



DEMATIC

SUSTAINABLE INNOVATION FOR A BETTER TOMORROW  
**2024 Annual Sustainability Report**

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## LEADING THE FUTURE OF SUPPLY CHAINS THROUGH SUSTAINABLE INNOVATION AND CUSTOMER-FOCUSED EXECUTION

At Dematic, our commitment to modernizing global supply chains is rooted in innovation. We continue to lead by delivering meaningful, measurable results for our customers, communities, and planet.

Sustainability always starts with people. Dematic teams around the world bring their expertise, creativity, and dedication to every interaction — producing a workplace culture where diverse perspectives thrive and transformative solutions grow. This year, we achieved 100% certification coverage of our facilities under ISO 14001 and ISO 45001, a clear demonstration of our global commitment to environmental management and employee well-being.

KION Group climate targets, which include Dematic operations, were officially validated by the Science Based Targets initiative (SBTi), reinforcing our commitment to reach net zero greenhouse gas emissions by 2050. This milestone marks a shift from ambition to accountability, reducing our environmental impact across every part of our business.

We improved our global sustainability reporting to highlight achievements by region or country and added tracking of the services we provide (to go along with products and solutions) to properly account for the essential role that lifecycle support plays in helping customers maximize uptime, reduce energy use, and extend asset investments.

Our software continues to enhance our customers' sustainability journeys by optimizing operations, maximizing throughput, boosting workforce productivity, and expanding scalability. I'm proud to note that this has been formally validated by being named a Niche Player in the Gartner® Magic Quadrant™ for Warehouse Management Systems for a second consecutive year.

This report offers a transparent view of our achievements and aspirations. And, while our work is ongoing, every milestone we celebrate is the result of the people who bring our vision to life every day.

To all our employees, partners, and stakeholders — thank you. Your commitment strengthens our commitment. Together, we're building a more sustainable future for all.

Michael Larsson  
President, Dematic,  
KION Group Executive Board Member

# Executive Summary

## POWER THE FUTURE OF COMMERCE

Dematic is a global leader in supply chain automation solutions, providing advanced technologies, software, and lifecycle solutions and services to empower the future of commerce for our customers in manufacturing, warehousing, and distribution.

With research and development engineering centers, manufacturing facilities, and service centers located in more than 26 countries, the Dematic global network of approximately 10,000 employees integrates and supports automation solutions and services for many of the world's leading brands.



## ABOUT DEMATIC

Headquartered in Atlanta, Georgia, Dematic is a member of KION Group, one of the world leaders in industrial trucks and supply chain solutions. At Dematic, and throughout KION Group, we are guided by four shared corporate values: integrity, collaboration, courage, and excellence.

Each informs and shapes our interactions with colleagues, employees, customers, suppliers, applicants, neighbors, and other stakeholders. And, as a global company, we naturally embrace a broad range of ideas and perspectives. We remain committed to the United Nations 2030 Agenda for Sustainable Development, supporting a more peaceful and prosperous planet. We consider it our responsibility to drive a sustainable future for commerce — ensuring vital resources reach consumers seamlessly and efficiently.



**~10,000** employees  
**26** countries  
**\$3.2B** in revenue

### About This Report

This sustainability report reflects activity, accomplishments, and metrics spanning our 2024 fiscal year, January 1 to December 31, 2024. The data and policies reflect all fully owned operations within our global network unless otherwise indicated. All monetary figures in this report are in US dollars unless otherwise indicated.

Please direct any questions regarding the content of this report to [sustainability@dematic.com](mailto:sustainability@dematic.com).

## SUSTAINABILITY STRATEGY

### We Take Responsibility Seriously

At Dematic, sustainability is a continuous journey of improvement and innovation — one that equally prioritizes people, planet, and our products and services. Embedding this principle across our operations helps reinforce our position as a global leader in intelligent automation.

Sustainability is embedded in every aspect of our business — from transparent stakeholder engagement to rigorous standards in our solutions to the positive impact our services have on our customers' operations.

## PEOPLE

We strive to be an employer of choice, maintaining a culture where health and safety are fundamental. Beyond our workplace, we remain committed to the communities where we operate, making them better places for all.



## PLANET

We limit our effect on the environment through comprehensive footprint stewardship and proactive supplier engagement.



## PRODUCTS & SERVICES

We deliver high-performance products, solutions, and services designed for efficiency, operational excellence, operator safety, and extended life spans.



## DEMATIC 2024 SUSTAINABILITY ACHIEVEMENTS

### PEOPLE

#### Ready, Safe + Sound

the Dematic safety pledge is now deeply embedded in our culture and organization

~50,000

behavior-based safety observations

Over 900 participants in our  
6 active Employee Resource Groups

100%

ISO 45001 certifications

#### Injury Free:

14 years

Salt Lake City, United States

10 years

Monterrey, Mexico

7 years

Belrose, Australia

7 years

Cernusco, Italy

with many other locations approaching 3+ years

### PLANET

#### Net Zero

climate targets validated by SBTi to reach net zero by 2050

100%

covered with ISO 14001 certifications

18.6%

reduction in Scope 1 & 2 CO<sub>2</sub>e since 2021 baseline year (location)

18.1%

reduction in total waste since 2021

### PRODUCTS & SERVICES

#### Multishuttle Super Rapid Transfer

reduces infrastructure and installation requirements

#### Dual Diameter Rollers

reduce noise levels of working conditions around conveyors

#### Warehouse Management Systems Software

recognized as Niche Player in 2024 Gartner® Magic Quadrant™

#### Repair Services in Australia & New Zealand

extended product useful life by 2 to 5 years of over 10,000 devices in 2024

#### Remote Maintenance in Americas

98% resolution rate on hardware, software, and controls issues without dispatch to customer sites

#### Resident Maintenance in China

provides over 98% uptime across 28 customer locations

#### Drone Services in Europe

reduce hazards of working at heights and downtime by as much as one week



## SUSTAINABILITY AT DEMATIC

### Aligning to KPIs

Dematic sustainability oversight resides with the Leadership Team — led by Michael Larsson, President, Dematic and KION Executive Board Member — driving executive accountability and ensuring global alignment of our efforts. This approach integrates our strategic priorities into all business operations and processes at the top of the organization, with progress measured against key performance indicators (KPIs).

### SUSTAINABLE DEVELOPMENT GOALS

#### Committed to Supporting a Global Effort

Dematic sustainability efforts align with the United Nations Sustainable Development Goals (SDGs), a universal call to end poverty, reduce inequality, and protect the planet so all people can enjoy peace and prosperity by 2030. We prioritize SDGs where our operations and activities can drive the greatest positive impact, resulting in meaningful and measurable change. They include:

#### PEOPLE

**3** GOOD HEALTH AND WELL-BEING

**5** GENDER EQUALITY

**8** DECENT WORK AND ECONOMIC GROWTH

**17** PARTNERSHIPS FOR THE GOALS

#### PRODUCTS & SERVICES

**8** DECENT WORK AND ECONOMIC GROWTH

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

**17** PARTNERSHIPS FOR THE GOALS

#### PLANET

**13** CLIMATE ACTION

**17** PARTNERSHIPS FOR THE GOALS



## GOVERNANCE

### Integrity in All We Do

Our commitment to good governance is steadfast and in line with that of our parent company, KION Group. We aim for systematic compliance and adhere to established structures, programs, and standards, which inform and guide our decision-making processes. The KION Group Code of Compliance (KGCC) is the backbone of our system, ensuring our full spectrum of activities are conducted with integrity and in accordance with the law.

