of and remuneration payable to the members of the Board and auditor. The Shareholders’ meeting also has the right to amend the Articles of Association, decide on merger and demerger, and make decisions and authorise the Board of Directors to make decisions on the acquisition of treasury shares, on share issues, and on option programmes. Cargotec has two share classes, each with different voting rights. In the Shareholders’ meeting, each class A share carries one vote, as does each set of ten class B shares, with the provision that each shareholder is entitled to at least one vote.

Cargotec’s AGM was held on 23 March 2023. The shareholders and their proxy representatives were

able to participate in the general meeting and exercise shareholder rights in person in Helsinki and by voting in advance and by making counter proposals and asking questions in advance. It was also possible to follow the meeting via an online video stream. The meeting adopted the financial statements, consolidated financial statements and the remuneration report as well as granted discharge from liability to the CEO and the members of the Board of Directors for the financial year 1 January–31 December 2022. The Meeting approved amendments to Cargotec’s Articles of Association regarding the number of auditors, the possibility to organise a general meeting without a meeting venue whereby the shareholders shall exercise their power of decision in full in real time during the meeting by the use of telecommunication connections and technical means (remote meeting), as well as timing of the Annual General Meeting. The meeting appointed members of the Board of Directors and the Auditor and approved a distribution of a dividend of EUR 1.34 for each of class A shares and a dividend of EUR 1.35 for each outstanding class B shares. The dividend was paid to shareholders who on the record date of dividend distribution, 27 March 2023, were registered as shareholders in the Company’s shareholder register. The dividend payment day was 4 April 2023.

## Board of Directors

### Responsibilities

The Board confirms Cargotec’s strategy and monitors its implementation. As stipulated in the Finnish Limited Liability Companies Act and the Articles of Association, the Board is responsible for the management and proper organisation of the Company’s operations as well as for representing the Company. The Board has compiled a written charter for its work that defines its main duties and operating principles. The Board’s responsibilities include approving the Company’s annual, half-year, and interim financial statements and ensuring that the supervision of the Company’s accounting and financial matters is properly organised. The Board decides on significant loans, acquisitions and investments and approves the annual and long term operational and financial plans, sustainability targets, as well as risk management principles. Violations against Cargotec’s Code of Conduct are reported to the Board. The Board approves the long- and short-term incentive programmes and their outcome. The Board appoints Cargotec’s President and CEO and determines the related terms of employment. As defined in the Board’s annual plan, the Board has theme meetings in which issues associated with the execution of the strategy, or another current theme are discussed. In addition, the Board discusses Cargotec’s sustainability actions quarterly. In connection with each meeting, the Board

holds discussions also without the presence of the executive management.

In 2023, the Board had 15 meetings. Some of these meetings were held remotely or the resolutions were recorded without convening. Attendance in the meetings is reported in the table further below. The Board agrees annually on focus areas for the coming year. The key themes on the Board's agenda throughout the year have been Cargotec's strategic focus areas sustainability and profitable growth. The Board initiated an investigation to potentially separate Company's core businesses Kalmar and Hiab into two standalone companies as a logical next step in Cargotec's previously announced aim to increase the independence of its businesses. The intention would be to separate Kalmar as a new listed company by means of a partial demerger from Cargotec in 2024. During the year, the Board has supervised the demerger planning and preparations, including the organisation of both independent companies and the Board composition of the proposed standalone Kalmar. The Board established a new temporary Demerger Committee to support listing readiness preparations and corporate governance matters for the potential standalone Kalmar. The Board has also supervised MacGregor's financial performance and the process of finding a solution for MacGregor. Cargotec's business areas and their R&D activities as well as supply chain development were discussed in specific theme meetings. Reports on the climate and sustainability work and business area climate actions were regularly presented to the Board.

**Composition**

According to the Articles of Association, Cargotec's Board of Directors includes a minimum of six and a maximum of twelve members. Board members are elected at the AGM for a one-year term of office that expires at the end of the first AGM following the election. The Board elects a Chair and a Vice Chair from among its members. The Board's composition shall support the overall goal of implementing Cargotec's strategy. According to the Board's diversity principles, board composition shall reflect the operations strategy and the future needs of the Company. The diversity factors include work experience in Cargotec's strategic business areas and of the cultures in which Cargotec operates, as well as educational background, age and gender. There shall be both genders in the Board, the target being at least two directors of the under-represented gender.

