

CSR at Sumitomo (SHI) Demag



act
SUSTAINABLY

Corporate Governance
Corporate Social Responsibility
Corporate Citizenship

Corporate Governance

By corporate governance we mean the management of the company according to ethical, legal, environmental, sustainable and moral principles. Our decisions and actions are based on the four pillars:

- Code of Conduct within compliance and data protection guidelines
- DIN / ISO - Regulations
- Environmental Audits
- Guidelines of **Sumitomo Heavy Industries, Japan**

Corporate Social Responsibility

By Corporate Social Responsibility we understand the comprehensive social responsibility that a company has towards its employees, its customers, its suppliers and society and which we face up to by:

Economy

- We work cost effectively and efficiently and thus contribute to the success of our company.
- Our pursuit of profit does not serve for the distribution of dividends or the payment of high bonuses, but the growth of our company by re-investing the profits earned and the sustainable development of our products with the aim of maximum customer benefit.
- We continuously adapt our Business Continuity Plan in order to be able to act adequately, purposefully and quickly even in times of crisis and thus protect our business as far as possible from damage, support our customers and keep our employees employed.
- Our owner pursues a long-term strategy in which the individual business groups are embedded.

Ecology at the sites

Sumitomo (SHI) Demag has recognized the scarcity of resources worldwide. With our measures we make our contribution to ensuring that our world remains worth living in for future generations.

We are continuously implementing energy-saving measures to reduce costs and at the same time increase the environmental friendliness of our company

- We have planned solar panels on the roof of the lightweight hall under construction.
- Modernization of lighting by switching to LED with energy and cost savings of 50% - 80%.
- Installation of a modern, energy-saving heating system.
- Modernization of the central warehouse with an energy saving of 46%.
- Optimization of the electrical installation (transformers) with an energy saving of 10%.

We take measures to protect our environment from harmful influences as far as possible

- Reducing VOC emissions by switching from wet paint to water-based paint.
- Introduction of VOC-free cleaners with a 15% reduction in VOC emissions.
- Examination and rehabilitation of the sewage systems: sewer inspections by certified companies.
- Soil and water protection: replacement and supplementation of catchment basins; renewal of WHG coatings.
- Replacement of cooling water and heating pumps with energy-saving units.
- Investment in new production facilities to reduce waste and optimize transport routes.

We attach great importance to making our everyday work more environmentally friendly

- Reducing paper consumption by introducing digital archiving and digital workflows.
- Reducing water consumption by installing automatic taps.
- Waste separation: separation rate >90%.
- Replacing trips where possible with virtual meetings across national borders.
- Purchase of the first company car with electric drive as a test vehicle for the entire fleet.

Ecology to the customer

Our striving for improved environmental protection also extends to our customers' production facilities.

- The development of our all-electric machines enables energy-saving production, which also work quietly, uses little water thanks to air-cooled drives and requires hardly any hydraulic oil (except for secondary movements).
- In the further development of our hydraulic machines, we have equipped them with a speed-controlled pump drive, which has led to significant energy savings. With this new technology the noise level could be reduced by approx. 7db(A). Due to the lower energy input into the hydraulics, the cooling water consumption was reduced and the oil volume for machine sizes in the clamping force range from 160to to 420to was reduced by approx. 20%. Due to the optimizations the load on the oil was reduced and its use can be extended with accompanying control and maintenance.
- Use of regenerative power electronics to recover kinetic (braking) energy in our machines.
- Continuous optimization of our mechanics with the aim of reducing lubricant requirements.
- Continuous optimization of the productivity (performance) and availability (reliability) of our machines with the aim of reducing the number of production lines necessary to produce the identical quantity of components.
- By producing machines and solutions locally in the eastern and western parts of the world, Sumitomo (SHI) Demag is close to its customers and both benefit from short transport routes for the machines and short travel times for the service technicians, should an on-site visit become necessary.
- Sumitomo (SHI) Demag's industry focus not only ensures tailor-made solutions for market requirements, but also prevents machines from being developed and operated with expensive and unnecessary 'overkill'.
- Development of process engineering solutions to reduce the consumption of plastics (e.g. material savings through foaming or optimization of the drives, allowing the production of thinner-walled components) or the processing of alternative materials.
- Installation of charging points free to use by our customers and visitors, who like us are convinced of electrical solutions, during their visit; in this way Sumitomo (SHI) Demag enables a relaxed and environmentally friendly arrival and departure.

Employees

Sumitomo (SHI) Demag regards its employees as the most valuable asset of its company. Maintaining the health of the employees and the further development of the team spirit have top priority.

- Establishment of a health management system with a comprehensive survey of all employees, with workshops on relaxation training, stress in management positions, with back measurement campaigns and a free offer of weekly physiotherapy.
- Implementation of employee surveys and 360° management evaluations with subsequent evaluation and derivation of measures.
- As a countermeasure to demographic change, Sumitomo (SHI) Demag attaches great importance to the long-term development of new employees by increasing training capacities, promoting dual students and further training measures for employees.
- Free participation for employees in the annual company runs in Nuremberg and Erfurt .
- Free chilled/uncooled and carbonated water dispensers for all employees.

Corporate Citizenship

Sumitomo (SHI) Demag takes ethical responsibility very seriously and has documented this in its guidelines and actively acts accordingly.

- We respect human dignity in all its manifestations and outlaw all discrimination, violence and exploitation. Active and passive discrimination against individuals, particularly the elderly or disabled is incompatible with Sumitomo (SHI) Demag's understanding of itself as a globally operating and ethically responsible company.
- The company stands by its obligations to the community and strives for a high level of acceptance in its operating environment.
- Sumitomo (SHI) Demag attaches great importance to respectful and appreciative interaction with one another and encourages constructive criticism.
- Sumitomo (SHI) Demag's employees are involved in an annual Christmas donation, the proceeds of which go to a hospice in Nuremberg and Erfurt respectively; the company doubles the sums donated.
- Sumitomo (SHI) Demag supports the Red Cross campaign for participation in blood donation campaigns.
- Sumitomo Demag takes the issue of compliance very seriously, carries out regular internal audits, has its own compliance organisation, all employees have access to a whistle-blower contact and also offers appropriate training courses.