Aligned with KION Group, we strictly adhere to the KGCC's guidelines on conflict of interests. Expanding from the KGCC, we prioritize Dematic standards for a wide range of activities through clear and consistent communications to employees, suppliers, and customers, emphasizing the global importance of accountability and integrity in all aspects of our operations.

Our Corporate Compliance team spearheads proactive efforts to prevent and detect potential risks while promoting a culture of transparency and zero-tolerance for bribery and corruption.

In 2024, through our group-wide risk analysis on corruption and bribery, we did not identify any risks that were material to our internally defined thresholds. We continued to implement and track the learning progress on our compliance training programs. With our whistleblowing system aligned to better address Environmental, Social, and Governance (ESG) risks, we ensure timely responses to internal and external reports of compliance concerns 24/7.

## KION GROUP SUSTAINABILITY STRATEGY

In 2024, KION Group continued to integrate sustainability into its core business and support its customers and suppliers in their sustainability journeys by further sharpening its sustainability strategy and defining key levers for its operating segments. KION decarbonization efforts bore fruit when the SBTi successfully and formally validated KION's climate targets and commitment to achieve net zero emissions across its entire value chain no later than 2050.

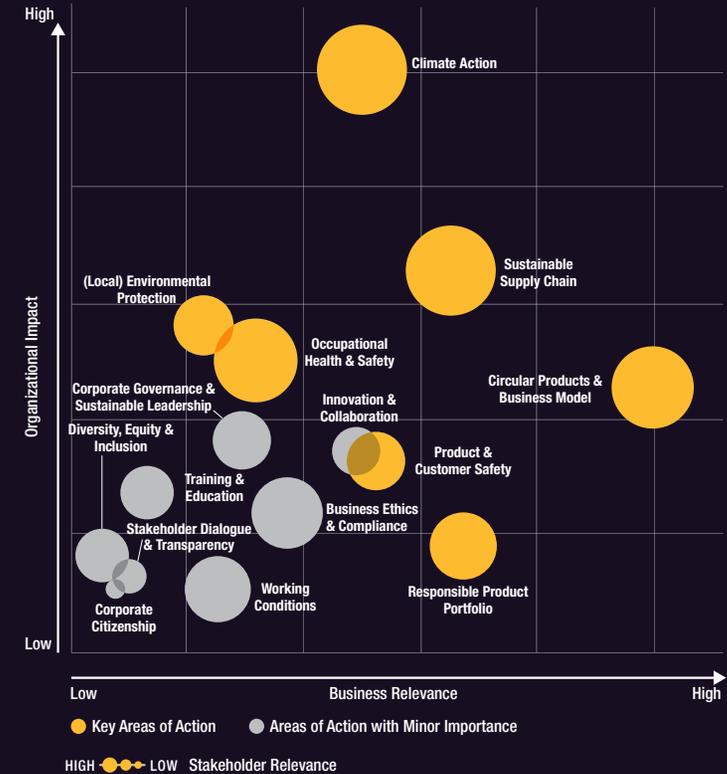
KION Group also voluntarily integrated the comprehensive regulations of the European Union's Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). The annual financial statements of KION GROUP AG are prepared in accordance with the provisions in the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). The Group Sustainability report is combined with the group management report. Pursuant to section 315e (1) HGB, the consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

Further details on KION's sustainability activities can be found in [KION Sustainability Insights](#).

## MATERIALITY

### Shared Stakeholder Priorities

The Dematic approach to materiality and reporting stems from a 2022 analysis undertaken by KION Group. The process included a detailed internal examination across all regions and global surveys of key stakeholder groups. In late 2024, KION finalized a double materiality analysis to ensure alignment with the requirements of ESRS and to serve as the basis for future Dematic reports.





## EXTERNAL RECOGNITION

### EcoVadis

Dematic remains committed to stakeholder transparency, as evidenced by our assessments from EcoVadis — the widely recognized third-party provider of sustainability metrics and analyses. Our commitment to environmental, social, ethical, and procurement excellence was once again validated with gold or silver ratings in each of our regions. (You can learn more about how EcoVadis rates business sustainability at [ecovadis.com](https://www.ecovadis.com).)

- Americas earned a silver medal.
- Australia and New Zealand earned a silver medal in their inaugural assessment.
- China earned a silver medal with significant improvement from last year’s bronze medal.
- Europe’s new consolidated assessment (which integrates our operations in the Czech Republic, France, Germany, Italy, Spain, the UK, and Ireland) earned a gold medal.

We go beyond a single global assessment to offer customers assurance that the teams they work with share their values. These regional assessments demonstrate alignment and ensure connectivity to KION Group policies, Dematic’s market-specific goals, and key performance measures.



Europe



Americas



Australia & New Zealand



China



# People

## PEOPLE-CENTERED SUSTAINABILITY

At Dematic, our success is defined by the people behind the products, solutions, and services we deliver, and they remain the motivation for everything we do. From fostering a strong workplace culture to reducing our environmental impact, and strengthening the communities we serve, we are committed to lasting, positive change. We take bold strides to drive sustainability forward, ensuring every innovation creates a meaningful impact.

## TALENT DEVELOPMENT

### Creating Opportunities for Our People

Dematic is committed to delivering a workplace that empowers our employees by attracting top talent, fostering professional growth, and creating meaningful opportunities for advancement. This approach — our talent lifecycle — is continuously nurtured to develop and sustain a world-class workforce.

As part of that effort, the Dematic Organizational Capability and Talent Review (OCTR) serves as our structured approach to performance, talent, and succession management. OCTR plays a critical role in nurturing a culture of team member feedback and development, helping us identify strengths, support growth, and ensure we have the right people in the right roles — today and in the future. Last year, over 8,000 Dematic employees participated in the annual initiative rounding up to about 89% of all employees.

In 2024, we expanded our professional development offerings across our global workforce, continuing our partnership with LinkedIn Learning® to provide a diverse range of expert-led digital courses.

To complement this, we introduced Blinkist, a platform that delivers concise summaries of business-related books, offering employees a convenient way to expand their knowledge. We strengthened our leadership development ecosystem, equipping leaders at all levels with targeted courses and learning solutions designed to enhance their impact. These initiatives resulted in an average of over 17 hours of professional development per employee.

Last year, employee engagement with LinkedIn Learning and Blinkist led to nearly 13,000 and 1,500 hours of learning, respectively. These platforms deliver measurable results, reinforcing workforce development and advancing our succession planning efforts. We also continued to leverage Workday Learning as our broader training delivery platform, and Dematic employees logged over 137,000 hours within the platform in 2024.

We internally cultivated initiatives to support ongoing employee development. Dematic's Project Engineering & Project Management Academy increases the capabilities of our project teams by providing targeted training, enabling engineers and project managers to grow in their roles. Focus areas include new engineer and project management onboarding, engineering lead development, and systems engineer training. The academy aims to improve team effectiveness, set the industry standards for project execution, and provide world-class learning opportunities for career growth. Dematic Product Training & Information — a global team of technology experts — produces comprehensive, standardized training for Dematic technologies, including software, mechatronic modules, and standard subsystems. This program empowers team members to fully utilize the latest innovations, enhance efficiency, and drive a culture of continuous improvement.

nearly  
**13,000**  
hours of LinkedIn Learning

nearly  
**1,500**  
hours of Blinks

**137,000+**  
hours of Workday Learning



## REGIONAL TALENT DEVELOPMENT



### UNITED STATES

In 2024, Dematic launched its inaugural Future Talent Programs in the US, structured around three key pillars: the Internship Innovation Challenge, a seven-week competition featuring five teams of five participants that mimics a highly matrixed, cross-functional work environment; weekly facilitator-led professional development sessions; and self-directed LinkedIn Learning pathways requiring 12 hours of coursework focused on Dematic values, communication skills, and goal-setting strategies.