At the AGM in 2023, the number of Board members was confirmed to eight and the current Board members Jaakko Eskola, Ilkka Herlin, Teresa Kemppe-Vasama, Johanna Lamminen, and Kaisa Olkkonen were re-elected to the Board of Directors. The former Board members Casimir Lindholm, Teuvo Salminen, and Heikki Soljama did not stand for re-election to the Board of Directors. Raija-Leena Hankonen-Nybom, Tapio Kolunsarka, and Ritva Sotamaa were elected as new members of the Board of Directors. In its organising meeting, the Board re-elected Jaakko Eskola as Chair and Ilkka Herlin as Vice Chair. At the end of 2023, the age range of the members was between 48 and 65 years. Five Board members were women and three were men, and the under-represented gender comprised 37.5 percent of all

members of the Board. Thus, the gender target the Board had set has been reached. The Board members have a wide range of educational backgrounds and they have executive experience in international companies in different cultures.

Outi Aaltonen, Senior Vice President, General Counsel, served as the Secretary to the Board of Directors. The CV details of the Board members are available on the Company website and the remuneration of the Board is described in the [Remuneration report 2023](#).

**Self-assessment and assessment of independence**

The Board conducts an annual internal self-assessment to review its own performance and procedures. In 2023, the self-assessment was conducted as a written questionnaire that the Board discussed among themselves.

The majority of the Board members shall be independent of the Company and a minimum of two of the independent directors are to be independent of significant shareholders. The Board conducts, annually and when necessary, an assessment of its members as regards their independence of the Company and major shareholders, as defined in the Corporate Governance Code. In 2023, the members were independent of the Company and all except Ilkka Herlin independent of major shareholders. Ilkka Herlin controls the company Wipunen varainhallinta oy, which is a significant shareholder of Cargotec, and he also is a Board member of Mariatorp Oy, another significant shareholder. In the overall evaluation, the Board considered the over ten year term of Ilkka Herlin but considered him still to be independent of the company.

**Board and committee members' participation in meetings 2023**

Name	Board of Directors	Audit and Risk Management Committee	Nomination and Compensation Committee	Demerger Committee*** established 16 Aug 2023
Jaakko Eskola	15/15		8/8	1/1****
Ilkka Herlin	15/15	1/1*	7/8	
Teuvo Salminen *	4/4	1/1		
Teresa Kemppi-Vasama	15/15		8/8	2/2
Johanna Lamminen	15/15	5/5**		
Casimir Lindholm *	3/4		2/2	
Kaisa Olkkonen	15/15	6/6		
Heikki Soljama *	4/4			
Raija-Leena Hankonen-Nybom **	11/11	5/5		
Tapio Kolunsarka **	11/11	5/5		2/2
Ritva Sotamaa **	11/11		6/6	

\* Member of the Board and/or Committee until 23 March 2023

\*\* Member of the Board and/or Committee as of 23 March 2023

\*\*\* External member: Pekka Ala-Pietilä 16 August to 26 October 2023, meeting participation 1/1

\*\*\*\* Member as of 9 November 2023

**Board of Directors 31 December 2023**



**Jaakko Eskola**

Chair, b. 1958

M.Sc. (Eng.)

Board member since 2021, Chair since 2022

Chair of Nomination and Compensation Committee  
Chair of Demerger Committee

Independent of the Company and largest shareholders

Main position: Non-executive Director

Ownership 31 December 2023\*:  
3,926 B shares



**Ilkka Herlin**

Vice Chair, b. 1959

Ph.D., D.Sc. (Tech) h.c., D.Sc. (Agr & For) h.c.

