

SUSTAINABILITY REPORT 2024

Care in Action:
Driving Positive Change



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Letter to Stakeholders

Dear Readers,

The social, economic and environmental challenges we face demand concrete action from businesses and organisations to build a fairer, more sustainable society, both today and for the future. On this basis, ESG principles are integral to our strategy, driving continuous improvement and the evolution of our processes.

As a technology group, we are committed to generating value through our expertise, the solutions we develop and the people driving the Group's growth every day. We do this through projects that reduce CO₂ emissions and deliver tangible environmental and social benefits to the areas where we operate and the sectors we serve.

Our commitment to the Sustainable Development Goals of the UN 2030 Agenda continues, with particular focus on Gender Equality and reducing our carbon footprint at company and product level. This path includes continuation of our collaboration with Treedom to grow the "System Logistics Forest", reflecting our determination to support reforestation and offset emissions: it is estimated that the forest will absorb almost 200 tonnes of ${\rm CO_2}$ in its first 10 years. We have invested, and will continue to invest, in energy-efficiency measures at our head-quarters, reducing consumption and harnessing renewable energy generated by our photovoltaic system. At the same time, we are continuously upgrading our solutions to improve energy efficiency, extend service life and optimise the use of resources.

We promote best practices for corporate mobility by incentivising shared and eco-friendly transport, such as carpooling and cycling, and we are progressively transitioning our company fleet to electric vehicles. These actions resulted in estimated savings of over 45,000 km on distance travelled and approximately 6 tonnes of CO₂ emissions during the year. Home working also forms part of our sustainable mobility strategy.

We believe a company's value is measured by how it cares for people, communities and the environment.

In 2024, we strengthened our commitment to gender equality and inclusion through significant initiatives, achieving UNI/PdR 125:2022 Certification for our gender-equality management system.

We joined the "NonDaSola" campaign and hosted discussion and awareness-raising events. On World Day for Safety and Health at Work, we welcomed representatives from the ANMIL association, helping to raise awareness around accident prevention.

In everything we do, we care about the relationships, places and activities we are involved in, with the firm belief that only engagement and shared responsibility can enable us to achieve meaningful and lasting results.

Once again in 2024, System Logistics S.p.A. recorded zero workplace accidents. This is a significant achievement that demonstrates the collective commitment of our people and the effectiveness of our prevention systems.

With this fourth Sustainability Report, we aim to provide an accurate account of our journey, sharing the strategies we have adopted, the activities we have undertaken and the results we have achieved. This Report transparently documents our progress, the challenges we have faced and the areas where our work continues.

TOGETHER, DRIVING POSITIVE CHANGE.



CEO Luigi Panzetti



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We care: our commitment to people and planet

The Company

System Logistics is committed to a corporate culture built on **ethics**, **integrity** and **transparency** in every aspect of the business. The strategy is rooted in principles of **responsibility and compliance**, with a strong commitment to the **integration of ESG issues** in all decision-making and operational processes, in line with the parent company's guidelines. The Company promotes human rights and adopts careful and responsible practices, actively collaborating with stakeholders, suppliers and customers to foster fair and proper conduct throughout the value chain.

Ambitions

- Manage the supply chain responsibly
- Ensure transparency and accountable governance
- Promote integrity through compliance and anti-corruption practices
- Ensure IT security and data protection

The Future

System Logistics is committed to **reducing emissions**, **minimising environmental impacts**, **promoting efficient use of resources and supporting circular-economy-oriented models**.

Through innovation and conscious decision-making, these aims are integrated into business processes and solutions offered, with tangible benefits also in terms of operational efficiency and long-term performance.

Ambitions

- Reduce CO₃ emissions
- Guide customers towards more efficient and environmentally friendly solutions
- Manage waste responsibly and promote a circular economy
- Encourage shared mobility solutions

People

System Logistics is committed to a **work envi- ronment** rooted in on **respect**, **equity** and **well- being**. It guarantees fair and safe conditions for everybody and works to ensure safe use of its solutions. **It values diversity**, acknowledging the characteristics and viewpoints of each individual, and **invests** in the continuous development of **skills**, **training** and **inclusion** initiatives. It also supports projects with positive social impacts and fosters a culture of participation and shared responsibility.

