

## MODERN SLAVERY STATEMENT

2018 /2019

Dematic Limited (“Dematic”) understands that slavery, servitude, forced labour and human trafficking (i.e. modern slavery) are issues of increasing global concern, affecting all sectors, regions and economies.

Modern slavery of any type is profoundly unacceptable within our business and therefore within our supply chains and will not be tolerated by Dematic.

Dematic is committed to respecting, protecting and defending the fundamental rights of all those who come into contact with our business, including but not limited to, employees, customers, supply chain workers and local communities.

As a business, our operations are transparent and authentic and we make every effort to resolve problems and work with others to protect human rights, particularly the rights of those who are most vulnerable to abuses such as modern slavery.

This statement is published in accordance with the Modern Slavery Act (2015) and it sets out the steps Dematic will take to prevent modern slavery in our business operations and supply chains.

### **About Dematic**

Dematic is a worldwide provider of automated material handling systems and services associated therewith within the intralogistics sector.

The Dematic Group is part of the global Kion Group of Companies and both the Kion Group AG and the Dematic Group work constantly to foster a culture of compliance and high ethical standards and conduct which are uniform throughout their trading locations worldwide.

Any breach of any compliance code, policy or principle is treated extremely seriously within our organisations.

### **Business Structure**

Dematic limited has a head office in Adderbury, Oxfordshire and undertakes business in the United Kingdom, Scandinavia and other parts of Europe. In addition, Dematic Limited runs two engineering departments which are located in Lithuania.

The global Dematic group of companies undertake business worldwide and the Dematic group of companies have manufacturing operations in North America, Mexico, China, Germany and the Czech Republic. These manufacturing operations exist to serve the internal supply chain needs of the Dematic global group. Globally, Dematic directly employs circa 7000 people and Dematic Limited employs circa 700 people directly.

Dematic Limited does not employ people who are not directly engaged in its core business however, Dematic Limited does make extensive use of subcontractors for short fixed periods due to the nature of the projects Dematic implements. Subcontract services are predominantly classified in relation to the provision of equipment, software and labour. In respect of subcontract labour, this predominantly takes the form of sub-contracted

mechanical and electrical installation at the customer sites upon which Dematic undertakes projects

We recognise the importance of supply chain due diligence and supply chain transparency is a priority for Dematic. We understand that our biggest exposure to Modern Slavery is in our third party supply chains, where we constantly monitor our supply chain to minimise the risk of Modern Slavery. Within these areas, new suppliers and factories/sites are subject to due diligence checks in the form of ethical/compliance audits conducted by or on behalf of Dematic. These are also regularly conducted for existing suppliers. These audits assess compliance with the Dematic's Code of Conduct and ethical trading practices and are, amongst other things, intended to identify any Modern Slavery practices. If issues are identified, appropriate investigative and remedial actions are taken.

### **Policies and Contractual Controls**

We continuously develop our business operations strategy with integrity and corporate responsibility.

We are committed to maintaining the highest ethical standards in all business in which we undertake and actively seek assurances from our trading partners and supply chain in this regard.

Dematic's main operational policies related to respecting, protecting and remedying the human rights of all those who work for or in association with Dematic are based on the Kion Global Compliance Programme.

Dematic recognises that human rights risks are inherent in global sourcing. Dematic continuously works to actively identify these risks and take appropriate actions. Suppliers are required to contractually comply with prohibitions on modern slavery and regular audits are conducted. Employees are educated through training provided by the company via various mediums and at regular intervals.

### **Assessment of Modern Slavery Risk**

Within our supply chain we have increased our focus on Modern Slavery, and continue to develop scope to continuously assess our supply chain.

As Dematic employs the majority of our employees directly under permanent employment contract we assess our greatest risk areas for the existence of any modern slavery practices being within our global third party supply chain. Dematic will continue working to obtain best practice in supply chain transparency.

### **Modern Slavery Training**

Regular compliance training is held for both existing and new employees of Dematic. Dematic employees are aware of the codes of compliance and what it means to trade ethically. Dematic and the Kion Group support compliance culture within our organisations and employees are aware of the various mediums they may use to report any anomaly including reports made in accordance our whistleblowing policy and / or through the employee support hotline.

Modern Slavery Statement 2018/2019 was approved by Dematic's Board of Directors

Name: ANDREW BURNFORD

Signature: 

Job Title: MANAGING DIRECTOR