Board Chair 2005–2022, Vice Chair since 2022

Member of Nomination and Compensation Committee

Independent of the Company, significant shareholder (Wipunen varainhallinta oy), not independent of significant shareholder (Board member of Mariatorp Oy)

Main positions: Chair and owner, Wipunen varainhallinta oy; Board member, Foundation for a Living Baltic Sea

Ownership 31 December 2023\*:  
2,940,067 A shares  
6,211,379 B shares



**Teresa Kemppi-Vasama**

member, b. 1970

M.Pol.Sc. (social psychology), MBA

Board member since 2017

Member of Nomination and Compensation Committee  
Member of Demerger Committee

Independent of the Company and significant shareholders

Main position: Executive Chair of the Board, Kemppi Oy

Ownership 31 December 2023\*:  
2,177 B shares



**Johanna Lamminen**

member, b. 1966

D. Sc. (Tech.), MBA

Board member since 2017

Member of Audit and Risk Management Committee

Independent of the Company and significant shareholders

Main position: CEO, Novana Oy

Ownership 31 December 2023\*:  
2,177 B shares



**Kaisa Olkkonen**

member, b. 1964

LL.M

Board member since 2016

Member of Audit and Risk Management Committee

Independent of the Company and significant shareholders

Main position: Non-executive Director

Ownership 31 December 2023\*:  
2,467 B shares

\* Direct ownership and the ownership of controlled corporations.

**Board of Directors 31 December 2023**



**Raija-Leena Hankonen-Nybom**

Member, b. 1960

M.Sc. (Econ.), Authorised Public Accountant examination

Board member since 2023

Chair of Audit and Risk Management Committee

Independent of the Company and significant shareholders

Main position: Non-executive Director

Ownership 31 December 2023\*: 785 B shares



**Tapio Kolunsarka**

Member, b. 1975

M. Sc. (Engineering and Economics)

Board member since 2023

Member of Audit and Risk Management Committee  
Member of Demerger Committee

Independent of the Company and significant shareholders

Main position: President and CEO, Insta Group

Ownership 31 December 2023\*: 282 B shares



**Ritva Sotamaa**

Member, b. 1963

Master of Laws

Board member since 2023

Member of Nomination and Compensation Committee

Independent of the Company and significant shareholders

Main position: Non-executive Director

Ownership 31 December 2023\*: 1,147 B shares

**Board members until 23 March 2023:**

Casimir Lindholm, member 2021–2023  
M.Sc. (Econ.), MBA

Teuvo Salminen, member 2010–2023  
M.Sc. (Econ)

Heikki Soljama, member 2016–2023  
M.Sc. (power electronics)

\* Direct ownership and the ownership of controlled corporations.

### Board Committees

The Board has set up two permanent committees to improve the efficiency of board work: the Audit and Risk Management Committee and the Nomination and Compensation Committee. The Board nominates the members and the Chairs of the committees from among its members annually in its organising meeting and confirms the committees' written charters. The committees have no independent decision-making power, but prepare issues to be resolved by the Board. A new temporary Demerger Committee was established in 2023 to support the proposed standalone Kalmar listing readiness preparations.

#### Audit and Risk Management Committee

The committee's duty is to supervise the financial and sustainability reporting executed by the management, and to monitor the financial statement and interim reporting process. In accordance with its charter, the committee supervises the adequacy and appropriateness of Cargotec's internal control, internal audit and risk management, the development of operative and strategic risks and risk management, and handles Internal Audit plans and reports. Furthermore, the committee prepares a proposal to the AGM regarding the election and fees of the external auditor, and monitors the statutory audit of financial statements and consolidated financial statements. Cargotec's Board has confirmed a Non-audit services policy for defining the permitted non-audit services purchased from the auditors. The committee defines and monitors the non-audit services to ensure the auditor's independence. Sustainability matters are presented to the committee quarterly and violations against Cargotec's Code of Conduct are reported to it.

The committee also reviews the Corporate governance statement and the Non-financial information report.

The Audit and Risk Management Committee consists of a minimum of three members of the Board of Directors. In addition, the President and CEO, CFO, General Counsel, Chief Compliance Officer, and Head of Internal Audit as well as representatives of the auditing firm attend the meetings. The directors of Group Control, Treasury, Taxes, Information Management, Risk Management, and Sustainability report to the committee on a regular basis. If the matters to be dealt with so require, the committee convenes without the presence of the Company's management.

Until the AGM, the Audit and Risk Management Committee was chaired by Teuvo Salminen and its members were Ilkka Herlin and Kaisa Olkkonen. After the AGM on 23 March 2023, the Board appointed Raija-Leena Hankonen-Nybom as Chair of the committee and Tapio Kolunsarka, Johanna Lamminen, and Kaisa Olkkonen as members. Committee members are independent of the Company and of major shareholders. Committee members possess years of experience in business management duties.