Ambitions

- Promote diversity, equity and inclusion
- Value and nurture people through wellbeing, growth and culture
- Achieve zero injuries
- Build trust through product safety and quality





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CARING ABOUT THE COMPANY





SINCE 2016 part of the Krones Group



BRANCHES eight worldwide



TURNOVER SYSTEM LOGISTICS GROUP € 306.7 M (-3% compared to 2023)



ECONOMIC VALUE GENERATED AND DISTRIBUTED

€ 309 M economic value generated 294 M € economic value distributed to stakeholders



CERTIFICATIONS

ISO 9001 ISO 45001 ISO 14001 UNI/PdR 125:2022 Synesgy "B – Good"

ECOVADIS Gold Sustainability Rating Medal



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GRI 2-1



Loghouse: at the heart of intralogistics

System Logistics S.p.A., parent company of the System Logistics Group, is part of the German multinational group Krones. The company's legal and operational headquarters are located in Fiorano Modenese, just outside Modena, in the heart of Emilia-Romagna's industrial district. With more than 40 years of experience in the international market, the company is one of the leading global players in innovative intralogistics and material-handling solutions, supporting supply-chain efficiency in warehouses, distribution centres and production facilities worldwide.

The business is managed from **LogHouse**, the industrial hub built in 2019–2020. Covering a total area of around 80,000 square metres, LogHouse contains offices and a modern production facility with integrated warehouse, designed with System Logistics' proprietary technologies for storage, picking and automated material handling.





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System Logistics Network: locations



System Northern Europe BV - Malmo (Sweden)

Established in 2010 to support sales of warehouse automation equipment, the company offers technical assistance to customers in Norway, Finland, Sweden and Denmark.

System Ltd - London (UK)

Established in 2010, with registered office in London and operational offices in Milton Keynes, the company facilitates business development in the UK market, which is a strategic area for System Logistics.

System Logistics Corporation - Arden - North Carolina (USA)

The US company was set up in December 2015 with registered office in Delaware and operational offices and production (second after the Italian site), in North Carolina.

System Logistics Spain - Castellón (Spain)

Established at the end of August 2015, following its transfer, it took over the systems business unit of System Espana.

Systemlog de Mexico SA de CV -Monterrey (Mexico)

Established in September 2015, the company took over operations of the Systems business unit, which until then had been included within System Norte America.

System Logistics Asia (Thailand)

Established in 2014, the company aims to drive development of the System Logistics Group in Asian markets.

System Logistics India (India)

Established in September 2020, the Indian company pursues the strategic objectives of business development in Asian markets. Its registered office is in Mumbai City and all shares are owned by the subsidiary System Logistics Asia, which exercises full control over the company.

Systorelog Israel Ltd (Israel)

The company has its headquarters in Kfar Saba, in the state of Israel. It is wholly owned by System Logistics S.p.A. and has been operational since December 2022. Opening of this subsidiary stems from the desire to strengthen the company's presence in the local market, with the aim of directly managing the sales, installation and service activities of the intralogistics solutions developed and produced by System Logistics.



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The History of System Logistics

SYSTEM CMA is founded in Fiorano Modenese. The company is dedicated to producing automated material handling systems.

1976

System Logistics becomes 'S.p.A.', an independent company within the System Group.

2008

System Logistics joins the Krones Group, the world market and technology leader in the field of processing and packaging automation in the food & beverage industry.

System Logistics acquires the US-based Vertique, an important strategic milestone strengthening its presence in the US food & beverage market.

2016

System Logistics moves into LogHouse, a new headquarters where a wide range of automation solutions are designed and implemented to meet customer needs.

2020



First Sustainability Report



Second Sustainability Report



Third Sustainability Report

1987

System Logistics is established as a division of the System Group. The first automated vertical warehouse 'Modula' is introduced on the market.

2015

The AGV division of System becomes an integral part of System Logistics by transferring engineering, production, service and installation departments to it.

2019

System Logistics GmbH is created in Germany by spinning off the intralogistics division of Syskron, part of Krones. Based in Wackersdorf, the company is established as a whollyowned subsidiary of the Krones Group. In this way, the company renews and strengthens its presence on the market, bringing together its entire intralogistics portfolio under the System Logistics brand.

2022

A new subsidiary is opened in Israel with the establishment of the company Systorelog Israel Ltd, headquartered in Kfar Sabam and wholly owned by System Logistics S.p.A.