### AUSTRALIA AND NEW ZEALAND

In 2024, Dematic Australia and New Zealand's Leadership Program grew to nearly 100 participants, reflecting our ongoing investment in high-potential development. These programs — Leadership in Every Role, Ready for Leadership, and Leadership Essentials — strengthen foundational leadership skills for managerial and supervisory roles across all functions. These initiatives empower team members at every level to develop the skills needed to lead with confidence and drive success.

### CHINA

Dematic China hosted its annual Manufacturing Day celebration in Suzhou, bringing together approximately 130 employees who drive efficiency, quality, and productivity while fostering a culture of safety and operational excellence. The skills competition encourages employees to enhance their technical expertise, improve job skills, and apply new technologies in their work to reinforce our dedication to continuous learning and professional growth. In addition, Customer Service Day pulled together 60 remote customer service employees into a day focused on company engagement and their individual growth paths.

*"This experience has been invaluable to me. I love how when we asked for help, the door was always open. The opportunity to talk to interns and specialists from different departments and teams truly deepened my understanding of Dematic operations." Cassiel Chen, Sustainability Intern*



## HEALTH AND SAFETY

### Always Ready, Safe + Sound

Dematic fully integrated its unifying safety pledge — “Ready, Safe + Sound” (RS+S) — into global operations last year, furthering our behavior-based safety and personal accountability journey. This pledge continues to reinforce our commitment to workplace safety through standardized processes, comprehensive training, and clear communication across all regions. RS+S highlights Dematic’s Eight Life Saving Rules, emphasizing situational awareness, proactive behaviors, hazard recognition, and risk prevention to help safeguard our employees, customers, and partners.

In 2024, our commitment to safety was reflected in key workplace metrics, including a 41.4% reduction in Lost Time Injury Frequency Rate (LTIFR), a 22% decrease in injuries, and, most importantly, zero fatalities. These results highlight the effectiveness of our safety systems and proactive measures.

We conducted nearly 50,000 behavior-based safety observations — equivalent to more than 8,000 hours of direct safety engagement — to observe critical tasks being performed and reinforce best practices. Dematic continued to prioritize mental well-being in the workplace — an essential factor in sustaining focus, resilience, and overall performance. When employees feel mentally and emotionally supported, they’re more engaged, collaborative, and empowered to succeed.

We achieved our health and safety objective for ISO 45001 certification across 100% of Dematic facilities in 2024.

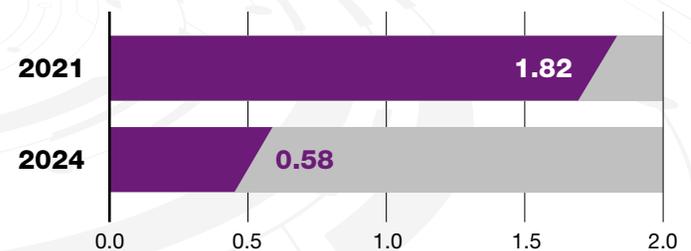
Our One Dematic approach helps ensure consistent safety implementations across all facilities and project sites. One Dematic is integrated in the Program Management Office to deliver a consistent approach to readiness and safety in all phases of the program delivery with specific safety check points at each toll-gate.

**8,000**  
hours of safety engagement

**0**  
fatalities

**22%**  
reduction in Total Recordable Injuries\*

LOST TIME INJURY FREQUENCY RATE (LTIFR)



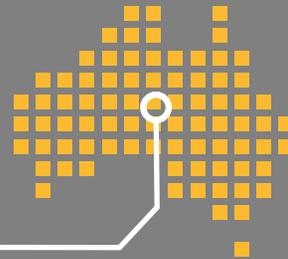
\*Total Recordable Injuries are any injury, beyond basic first aid, impacting all employees and contracted workers.

## REGIONAL SAFETY



### AUSTRALIA

Dematic Australia proudly celebrated National Safety Day at a project site in Sydney, reinforcing our commitment to workplace safety through the RS+S pledge. Team members demonstrated their dedication to a safe work environment by signing RS+S banners.



### MEXICO

Dematic Mexico not only celebrated 10 years of operation in 2024, but 10 years without a lost time incident. Daily practices such as stretching and observing safety moments, along with participation in regular safety initiatives, have fostered a culture of well-being and incident prevention.



## WORKPLACE INCLUSION

### A Culture of Belonging

By fostering collaboration and continuously evolving our innovative processes, we enhance both the Dematic employee experience and our ability to deliver exceptional service to customers. We embrace diverse perspectives and the advantages of inclusive environments. Dematic's Employee Resource Groups (ERGs) are a testament to our commitment to inclusivity and professional growth.

In 2024, these groups continued to foster environments where all employees are welcomed to participate in connecting, learning, and advancing their careers. The Dematic Women's Network (DWN) enhanced its mentoring program with professional development sessions, providing mentees with greater opportunities for growth. Support Excellence for Reservist and Veteran Employees (SERVE), our veteran ERG, earned the 2025 Military Friendly Employer Silver Designation, improving upon our 2024 bronze status. Beyond the workplace, our ERGs actively engage with local charitable organizations and participate in community events such as Pride Festivals in Dallas, Texas, Grand Rapids, Michigan, and Frankfurt, Germany. Dematic currently has six active ERGs with over 900 total participants.



## REGIONAL WORKPLACE INCLUSION



### UNITED STATES

Dematic US and SERVE hosted a powerful lunch-and-learn session featuring speakers who shared their personal journeys with post-traumatic stress disorder and how it can impact daily life in the workplace. Their stories highlighted the importance of understanding hidden struggles and fostering empathy among colleagues. The session reinforced our ongoing commitment to military veterans, mental well-being, and creating a supportive, inclusive environment.

### UNITED KINGDOM

Dematic United Kingdom took meaningful steps to support neurodiverse employees and promote an inclusive workplace. A lunch-and-learn session — led by a coach who specializes in workplace strategies for individuals with dyslexia, autism, and related conditions — provided employees valuable insights into fostering understanding and overcoming challenges. During the holiday season, Dematic partnered with a local charity that supports neurodiverse children, volunteering to help decorate their facility and spread festive cheer.

### CHINA

Dematic China's 2024 Synergy of Generations event united employees and leaders from different generations to foster understanding, collaboration, and inclusivity. Through open discussions, participants shared the unique characteristics of their respective generations, identified potential blind spots, and explored ways to eliminate unconscious bias, reinforcing their commitment to embracing diverse perspectives and creating a more inclusive culture.

## COMMUNITIES

### Giving Back

At Dematic, we believe in giving back to the communities in which we live and work. Through the Dematic Community Outreach Program, our employees invest time, talent, and treasure to advance programs that support the well-being of our communities and our world. We foster a culture of generosity by engaging in corporate giving, encouraging employee volunteerism, and establishing collaborative partnerships within the communities we serve. Our Community Outreach Program is founded upon three guiding pillars: building a stronger community, promoting education and workforce, and supporting the environment and sustainability.

### Making a Difference, Together

Led by a community-ambassador network, the 2024 Community Outreach Program engaged more than 1,800 employees across the globe. Collectively, our team volunteered 3,575 hours with more than 100 unique charitable organizations to support a broad range of community causes and educational programs.