In 2023, the committee met six times. The meeting attendance is reported in the above table. The committee handled and prepared financial reporting and treasury topics for Board approval. The representatives of the auditing firm Ernst & Young presented their work and observations to the committee in connection with the Company's annual and interim reports. Reports on risk management, internal audit as

well as ethics and compliance were presented quarterly to the committee. The committee received reports on financial items requiring management judgement, tax and treasury matters, information security management, project risk management development, legal claims, internal controls, as well as the use of the non-audit services. The committee reviewed the goodwill impairment testing results and the related party transactions. The committee has assessed the Company's Corporate Sustainability Reporting Directive (CSRD) status throughout the year. The committee has handled governance and financing issues with regards to the demerger planning and the proposed standalone Kalmar, and prepared matters for Board approval during the year. An annual self-assessment discussion has been held to identify any development areas in the committee's work.

#### Nomination and Compensation Committee

The committee prepares a proposal to Cargotec's AGM concerning the composition and remuneration of the Board of Directors. The committee prepares the remuneration policy and remuneration report for the Company's governing bodies, i.e. the Board, the CEO and the deputy CEO, if such is appointed. The committee discusses annually the Board's diversity principles and follows if the diversity target is met. The committee prepares a proposal to the Board regarding the appointment of the President and CEO and the terms of employment. The committee prepares Cargotec's long- and short-term incentive programmes and follows their outcome and effectiveness, and prepares the nomination and remuneration issues of other top management members as needed before Board approval.

The committee consists of a minimum of three Board members. The committee convenes as needed but at least three times a year. Until the AGM, the committee members were Jaakko Eskola (Chair), Ilkka Herlin, Teresa Kemppi-Vasama, and Casimir Lindholm. After the AGM, the Board appointed Jaakko Eskola as Chair and Ilkka Herlin, Teresa Kemppi-Vasama and Ritva Sotamaa as members. Committee members are independent of the Company. The President and CEO and the Senior Vice President, Human Resources, attended the committee meetings, except when they themselves were the subject of discussion.

In 2023, the committee convened eight times. The meeting attendance is presented in the above table. In accordance with the annual cycle, the committee's agenda comprised top management performance and remuneration reviews, establishment and follow-up of short-term and long-term incentive programmes and their outcome, as well as talent review follow-up. The committee prepared the remuneration report for the governing bodies presented to the AGM in 2023. The committee discussed the Board's diversity principles and saw to it that the diversity criteria were met when preparing its proposal concerning the Board composition to the AGM in 2023. The committee has also overseen the preparation of nomination and remuneration topics with regards to Cargotec's partial demerger planning and the proposed standalone Kalmar. It has prepared the remuneration policy, Board of Directors compensation, and top management compensation principles for the proposed standalone Kalmar, and has prepared nominations of Kalmar Board members as well as Kalmar CEO.

### Demerger Committee

The Demerger Committee was established in August 2023 to support the potential standalone Kalmar listing readiness preparations. The committee will oversee the preparations for listing readiness and corporate governance matters. The committee was chaired by the external consultant Pekka Ala-Pietilä from August to October 2023, and by Board Chair Jaakko Eskola from November onwards. The other committee members are Teresa Kemppe-Vasama and Tapio Kolunsarka. The committee members are independent of the Company. The committee convened twice in 2023 and the meeting attendance is presented in the above table.

### President and CEO

The Board of Directors appoints Cargotec's President and CEO and determines the related terms of employment, defined in a written employment contract. The CEO is responsible for ensuring that the targets, plans, guidelines and goals set by the Board are carried out within Cargotec. According to the Finnish Limited Liability Companies Act, the CEO ensures that the accounting practices of the Company comply with the law and that financial matters are handled in a reliable manner. The Board evaluates the performance of the CEO and the achievement of the targets it has set to him. Casimir Lindholm, M.Sc. (Econ.), MBA, was appointed as Cargotec's President and CEO in February 2023 and started in the office on 1 April 2023, after Mika Vehviläinen, CEO 2013–2023, had retired.