The company, formally operational on 1 December 2022, manages the installation and commissioning of intralogistics and material-handling solutions in the local market.

Ecovadis Silver



2023

System Logistics Forest

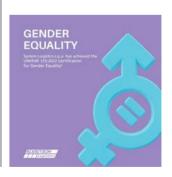


2024

Ecovadis Gold



UNI/PdR 125:2022 certification





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Mission, Vision, Values

The values that distinguish System Logistics distil the company's vision and mission. They are a source of inspiration and a benchmark for the daily conduct and actions of everyone at the company.

Mission

Supporting customers' success with technological innovation, providing them with solutions to improve occupational health and safety, simplify the complexity of processes and logistics flows, optimise use of resources and constantly improve reliability, efficiency and performance.

Vision

Firmly contributing to the spread of innovation by improving quality of



Care

A focus on the needs of customers, employees, external personnel and partners, to ensure their full satisfaction.



Integrity

Honesty, respect for diversity, transparency and ethics, aimed at ensuring the long-term sustainability of the business.



Commitment

Determination, passion and positivity to achieve results and build trust.



Innovation

Openness to constantly acquiring and transferring **knowledge** to **solve problems** and generate **new ideas** capable of creating high-value solutions.





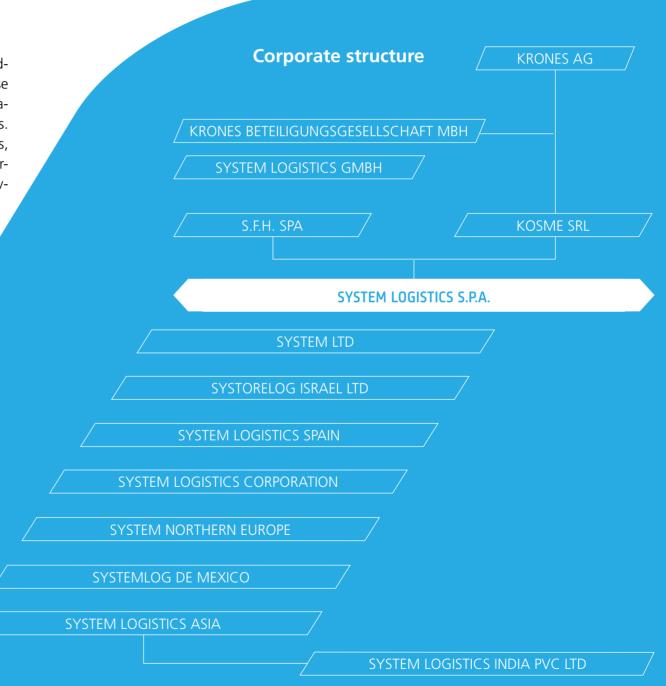
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Organisational structure

System Logistics S.p.A. is structured with a set of staff functions based at its head-quarters in Fiorano Modenese and operating with a group-wide scope. These functions include Finance, Administration & Control, Human Resources, Information Systems, QHSE and Machine Safety, Legal, Compliance & Corporate Affairs. Fiorano is also home to Research & Development for new products and services, the Engineering and Design functions, Procurement and the most significant portion of production. At the international level, the organisation is divided into several "Regions" or "Clusters", located in the main markets where front office activity is focused. This Region-based approach is considered strategic for the company's development and growth. In order to guarantee long-term stability and profitability, it is essential that Corporate Functions adequately support each Region, ensuring interface design adapted to specific local requirements and, at the same time, guaranteeing effectiveness throughout the value chain.