**29%**

increase in service hours

### Global Volunteer Month

Dematic participated in our second annual Global Volunteer Month sponsored by Points of Light. Led by our campus champion network, ERGs, and team leads, more than 300 employees worldwide contributed more than 1,000 hours of service in the communities we call home.



### Supporting Future Innovators

The For Inspiration and Recognition of Science and Technology (FIRST®) organization plays a pivotal role in motivating the next generation of science and technology leaders and innovators through mentor-based programs in science, technology, engineering, and math (STEM). As a corporate nonprofit partner, Dematic provided more than 500 hours in student mentorship, \$20,000 in youth scholarships, and sponsored 20 high school teams across the US, totaling \$71,000 for the year. To date, Dematic has invested more than \$313,000 in FIRST-related programming.

*“The students could not do what they do without Dematic — both from a sponsorship and mentorship standpoint. Dematic is making a difference in their lives by inspiring the next generation of engineers, scientists, and business professionals.” Tahmida Shamsuddin, G3 Robotics/Midtown Atlanta High School*

## REGIONAL COMMUNITY OUTREACH



### AMERICAS

9/11 Day, the largest day of service in the US, transforms a day of remembrance into one of giving back. Dematic colleagues across more than 30 cities participated in 9/11 Day's Meal Pack program to combat food insecurity in their local communities.

Our Waterloo, Canada, team members participated in the Tim Hortons Holiday Smile Cookie campaign, volunteering their time to decorate cookies. All proceeds from the cookie sales were donated to local charities, including Nutrition for Learning, KidsAbility.ca, and local food banks, directly benefiting the community.

### EUROPE

In Italy, we are committed to fostering a culture of respect and inclusion. Through Pangea's Italian initiative, REAMA — a network of anti-violence centers, shelters, and professional services — we work to prevent and address violence against women. Led by our employees and in support of our customers, Dematic Italy contributed funds to help sustain REAMA's vital network of services.

In celebration of Earth Day, Dematic Lithuania employees participated in the national "Nacionalinis Miškasodis" event, volunteering at a local forestry project. The team contributed to environmental sustainability by planting pine and fir trees within the forest, helping to enhance local ecosystems, and support long-term forest health.

Employees from our Adderbury office in the UK participated in community clean-up efforts at local country parks. The team collected litter while walking the grounds, contributing to the preservation of the area's natural environment.

Colleagues from our Heusenstamm and Offenbach offices in Germany supported local food banks to help address food insecurity in their communities. Activities included assisting with food distribution and reorganizing storage facilities to enhance operational efficiency.

## REGIONAL COMMUNITY OUTREACH



### AUSTRALIA AND NEW ZEALAND

In June, team members in Australia participated in The Push-Up Challenge, a national initiative aimed at raising awareness and funds for mental health services. In partnership with the Push for Better Foundation, participants were encouraged to complete either the full target of 3,249 push-ups or a half-goal over the course of 24 days. Each push-up served both as a physical challenge and a meaningful reminder of the importance of mental well-being.

### CHINA AND SINGAPORE

Colleagues from our Suzhou plant and Shanghai office visited local nursing homes in China, bringing essential supplies and refreshments, engaging in heartfelt conversations, and participating in activities such as crafting and singing traditional songs. In appreciation, staff and residents presented silk banners to our teams recognizing their compassion and support.

In Singapore, Dematic and KION Group employees and their family members came together for a beach clean-up at East Coast Park. While Singapore's beaches are generally well-maintained, the team collected approximately 13 kg of trash, contributing to the ongoing preservation of the local environment.



# GLOBAL DISASTER RELIEF

## Culture of Caring

In 2024, Dematic employees from across the world came together to offer meaningful support and resilience in response to devastating disasters and causes affecting the communities where our employees and customers live, work, and serve.



### Spain: Solidarity for Victims of Dana

Record rainfall caused severe flooding in the province of Valencia, Spain, resulting in over 220 fatalities and significant infrastructure damage. Dematic colleagues launched an employee-driven campaign in collaboration with Banco de Alimentos de Madrid, a local food bank. Together, our teams donated approximately 900 kg of food to help provide flood victims with proper nutrition during this challenging time.

### United States: Supporting Hurricane Recovery

In the aftermath of Hurricanes Helene and Milton, Dematic employees stepped up to assist communities affected by the devastating storms. Our team initiated an employee-match program with the American Red Cross to support immediate relief actions. In coordination with the Dematic Community Outreach Program, our effort contributed a total of \$10,000 in essential resources to help these communities rebuild.



# | Planet

## A MORE SUSTAINABLE FUTURE

Dematic is committed to environmental stewardship, working closely with supply chain partners and customers to minimize the impact of our operations and customer facilities. Collaboration, accountability, rigorous processes, and responsible sourcing accelerate our progress toward a more sustainable future. By embedding these principles into our operations, we deliver more environmentally responsible products and solutions while extending the life of customer investments through efficient, sustainable services.





## DEMATIC SUSTAINABILITY CHAMPIONS NETWORK

At Dematic, sustainability is more than a goal — it's a shared responsibility and a core value embedded into our operations and culture. Dematic Sustainability Champions Network (DSCN) brings this commitment to life by empowering employees to become champions of change. Open to all, this cross-functional network meets each month, virtually, to exchange ideas from internal and external sustainability leaders, and collaborate on impactful initiatives. Whether it's spotlighting new industry trends, sharing success stories, or surfacing grassroots innovations, these sessions ignite creativity and engagement.

In 2024, DSCN celebrated Earth Day — coinciding with Global Volunteer Month — demonstrating how Dematic employees are actively imagining and building a better future. Through collaboration, hands-on service, and a shared commitment to environmental stewardship, DSCN helps shape a more sustainable future.



## GREENHOUSE GAS EMISSIONS AND ENERGY

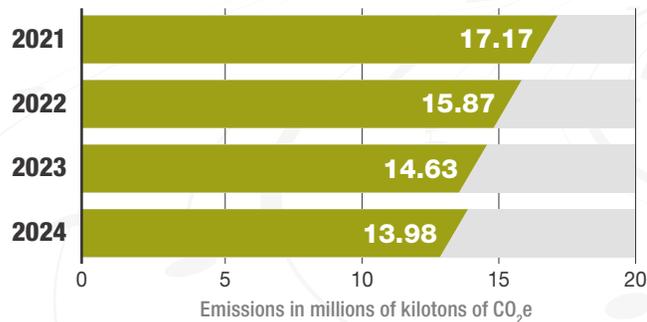
### Our Journey to Net Zero

At Dematic, our innovative solutions drive sustainability in customer operations. As we continue to impact our customers, we recognize optimizing our own processes is just as critical to our success.

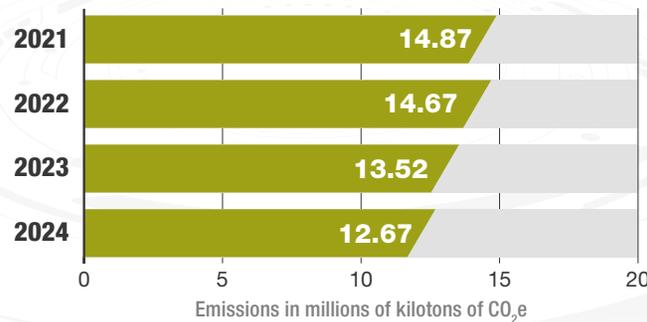
KION Group has committed to net zero and to the Science Based Targets initiative (SBTi), which aims to limit global temperature rise to 1.5 degrees Celsius before 2050, with short-term milestones to be reached by 2030. In 2024, SBTi validated the science-based climate targets of KION Group, including Dematic operations, which commits to achieve net zero Greenhouse Gas (GHG) emissions along the value chain (Scope 1, 2, and 3) by no later than 2050, as well as corresponding near-term targets by 2030. For more information, please visit [KION's SBTi validation](#).