### Leadership Team

Supporting the President and CEO in his duties, the Leadership Team is responsible for business

development and the Company's operational activities in accordance with the targets set by the Board of Directors and the CEO. The Leadership Team also defines operative principles and procedures in accordance with the guidelines set by the Board. The Leadership Team concentrates on the strategic issues of the group and the business areas. The agenda regularly includes reports and issues concerning financial development, governance, human resources, sustainability, and development projects. The Leadership Team members report to Cargotec's President and CEO.

Michel van Roozendaal stepped down as President of Kalmar and as a member of Cargotec Leadership team on 16 August 2023 and the Board appointed Cargotec President and CEO Casimir Lindholm to act as interim President of Kalmar until the search for a permanent President of Kalmar has been completed. As part of this change in Kalmar leadership, Mikael Laine, SVP Strategy, acts as interim COO of Kalmar business area, in addition to his current role. On 10 November 2023, Cargotec's Board of Directors announced the appointment of Sami Niiranen, M.Sc. Mining, b. 1972, as President of Kalmar as of May 2024 at the latest. Sami Niiranen will also become a member of the Cargotec Leadership team.

The CEO's and the Leadership Team's CV details are available on the Company website. The CEO remuneration is described in the Remuneration report 2023 and the remuneration of the Leadership Team is described on the Company website at [www.cargotec.com](http://www.cargotec.com).

## Leadership Team 31 December 2023

**Casimir Lindholm**

President and CEO as of 1 April 2023;  
Interim President of Kalmar as of 16  
August 2023

B. 1971, Finnish citizen

M.Sc. (Econ.), MBA

Ownership 31 December 2023\*:  
2,088 B shares

**Mikko Puolakka**

Executive Vice President, CFO

B. 1969, Finnish citizen

M.Sc. (Econ.)

Ownership 31 December 2023\*:  
44,761 B shares

**Scott Phillips**

President, Hiab

B. 1966, American citizen

MBA, B.Sc. (Ind. Tech.)

Ownership 31 December 2023\*:  
45,670 B shares

**Leif Byström**

President, MacGregor

B. 1962, Swedish citizen

Bachelor degrees in Business Administration  
and Innovation Engineering

Ownership 31 December 2023\*:  
1,782 B shares

**Outi Aaltonen**

Senior Vice President, General Counsel

B. 1965, Finnish citizen

LL.M

Ownership 31 December 2023\*:  
12,078 B shares

\* Direct ownership and the ownership of controlled corporations.



## Leadership Team 31 December 2023

**Carina Geber-Teir**

Senior Vice President, Communications

b. 1972, Finnish citizen

M. Sc. (Pol.)

Ownership 31 December 2023\*:  
3,870 B shares**Mikael Laine**Senior Vice President, Strategy;  
Interim COO, Kalmar as of 16 August 2023

B. 1964, Finnish citizen

M.Sc. (Econ.)

Ownership 31 December 2023\*:  
26,654 B shares**Soili Mäkinen**Senior Vice President, Sustainable  
Business Development

B. 1960, Finnish citizen

M.Sc. (Econ.)

Ownership 31 December 2023\*:  
20,027 B shares**Mikko Pelkonen**

Senior Vice President, Human Resources

B. 1970, Finnish citizen

B.A.

Ownership 31 December 2023\*:  
62,472 B shares**Leadership Team members during 2023:**

Mika Vehviläinen

CEO until 31 March 2023

M.Sc. (Econ.)

Michel van Roozendaal

President, Kalmar until 16 August 2023

M.Sc. (Aerospace Eng.), MBA

\* Direct ownership and the ownership of controlled corporations.

**Related party transactions**

Cargotec’s related parties include its subsidiaries, associated companies and joint ventures. Also the members of the Board of Directors, the President and CEO and other members of the Leadership Team, their close family members and entities controlled directly or indirectly by them, as defined in IAS 24, are related to Cargotec. Major shareholders with more than 20 percent ownership of shares or of the total voting rights in the Company, are included in related parties. The Company maintains lists of its related parties. Transactions with associated companies and joint ventures are monitored in the financial reporting system. They are reported in Note 9.3 to the financial statements and they have been carried out at market prices. The Company has an instruction for the Board and Leadership Team members and major shareholders regarding recognising related party transactions. They are obliged to inform the Company of any planned agreements or other legal acts with any group company and asked annually to confirm if any related party transactions have taken place. The Board handles all related party transactions that are not conducted in the ordinary course of business of the company or are not implemented under arm’s-length terms.