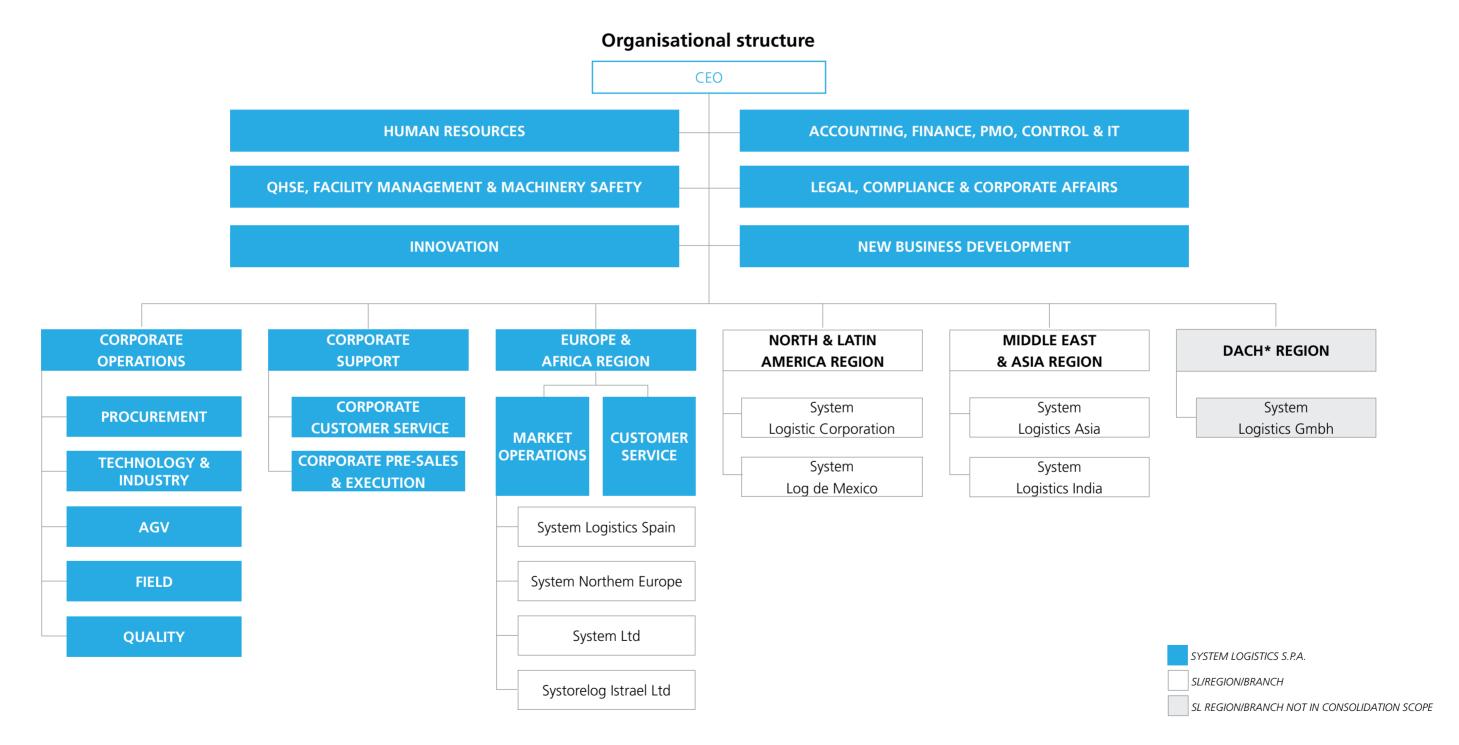
The "Europe & Africa" Cluster has its headquarters in Fiorano Modenese and coordinates the activities of branches in Spain, Sweden, the UK and Israel. The "America" Cluster is based in the United States and is also responsible for the Mexican subsidiary. Finally, the "Asia" Cluster is based in Bangkok and also directly manages the activities of the Indian subsidiary.





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Organisation structure updated December 2024

^{*}System Logistics Gmbh is not considered in the consolidated financial statements of the System Logistics Group, but it represents a key reference for business development in the DACH area, which refers to the main German-speaking European countries. This company's operations are aligned and closely coordinated with those of System Logistics Group in order to achieve the objectives set out by the Krones Group for the Intralogistics Business Unit.



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Market positioning

System Logistics stands out as a business capable of combining production excellence and strategic innovation. Its approach pursues industrial and production development rooted in value creation. The company focuses primarily on the **food & beverage** and **retail** sectors, working closely with customers to develop flexible and advanced solutions designed to effectively meet current and future challenges. This commitment is particularly important in a context where the global warehouse automation market, now estimated at **USD 36 billion**, has an expected growth rate (CAGR) of between 10% and 12% over the 2025–2028 period.

Rapid expansion of e-commerce has significantly accelerated the demand for material-handling technology. Online retailers need solutions that can efficiently manage inventory, sort products and quickly process orders. Higher expectations for deliveries, with frequent requests for sameday or next-day services, make it imperative to adopt automated systems such as conveyor belts, automated guided vehicles (AGVs) and picking robots. These technologies are increasingly central to streamlining warehouse operations, reducing manual workloads and improving inventory management. There are also particular benefits for workers' health and safety, as the number of repetitive and tiring manual operations decreases, and for work in hostile environments.