On our journey to net zero, Dematic Scope 1 and 2 GHG location-based emissions have decreased by 18.6% and 14.8% from a market-based perspective since 2021, KION Group's baseline year for SBTi-related measurements. A key driver behind the progress is a strong focus on reducing total energy year over year. Since 2021, Dematic has reduced total energy by 12.5% through the strong collaboration between our Environmental, Health, and Safety and Facility Management teams to ensure we are actively managing consumption.

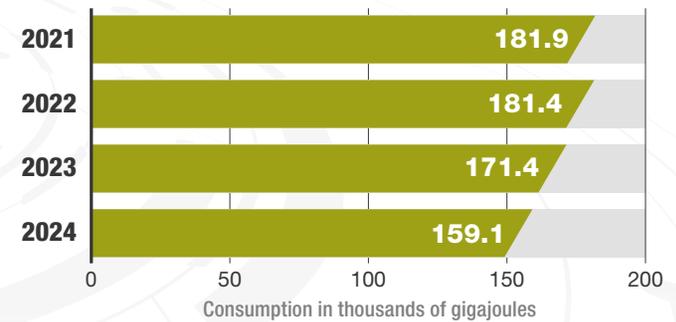
SCOPE 1 AND 2 GHG EMISSIONS (Market based)\*



SCOPE 1 AND 2 GHG EMISSIONS (Location based)\*



TOTAL ENERGY CONSUMPTION IN GIGAJOULES



## REGIONAL GHG EMISSIONS AND ENERGY MANAGEMENT



### UNITED STATES

Our Grand Rapids facility replaced its natural gas steam boiler system with a modern, high-efficiency heating and ventilation solution. The new solution consists of seven direct-fired high-temperature heating and ventilation (HTHV) units and 14 large airflow fans to improve air circulation and comfort. This upgrade not only delivers more consistent climate control but also significantly reduces energy use — reducing carbon emissions at the site by 15% in 2024.

### ITALY

Energy management is a key enabler in reaching our net zero target, and with their implemented energy management system, our manufacturing facility in Cernusco successfully achieved ISO 50001 certification in 2024.

### AUSTRALIA

Steel Sustainability Australia (SSA) is a certification program that promotes responsible manufacturing of steel and steel products across the Australian market. In 2024, Dematic Australia was awarded SSA Certification L2B (V1.2), confirming our commitment and ability to identify sustainable steel suppliers and promote consistent measurement of environmental, social, and health impacts of steel products across the entire steel value chain.

### CHINA

In 2024, our Suzhou facility took a significant step in its carbon reduction journey by transitioning to 100% green electricity sourced from solar power. This initiative, certified by the Beijing Power Exchange Center with a Green Electricity Consumption Certificate, reinforces our commitment to sustainable energy and emissions reduction.



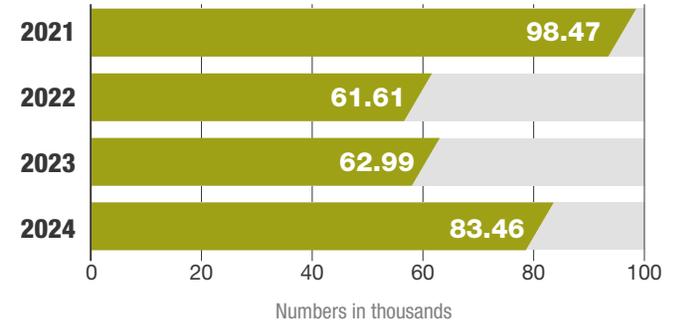
## WASTE AND WATER

### Emphasizing Recycling, Reuse, and Conservation

Though Dematic operations are not water intensive, we continuously evaluate our manufacturing processes to minimize water consumption. Since 2021, Dematic has reduced total water withdrawal by 15%. In 2024, we expanded the coverage of our reporting locations by four, including a new manufacturing facility located in Jinan, China, which accounted for 93% of the year-over-year increase. We are committed to being responsible stewards of water resources and continue to enhance our operations by identifying ways to support sustainable water use.

Since 2021, Dematic has reduced total waste by 18%. In 2024, we experienced a 6% increase in total waste produced. This increase was primarily driven by the opening of our new supply chain hub in Jinan, as well as a change in KION's estimation methodology. We continue to explore and implement innovative waste reduction strategies, including advanced recycling techniques and material reuse initiatives to achieve even greater sustainability in our operations. Building on significant waste reductions at several supply chain hubs in 2023, we identified and shared best practices across locations to ensure all effective processes are being considered for further improvements.

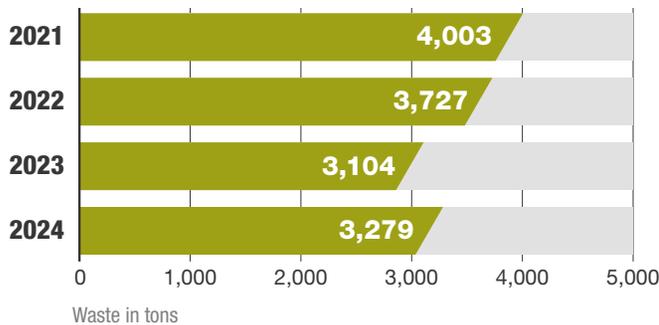
WATER WITHDRAWAL (m³ Total)



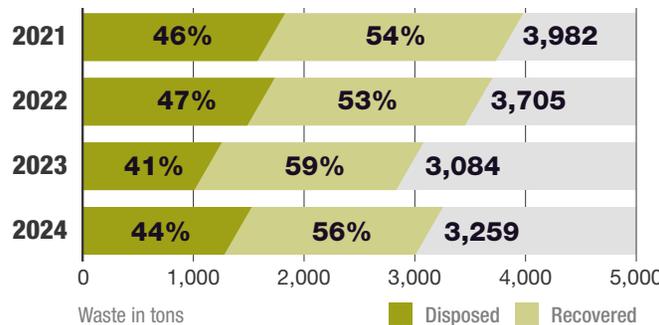
**15%**  
decrease in water usage since 2021

**18%**  
decrease in waste usage since 2021

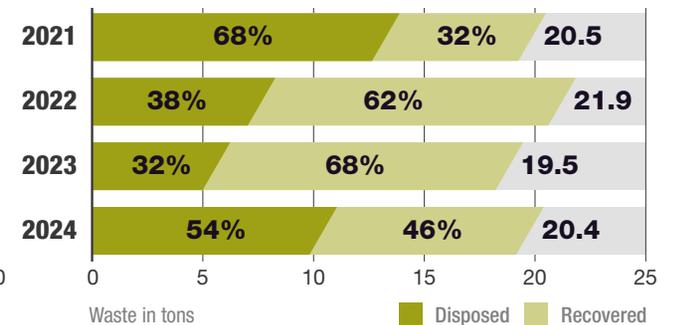
TOTAL WASTE



NON-HAZARDOUS WASTE



HAZARDOUS WASTE

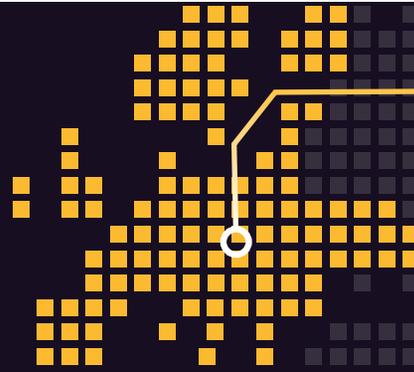


**REGIONAL  
WASTE  
AND WATER**



**UNITED STATES**

The reverse logistics process at Dematic aims to efficiently manage the return of excess materials from installation sites to our distribution centers for repurposing. This process ensures proper classification, inspection, and reintegration into available inventory when feasible. It enhances operational sustainability by maximizing material reuse, reducing loss, and improving supply chain efficiency to minimize waste and optimize resources. From 2023 to 2024, Dematic successfully recovered over 87,000 parts across 360 unique material numbers. This ongoing effort underscores our commitment to resource optimization and a more sustainable supply chain.