**Insider administration**

Cargotec applies the insider guidelines of Nasdaq Helsinki Ltd, in addition to which the Board of Directors has approved internal insider guidelines based on the Nasdaq Helsinki guidelines. Cargotec maintains a list of its Managers and their closely associated persons. Cargotec’s Managers include the members of the Board of Directors and the Leadership Team. The

Managers and their closely associated persons are obliged to notify Cargotec and the Finnish Financial Supervisory Authority of every transaction conducted on their own account relating to Cargotec’s financial instruments. Cargotec will publish each notification in the form of a stock exchange release. Persons who, on the basis of an employment or other contract, work for the company and obtain inside information associated with a specific project, are entered in the Company’s project-specific insider register, which is established when necessary.

Trading in Cargotec financial instruments is prohibited on the person’s own account or for the account of a third party:

- a) if a person possesses inside information,
- b) regarding project-specific insiders, for the duration of the project until the project is published or otherwise terminated,
- c) regarding Managers, during a period of 30 days prior to the publication of Cargotec’s annual or interim reports (closed window), and
- d) regarding persons having access to full Cargotec financials, especially persons engaged with preparing Cargotec’s annual or interim reports, during a period of 30 days prior to the publication of such report (extended closed window).

The General Counsel of Cargotec is responsible for the overall insider management in Cargotec, including necessary training. Group Legal is responsible for

maintaining the list of Managers and the project-specific insider lists and informing the insiders on their insider status and of closed windows. Group Communications is responsible for disclosing the transactions of the Managers and their closely associated persons.

**External audit**

The statutory external audit for the financial period includes the auditing of accounting records, financial statements and administration. In addition to the auditor’s report issued annually, the auditors report to the Board of Directors on their audit findings on a regular basis, and attend the Board’s Audit and Risk Management Committee meetings.

According to the Articles of Association, Cargotec has at least one and no more than two auditors. The auditor must be approved by the Finnish Patent and Registration Office, and the principal auditor must be an authorised public accountant. The auditors are elected annually by the AGM and their assignment expires at the end of the first AGM following the election.

The AGM that convened on 23 March 2023 re-elected the auditing firm Ernst & Young Oy as Cargotec’s auditor. Heikki Ilkka from Ernst & Young Oy has been the principal auditor since 2021. Auditor’s fees are compensated against an invoice. The fees paid to the auditors for different services are listed below. Other services in 2022 were mainly related to mergers and acquisitions and in 2023 to planning of the partial demerger.

**Auditor’s fees**

MEUR	2023	2022
Audit fees	3.8	3.5
Tax advice	0.0	0.0
Other services	0.7	1.1

**Internal control and risk management of the financial reporting process**

Cargotec compiles its financial reporting in accordance with the International Financial Reporting Standards (IFRS), the Securities Markets Act, the Finnish Accounting Act, and the Finnish Accounting Board’s guidelines and statements, while complying with the standards of the Financial Supervisory Authority (FIN-FSA) and the rules of Nasdaq Helsinki Ltd.

The internal control and risk management principles, guidelines, practices and responsibilities pertaining to the Company’s financial reporting process have been designed to ensure that the financial reports disclosed by Cargotec are reliable and meet the requirements of the law, regulations, and Company principles. Instructions regarding the publication of financial information and external communications are included in Cargotec’s Disclosure policy which has been updated in 2023 and approved by the Board of Directors. This is available on the Company intranet and website. Together with Group Communications, Investor Relations is responsible for ensuring the accuracy of and compliance with the policy.

Cargotec’s Code of Conduct contains the principles that guide the Company. All employees are expected to familiarise themselves with the Code of Conduct and

take the regular eLearning training. To prevent financial and other misconduct, Cargotec has instructions for principles and processes for raising concerns. The SpeakUp line gives an opportunity to anonymously raise concerns of possible misconduct or other matters that may not be in line with Company values and policies. The reporting channel is provided by an external partner, to ensure anonymity. All reports are investigated and processed in confidence by the Ethics and Compliance team. Corrective and disciplinary actions are discussed and agreed in the Code of Conduct panel of the Cargotec Leadership Team.