Modern warehouses are thus configured as highly efficient environments, where automation, through integrated handling, robotics and AGV solutions, is central to meeting the demands of this constantly evolving market.

SECTORS

Aerospace - Apparel - Automotive - Bank - Beverage - Biomedical - Building Industry - Ceramics - Chemical - Dairy - Distribution - Editorial - Electric-Electronics - Food - Furniture - Grocery - Home and personal care - Hydraulic - Logistics - Mechanical - Medical - Packaging - Paper - Pet Food - Pharmaceutical - Plastics - Retail - Services - Textile - Tires - Tissue - Tobacco

COUNTRIES

Algeria - Argentina - Australia - Austria - Bangladesh - Belarus - Brazil - Bulgaria - China - Chile - Colombia - Croatia - Czech Republic - Denmark - Ecuador - Egypt - Finland - France - Germany - Hungary - India - Indonesia - Iran - Israel - Italy - Macedonia - Malaysia - Mexico - Mongolia - Morocco - New Caledonia - Norway - Oman - Pakistan - Poland - Portugal - Republic of San Marino - Romania - Saudi Arabia - Singapore - Slovakia - South Africa - South Korea - Spain - Sri Lanka - Sweden - Syria - Thailand - Tunisia - Türkiye - Ukraine - UK - United Arab Emirates - Uruguay - USA - Venezuela - Vietnam



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GRI 2-6 ESRS 2 SBM-1

The Value Chain

The System Logistics Group's value-chain analysis illustrates the company's key operational phases, from procurement to after-sales.



UPSTREAM VALUE CREATION

Upstream value creation

The initial phase, **up-stream value creation**, concerns the procurement of materials and services required for the development of intralogistics and material-handling solutions.

This includes contributions from suppliers of raw materials, energy, and commercially available and customised components.



OWN OPERATIONS

Own operations

Most of the technologies used **are fully engineered, designed, manufactured and installed in-house by System Logistics or its partners**, who therefore possess complete expert knowledge of the systems supplied. The **own operations** phase represents the core of System Logistics Group's business. Research, development and design activity analyses market requirements and develops intralogistics solutions — including automated systems, software and services — with a focus on in-house engineering.

the feasibility of projects before they are sold and distributed to customers. This is supported by **after-sales services**, **maintenance**, **upgrades and customer support**, which tie in directly with downstream activities.

This is followed by production, assembly and testing activities that demonstrate



DOWNSTREAM VALUE CREATION

Downstream value creation

The final phase of the value chain, downstream value creation, includes outbound transport to customer sites, subsequent **external installation and testing** activity, and management of customer use and disposal of products.





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System Logistics Group - Value Chain





OWN OPERATIONS



DOWNSTREAM VALUE CREATION

UPSTREAM VALUE CREATION

Phase prior to building intralogistics and material-handling systems, including the extraction of raw materials, procurement and incoming transport.

Fully managed intra-group design phase, carried out with direct customer engagement, R&D, production, assembly and testing, installation of customised solutions for automated storage and picking (intralogistics and material handling), including stacker cranes, handling systems, software and services. Own operations also include intercompany and end-customer sales and distribution, and after-sales support and customer services (spare parts, maintenance, updates and modifications, training, and 24/7 help desk).

Workers

Transport and sale of products to customers, including use and disposal of products.

Local communities, regulatory bodies, processing and production companies, logistics and transport companies, and suppliers

Suppliers of Suppliers of commercially commercially available parts, available parts, suppliers of suppliers of 3PE custom parts and system parts, manufacturers of suppliers of raw related products, materials, and suppliers of 3PE suppliers of system parts, services service providers, and strategic

Employees, external personnel, customers, and intercompany

Employees, universities, research centres, patent office (Chamber of Commerce), and strategic partners

Customer. service providers, commercial intercompany businesses, and external commercial agents

Workers, and intercompany Service providers

Intercompany businesses. employees, customers, and service providers (external installers)

Customers

Customers

WHAT

Extraction of raw materials partners

Procurement Commercially available parts, custom parts, 3PE plant parts, services, raw materials, and energy