**CZECH REPUBLIC**

In 2024, we continued our initiative at the Dematic manufacturing facility in Stříbro, transitioning from wooden crates to pallets with cardboard siding, resulting in a reduction of 2,980 kg of CO<sub>2</sub> emissions. Additionally, we replaced fixed foam packing with expandable foam, further decreasing CO<sub>2</sub> emissions by 244 kg.

## ISO 14001 CERTIFICATION

### Measuring Our Environmental Performance

By December 2024, 100% of Dematic locations were covered under ISO 14001 management system certifications, reflecting our global commitment to continuous environmental improvement. ISO 14001 is not a one-time milestone — it requires recertification every three years and ongoing efforts to meet evolving standards. To support this commitment, Dematic uses a company-wide environmental management system aligned with KION Group to collect, track, and report sustainability data through key performance indicators.



## SUPPLY CHAIN

### Strengthening Our Supply Chain

Dematic understands a strong and sustainable supply chain is essential to developing new technologies and delivering innovative solutions to our customers. That is why we place significant importance on our procurement processes and supplier relationships. We enhance our sustainability by fostering a collaborative ecosystem that includes our customers and suppliers.

In 2023, ESG values became standard criteria in our supplier selection process. We established a three-level ESG Supplier Risk Management Process, influenced by the German Supply Chain Due Diligence Act, that includes assessment, analysis, and mitigation. In the assessment phase, we determine the risk level of suppliers both globally and individually.

The analysis phase involves weighing and prioritizing potential risks, and the mitigation phase culminates in determining and managing corrective action plans with the suppliers.

The process results in an annual ESG Risk Score for each Dematic supplier, starting with a phase of supplier onboarding during the first half of the year and supplier corrective and mitigation actions during the second half. In 2024, 94% of Dematic suppliers were screened via the ESG Risk Management process. Additionally, all new suppliers are required to complete the ESG Risk Management Process, and on-site sustainability observations are collected when internal quality auditors perform site visits during the Rapid Plant Assessment Process.

KION Group, in 2024, set a new goal for Dematic to increase spending with low ESG risk Tier 1 Category A suppliers — those considered strategic due to their manufacturing importance. This aim is to reduce supply chain risks and environmental and social harm. The target was 25% spending, with Dematic reaching 43.5%.

Sustainability training is a key enabler to grow KION's Supply Chain Sustainability program. Fifty Dematic suppliers received training during the

year on general supplier sustainability strategies and expectations. Additionally, Dematic Procurement team members were also trained on topics such as overall sustainability in procurement, supplier ESG risk management, and environmental product requirements.

### Conflict Minerals

Dematic continued to implement KION Group's Conflict Minerals Standard, underscoring our commitment to this area. We participated in annual campaigns, actively managed by Assent, a global software and service provider specializing in managing product-related supply chain data, to engage the smelters of our suppliers. KION Group, including Dematic, are not obligated to file annual Conflict Minerals reports and therefore do not. However, we have the capability to provide a Conflict Minerals Reporting Template (CMRT) upon request.

### Supplier Performance Management

To further prevent risks in the supply chain, the Global Supplier Risk Management team was established in 2023 to identify and mitigate risks for business-critical suppliers worldwide. Of the nearly 3,000 KION suppliers actively monitored, 38% are Dematic suppliers. Our monitoring scope increased in 2024 to include additional risk types of operational (capacity, quality, delivery performance), cyber, and other sub-tier risks, in addition to the primary focus of geographical, geopolitical, financial, and sustainability risks.

#### SUPPLIER ESG RISK MANAGEMENT PROCESS

- ASSESSMENT
- ANALYSIS
- MITIGATION

**94%**

of Dematic suppliers screened through our ESG Supplier Risk Management Process



### Key Components of Supplier Empowerment

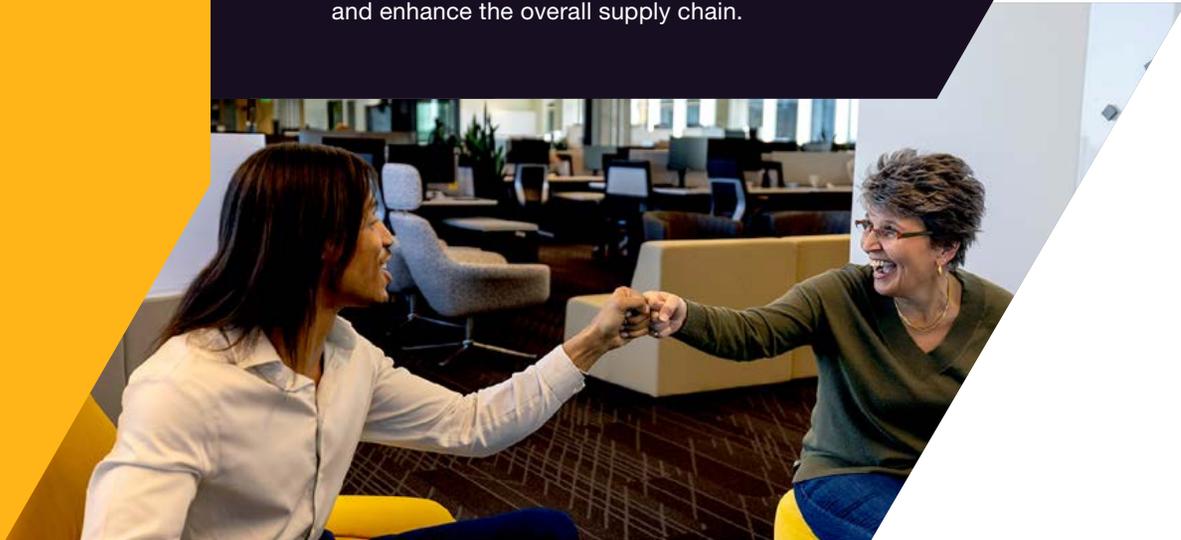
- **Capacity Building:** We provide resources, training, and guidance to help suppliers improve their skills, processes, and overall business acumen.
- **Opportunities for Engagement:** We actively work to identify and create opportunities for suppliers to participate in contracts and collaborations.
- **Championing and Support:** We serve as a bridge between suppliers and the organization, championing for their needs, challenges, and concerns.
- **Measurement and Impact:** We may establish metrics to assess the effectiveness of supplier engagement and empowerment efforts, enabling the organization to track progress, demonstrate impact, and refine strategies as needed.
- **Partnership Development:** We foster partnerships between the organization and its suppliers, facilitating collaboration and innovation that benefit both parties and enhance the overall supply chain.