### Internal control

The objective of Cargotec's internal control is to ensure that the Company's operations are efficient and profitable, that risk management is adequate and appropriate, and that financial and other information produced is reliable. Cargotec's internal control is based on the Company's Code of Conduct and Internal Controls Framework. With respect to the financial reporting process, these are supported by policies and guidelines, as well as with the internal financial reporting process and communication. Cargotec's Internal control policy, revised in 2023 and approved by the Board of Directors, specifies the applicable control principles, procedures and responsibilities. Similarly to other Cargotec operations, responsibility for internal control is divided into three tiers. The line management is principally responsible for internal control. This is backed by corporate support functions, which define instructions applicable across the Company and supervise risk management. Internal and external audits form the third tier, their task being to ensure that the first two tiers function effectively.

### Internal Audit

The role of Cargotec Internal Audit is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value and improving the operations of Cargotec and its businesses. It helps and supports the business organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes. To ensure the independence of the Internal Audit function, the Head of Internal Audit reports functionally to the Audit and Risk Management Committee, and administratively to the CFO. Internal Audit develops a flexible risk based audit plan which is approved by the Audit and Risk Management Committee.

### Risk management

Cargotec's risk management is guided by the Enterprise risk management policy, approved by the Board of Directors. It specifies the objectives and principles of risk management as well as the process and responsibilities involved. Risk management is to be naturally built into all business decisions and plans. The core principle is continuous, systematic, and preventive action taken to identify risks, define the Company's risk appetite, assess and handle risks and, if they materialise, deal with them effectively. The Board of Directors defines Cargotec's overall risk appetite and ensures that the organisation has sufficient risk management and control. The President and CEO and the Leadership Team are responsible for the methods, implementation, and supervision of risk management. Cargotec's risk management is spread across units and group support functions that assign responsibility

for risk management and that are in charge of identifying, managing, and reporting risks. The Risk Management function is responsible for reporting any findings to the President and CEO and the Leadership Team, and reports quarterly to the Board's Audit and Risk Management Committee on the risk reviews, identified risks, and mitigation plans. During 2023, Cargotec's risk management framework was reviewed for alignment with the new Corporate Sustainability Reporting Directive (CSRD). Climate-related risks and opportunities are identified and assessed with the help of the general corporate risk management process as well as a dedicated climate-related risk management process, created by the corporate sustainability and strategy teams. The process is described in the Board of Directors report. Financial risks are managed centrally by the Group Treasury and reported on for corporate management and the Audit and Risk Management Committee on a regular basis. The Board of Directors' report includes an estimate on the Company's main risks and uncertainties and short-term risks.

### Financial reporting process

The effectiveness of internal control measures related to financial reporting is monitored by the Board of Directors, the Audit and Risk Management Committee, the President and CEO, the Leadership Team, and business area leadership teams. Various control measures, such as reconciliations, logic analyses, and comparative analyses are performed at different organisational levels. The purpose of these control measures is to detect, prevent, and correct any errors and deviations in financial follow-up. Cargotec's financial reporting is based on monthly performance

monitoring in a centralised reporting system. Financial reports are first reviewed at a reporting unit level, and then at the operative management's review meetings on a division level, followed by business area level and group management level reviews. Finally, the reports are discussed at the Leadership Team's meeting. Financial information is also reported to the Board of Directors on a monthly basis. Controllers report any deviations from the plans to the management teams, analyse the reasons for such deviations, and support the management in decision-making. Monthly reviews also ensure that performance is in line with annual targets and that financial forecasts are up to date. The financial reporting and planning instructions (Cargotec accounting standards and Cargotec reporting manual) are available to all employees on Cargotec's intranet. The Company's finance function aims to harmonise the practices and procedures applied by controllers, while ensuring consistent interpretation of instructions and further improving them. Cargotec Business Services offer shared financial, HR, and indirect procurement services for Cargotec companies and target a harmonised way of working with common processes, controls, and tools. Internal controls are part of the company's daily operations and help ensure compliance with Cargotec's Code of Conduct and internal policies. Multifaceted reporting tools based on common systems have been developed to support the financial performance monitoring and comparability.