Incoming

transport

Design

Research and development

testing

Project

management

Production, assembly and

Sales and distribution

After-sales services (assistance and customer

00

services) Spare parts, maintenance, updates and modifications, training, and 24/7 help desk

External

Outgoing transport

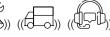


Use



Disposal







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GRI 2-9 GRI 2-10 GRI 2-11

Corporate governance and organisational structure

System Logistics S.p.A. is a public limited company **20% owned by SFH S.p.A.** and **80% owned by Kosme S.r.I.**, which in turn is controlled by **Krones AG**, an international leader in the design, development and production of machines and complete production lines for the beverage industry (water, milk, beer, wine, soft drinks, etc.).

The Krones Group is based in **Neutraubling**, Germany, and in **2024** it achieved turnover of **€ 5,294 million** and employed **19,002 members of personnel** worldwide.

System Logistics S.p.A.'s **corporate governance** system is based on a traditional model comprising a Board of Directors (BoD), Board of Statutory Auditors and Independent Auditors¹. It is structured as follows:

As far as diversity is concerned, it should be noted that the members of the governance body (six men and one woman) are all in the 30–50 age group.

COMPOSITION OF CORPORATE BODIES AS AT 31/12/2024			
BOARD OF DIRECTORS	ROLE		
Franco Stefani	Chairman of the Board		
Luigi Panzetti	CEO (Company Representative)		
Christoph Konstantin Klenk	Director		
Ralf Manfred Goldbrunner	Director		
Roberto Gentilini	Adviser/Special Prosecutor		
Thomas Ricker	Director		
Uta Anders	Director		
BOARD OF STATUTORY AUDITORS	ROLE		
Vittorio Pincelli	Chairman of the Board of Auditors		
Luigi Mantovani	Statutory Auditor		
Lorenzo Brocca	Statutory Auditor		
Maurizio Tostati	Alternate Auditor		
Luca Angelo Pandolfi	Alternate Auditor		



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Management systems and certifications

The certifications gained by System Logistics S.p.A. confirm the company's commitment to designing and manufacturing products in line with high quality and safety standards, integrating environmental criteria recognised at regulatory and voluntary level. In 2024, System Logistics received three major awards testifying to the company's solid commitment to sustainability and inclusion. The **gold medal awarded by EcoVadis**, a respected platform in the field of corporate social responsibility, placed System Logistics among the most virtuous companies in the industry and in the top 5% of companies rated globally. In addition to this, the company has adopted a **Gender-Equality Management System**, certified in accordance with standard **UNI/PdR 125:2022**, highlighting our desire to promote a fair, inclusive working environment based on gender equality and the wellbeing of our people. Finally, the company also obtained **Synesgy certification** with a "B - Good" rating for its commitment to environmental, social and governance (ESG) issues.



ECOVADIS GOLD

This is a global digital ESG assessment platform that analyses the sustainability performance of companies. Using a methodology built around international standards, it covers areas such as environment, labour, human rights, ethics and procurement. Ratings are translated into scorecards and medals (Bronze, Silver, Gold, and Platinum), indicating the level of corporate sustainability.



SYNESGY

This is a global digital platform that assesses the ESG (Environmental, Social, Governance) sustainability of companies. It measures the commitment of companies and their supply chains to environmental, social and governance issues, based on international standards.



UNI/PDR 125:2002

This is an Italian standard defining guidelines and indicators for gender-equality management systems in organisations. The aim is to promote gender equality in the workplace, recognise and enhance female talent and create an inclusive environment. Certified companies demonstrate their commitment in areas such as career opportunities, managing gender differences, work-life balance and support for parents.



UNI ISO 45001

This standard serves as a benchmark for occupational health and safety management systems. It was the first international standard defining minimum standards for the protection of workers worldwide. It establishes a framework for improving safety, reducing occupational risks and improving health and wellbeing.



UNI ISO 9001

This standard establishes criteria for a quality management system that focuses on process effectiveness and promotes adoption of an approach rooted in risk-analysis.



UNI ISO 14001

This provides an in-depth analysis of the company's environmental management to reduce environmental impacts, while fulfilling all legal requirements to strengthen all stakeholder relations.