## SUPPLIER EMPOWERMENT PROGRAM

### Our Commitment

At Dematic, we are deeply committed to cultivating a robust Supplier Empowerment Program to seek out businesses that might otherwise go unnoticed. We recognize embracing a wide range of suppliers from various backgrounds within our supply chain is a social responsibility, a strategic business imperative, and a doorway to greater innovation. Our mission is clear: to ensure qualifying businesses, regardless of size or background, contribute and thrive within our ecosystem.

Our merit-based approach is designed to be inclusive, welcoming not only large enterprises but also small, medium, and diverse businesses of all sizes that demonstrate the capability to compete on equal footing. This inclusivity provides us with a wide array of perspectives and innovations, resulting in a competitive edge.





# Products & Services

## SUSTAINABLY DRIVEN CUSTOMER SOLUTIONS

Dematic delivers innovative solutions that power the future of commerce. We help customers achieve their performance and sustainability goals through close collaboration and a forward-thinking approach. In 2024, we identified key areas for continuous improvement along our sustainability journey and integrated new initiatives into our portfolio — from improved worker safety to reduced installation and infrastructure requirements of our Super Rapid Transfer to lower noise levels of our Dual Diameter Rollers and expanded service offerings. These enhancements extend the life of customer hardware, deepen operational insights, and increase overall efficiency across the supply chain.

## PRODUCT CIRCULARITY

### An Intralogistics Approach

Dematic has a strategy and roadmap for 100% of our product portfolio to be assessed by uniform, global standards for sustainability performance by 2027. To that end, we continue to pilot and conduct industry-pioneering Lifecycle Assessments (LCAs) to measure and evaluate the environmental performance of our products. Through these assessments, we more effectively implement a Cradle to Cradle® (C2C) approach that ensures products are intentionally designed and produced for recycling (upcycling) at the end of their lifecycle.

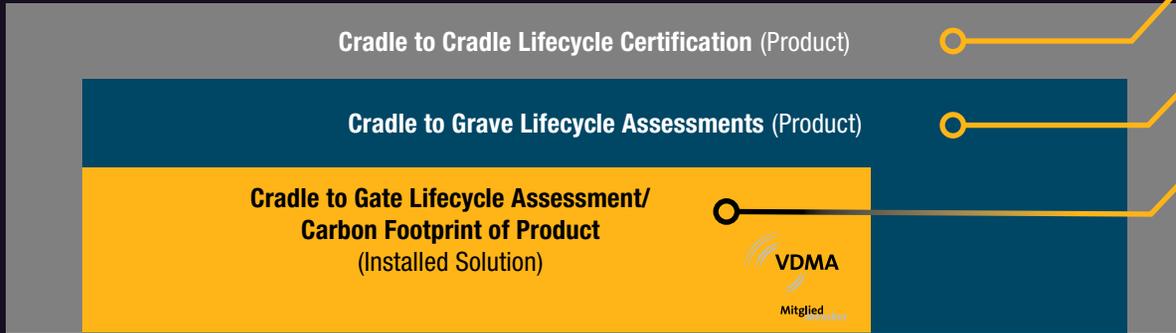
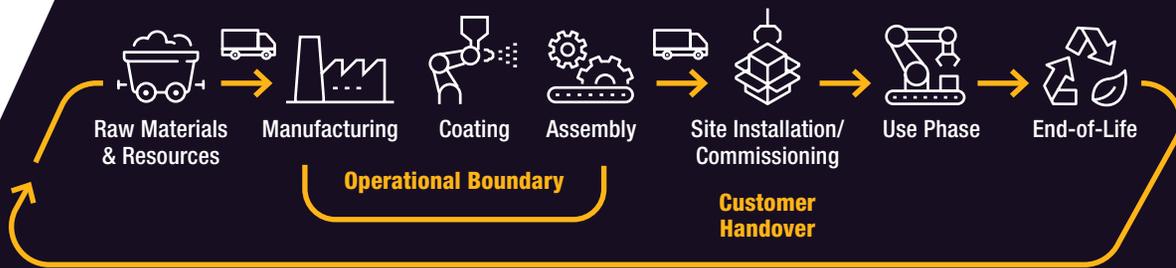
These initiatives provide the opportunity to certify our products and quantify their environmental impact, giving customers visibility into sustainable choices.

Dematic is proud to be part of VDMA's international working group collaborating to develop standard Product Category Rules (PCR) for the creation of LCA methodology to determine the Product Carbon Footprint (PCF) of intralogistics products. The "product" in the sense of this PCR or PCF is the complete intralogistics system of an installed solution.

The methodology's solution-specific parameters support the evaluation of the environmental impact of a complete intralogistics system within a solution. The value to our customers will be to increase transparency within the solution for more accurate comparisons across similar solutions within the same category. The new methodology is on track for phase one release by VDMA in 2025.

To minimize waste, Dematic follows the precept of circularity where every phase of product lifecycle — from design to manufacturing to post-use life — completes a closed loop.

In 2024, Dematic continued aligning its product-circularity strategy with KION Group to facilitate collaboration and accelerate our sustainability journey. We engaged with suppliers to encourage their commitment to sustainable materials and energy efficiency. Our team of dedicated sustainability specialists continued to lead LCA certification efforts, develop LCA roadmaps, guide research and development (R&D) goals, and help customers achieve their sustainability targets.



**Cradle to Cradle Certification:** Provides the framework to assess the safety, circularity, and responsibility of materials and products across five categories of sustainability performance.  
**Dematic application:** Multishuttle Gen 2

**Cradle to Grave (Product):** Compilation and evaluation of the inputs, outputs, and potential environmental impacts of a product system throughout its lifecycle.  
**Dematic application:** Roadmap to six manufactured product families containing 45 LCAs

**Cradle to Gate (Installed Solution):** Phase one of industry level collaboration to develop a guideline that specifies PCRs to determine the partial CFP and support the evaluation of the environmental impact of intralogistics products in a solution.  
**Dematic application:** Installed solution to be selected



## PRODUCT INNOVATIONS

### Sustainability in Action

At Dematic, we deliver innovation by anticipating evolving customer needs and the changing regulatory landscape. In 2024, close collaboration with our customers and business partners led to product breakthroughs that not only meet today's expectations but help our customers stay ahead of tomorrow's challenges.

### Super Rapid Transfer

Introduced in 2024 for the Dematic Multishuttle®, Super Rapid Transfer (SRT) technology allows lifts and conveyors to move concurrently, significantly increasing throughput without the need for extra aisles or lift systems. By reducing installation and infrastructure requirements, SRT lowers operational costs, improves customer return on investment, and supports scalability for growing e-commerce demands. Its unified global design also eliminates a need for multiple, regional-specific design variables, minimizing engineering efforts. SRT technology helps customers meet higher order volumes using fewer resources — supporting both operational efficiency and environmental sustainability.

## NOISE ABATEMENT INNOVATION

Our new Dual Diameter Roller (DDR) is a game-changer in helping to reduce workplace noise levels — a key concern for customers striving to provide a quieter work environment that meets safety requirements and produces more motivated, productive, and happier employees. Designed for selected Dematic conveyor models, DDRs significantly lower noise levels by using our patented coated roller design. This innovation delivers a reduction in sound pressure emissions within a threshold of 3–5 dBA with up to 12 dBA in certain situations. Every 3 dBA reduction offers a meaningful improvement in environments where working conditions with excessive noise has long been a challenge. The DDRs are an easy retrofit into standard conveyor side channels without the need for system modifications.





## SOFTWARE

### Enhancing Cloud-Native, Next-Generation Capabilities

At Dematic, we create integrated ecosystems where software orchestrates operational efficiency, enhances inventory visibility, and unlocks powerful data insights. Our software has four foundational design pillars:

- Business process integration that connects every stage of distribution for smoother operations
- Dynamic flow that adapts in real time to maximize throughput
- Intuitive user experience that simplifies tasks and boosts workforce productivity
- Scalability that evolves alongside customer growth and business needs

Dematic's investment in technologies like cloud computing and control tower systems — centralized, cloud-based platforms — empowers customers to maximize hardware lifecycles, accelerate decision-making, optimize labor, and scale operations seamlessly during peak demand. Our solutions perform across diverse cloud environments, while improving energy efficiency to reduce the environmental impact of our solutions.

Dematic expanded its simulation initiatives in 2024, advancing the use of virtual models to mirror real-world warehouse operations. This has allowed us to test, analyze, and fine-tune variables like planning, inventory management, and process improvements. Last year, we also enhanced our algorithms to optimize system performance, including improved SKU demand forecasting. This progress reinforces the strength of our software strategy, which was further validated by being named a Niche Player in the Gartner® Magic Quadrant™ for Warehouse Management Systems.

## PRODUCT SAFETY

### Ensuring Safer Workspaces

Product safety is fundamental to our commitment to safer work environments. At Dematic, we proactively assess, test, and mitigate potential safety risks throughout our product development process to ensure compliance with the highest global safety standards.

To strengthen our commitment to accident prevention, we adhere to CE marking, UL certification, and Australian C-Tick/RCM requirements, alongside rigorous internal protocols. Dematic team members continue contributing to regulatory organizations, helping shape industry standards while maintaining full regulatory compliance.

In 2024, Dematic successfully completed noise declarations on most of its global conveyors ahead of the EU's February 2025 regulatory deadline for the EN 619-2022 Continuous Handling Equipment and Systems standard. This initiative provides a baseline measurement across our product portfolio, allowing us to identify and initiate areas for improvement. As part of this process, we also met the requirement to measure and publish noise declarations, reinforcing our commitment to workplace safety and regulatory compliance.



### Safety Organizations in Which Dematic Team Members Actively Participate:

**ANSI/ASME B20.1** – Safety Standard for Conveyors and Related Equipment

**ANSI/ASME B30.13** – Safety Standard for Storage/ Retrieval (S/R) Machines and Associated Equipment

**EN 619** – Safety and EMC Requirements for Equipment for Mechanical Handling of Unit Loads

**EN 528** – Rail Dependent Storage and Retrieval Equipment – Safety Requirements

**ISO 23979:202X(X) ISO TC 101/WG 2**  
– Worldwide Continuous Mechanical Handling Equipment Safety Standards for Unit Load

**ISO 3694-1** – Safety Requirements and Verification for Driverless Industrial Trucks and Their Systems

– Conveyor Equipment Manufacturers Association (**CEMA**) Safety Committee

**ISO 10218-1** – Robots For Industrial Environments – Safety Requirements



## LIFECYCLE SOLUTIONS & SERVICES

### Customer Focused, Performance Driven

Dematic provides automation service solutions tailored to meet specific customer needs, ensuring equipment, software, and systems operate at peak performance. These solutions improve operational efficiency, reduce downtime events, and improve cost savings through proactive maintenance and optimized resource use. In doing so, we support the long-term use of products, reduced operating emissions, and the principles of responsible consumption and production.

Dematic Lifecycle Solutions & Services ensure a positive customer experience throughout the life of a customer's facility by providing predictive analytics, secure architecture, and around-the-clock availability. From advanced diagnostics to remote monitoring and on-site support, we work as an extension of customer teams. Dematic Lifecycle Solutions & Services maximize long-term value and quicken return on investment. They also help our customers meet sustainability targets by ensuring uptime, extending the life of assets, reducing energy use, and minimizing resource waste. Customer operations avoid disruptions that could reduce hours or income for hourly workers. And with safety-enhancing tools like drones, we're minimizing risks for workers.

## REGIONAL SERVICES



### AUSTRALIA AND NEW ZEALAND

Our Australia and New Zealand team operates a repair center to support customers during product-use and end-of-life phases. Servicing over 55,000 pieces of Dematic third-party equipment, the team has a completion rate of over 98%, which helps our customers maintain peak performance.

- Repaired equipment has an extended lifespan of two to five years. In 2024, the team repaired over 10,000 devices. Keeping product running is key to our sustainability commitment of reducing e-waste sent to landfill.
- To promote circularity, our on-site e-waste program recycles equipment that is end of life or could no longer be repaired. In 2024, we collected and recycled 1,380 kg of e-waste.

### CHINA

The Dematic China team delivers comprehensive after-sales support, strengthening customer operational resiliency in a demanding market. Our offerings include spare parts, resident maintenance, preventive care, remote support, emergency repairs, IT services, and customer training that extends system life and maximizes customer investment.

- Staffed by more than 100 dedicated engineers, we maintained a robust resident maintenance presence across 28 customer sites. This allowed us to respond to emergency calls within two hours, ensuring reliable service even during off-hours.
- Through proactive maintenance and timely service, we consistently supported uptime performance exceeding 98%, helping customers avoid costly interruptions and extend the life of critical systems.
- Our integrated support network ensured service across end-to-end solutions and standalone subsystems, all tailored to meet the evolving needs of a fast-paced e-commerce industry.



## AMERICAS

With a network of more than 600 technicians, 100 engineers, and 70 resident maintenance sites, the Dematic Americas team keeps systems running at peak efficiency through proactive maintenance, timely component replacement, and smart inventory management.

- With a 98% resolution rate through our Remote Maintenance support, we resolve hardware, software, and control issues without a need for travel by technicians and engineers, decreasing customer downtime and reducing Scope 3 emissions associated with travel.
- In 2024, our parts distribution center supported over 2,700 customer locations and completed over 20,000 repairs, reducing both material waste and the demand for newly manufactured components.

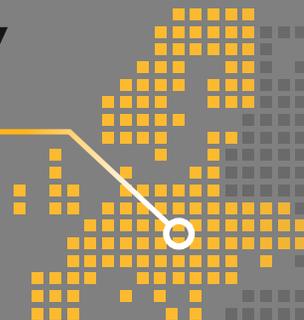
## REGIONAL SERVICES



## EUROPE

The Dematic Europe team is advancing customer operations through innovation, safety, and system reliability. We are committed to helping our customers shift from a reactive to predictive approach to service that minimizes downtime, unplanned maintenance, and unscheduled shutdowns.

- Remote support tools now resolve over 95% of issues raised through our 24/7 hotline — reducing on-site visits and associated Scope 3 emissions. Tools such as smart eyewear allow our remote experts to view live-streamed diagnostics in real time, accelerating support and repairs.
- Drone services minimize the safety risks of working at height and reduce downtime by as much as a week. With real-time monitoring tools, we can detect early indicators of issues like vibration or sensor faults before they escalate.
- In 2024, Dematic collaborated with a long-standing customer to develop a remote predictive maintenance support capability. By monitoring sensor data, we were able to detect and locate faults in aging cables — extending equipment life and reducing repair complexity.



# DEMATIC

Dematic designs, builds, and supports intelligent automated solutions empowering and sustaining the future of commerce for its customers in manufacturing, warehousing, and distribution. With research and development engineering centers, manufacturing facilities, and service centers located in more than 26 countries, the Dematic global network of approximately 10,000 employees has helped achieve successful customer installations for many of the world's leading brands. Headquartered in Atlanta, Dematic is a member of KION Group, one of the world's leading suppliers of industrial trucks and supply chain solutions.

## POWER THE FUTURE OF COMMERCE

### Sustainability at Dematic

Published June 2025

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