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GRI 2-16 GRI 2-26 GRI 205-1 GRI 205-2 GRI 205-3

Ethics, integrity and transparency

In 2016, **System Logistics voluntarily adopted** a **Code of Ethics and Organisation and Control Model (OCM)** in accordance with the provisions of Italian Legislative Decree 231/2001. These tools provide an opportunity to strengthen governance culture and the underlying values of the company. With the company joining the Krones Group, and in order to ensure consistency of the code introduced in accordance with the Decree and the code approved at group level — **The Krones Code of Conduct** — System Logistics has adopted the latter as its own Code of Ethics, which is also aligned with Italian Legislative Decree 231/2001. It has also formally adopted the Krones Group Supplier Code.

In compliance with Italian Legislative Decree 24/2023, System Logistics introduced an IT application in 2023 for the internal management of reports of unlawful or unethical conduct occurring within the company, and **formalised an internal procedure for managing whistleblowing reports.** This channel is in addition to the **Group Krones Integrity system**, dedicated to receiving reports of misconduct breaching laws, standards or corporate guidelines relating in any case to matters outside those detailed in Italian Legislative Decree 24/2023. Misconduct that may be reported includes data-security breaches, anti-competitive collusion, bribery, theft and money laundering. The portal is primarily designed for reporting **serious offences in relation to existing regulations, standards or company directives**.

No reports were received by the Supervisory Body in 2024.

Controlling corruption-related risks

The business areas most exposed to the risk of corruption are those related to the activities of the Europe & Africa Regions and Project Support. The anti-corruption policies and procedures adopted by System Logistics refer to the **Krones Group Anti-Corruption Programme** and have been disclosed to all board members, employees, suppliers and customers. Together with management, the parent company Krones periodically carries out compliance *reviews and risk analyses* aimed at assessing corruption risk.

These activities are coordinated internally by the compliance officer, a figure appointed in all branches of the Group.

In 2024, two **Academy** training courses were delivered on **compliance**. The "**Compliance Basics**" course, delivered in Italian, was attended by 43 people, for a total of 113 training hours. Subsequently, the course "231 Decree", delivered in English, was completed by 41 people, for a total of 70 training hours. Overall, 84 participants completed the courses, for a total of 183.1 hours of training.

During the reporting year, one critical issue arose concerning relations between an employee and an external supplier. The company took the measures deemed appropriate and initiated a process for gradual replacement of the supplier, ensuring business continuity.

No public lawsuits have been brought against the organisation or its employees, nor have any been brought for anti-competitive, anti-trust or monopolistic behaviour.

One administrative penalty was recorded, referring to past irregularities linked to the management of relationships with third parties, for which the Company had already implemented the appropriate checks and corrective measures.



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Cyber-security and data protection

In line with the Group's objectives, System Logistics is engaged in a range of activities and projects in the sphere of Data Protection. Achievements in 2024 include adoption of the Krones Group's **IT Policy** and **improvement of the operational workflow for Identity and Access Verification**. Future goals include provision of **cybersecurity training** to the entire corporate population and the adoption of **ISO/IEC 27001:2022**. 2024 was a particularly challenging year on the cybersecurity front, also in relation to the introduction of new regulations. In particular, in October the NIS2 directive was transposed into Italian law, while in December the *Cyber Resilience Act* (CRA) came into force. These are important regulatory documents and require constant adaptation to ensure corporate compliance.

Training on and the Spread of the IT Security Culture

In 2024, **cybersecurity training** initiated the previous year continued, with a compulsory e-learning course, in line with the initiatives of the parent company Krones.

This course was completed by 170 people, for a total of 255 training hours at the Fiorano site. Awareness-raising activity also continued through the company magazine *Logazine*, which published an article on cybersecurity encouraging participation in the course and offering practical tips to protect oneself from cyber threats.





System Logistics Cybersecurity Organisation BU

In 2024, at the parent company level, **dedicated Cybersecurity Officers** were appointed for the entire Intralogistics BU. These professionals attend a monthly **Cyber Security Conference (IT/OT)**, organised by the Krones Group's Corporate Cyber function, to ensure continuous updates on threats, regulations and protection strategies.



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GRI 2-6 GRI 201-1 GRI 204-1 GRI 416-2

Quality and cutting-edge technology

Quality, Research and Development

A constant commitment to fully understand the market in which it operates, combined with an awareness of the impact of every action, makes System Logistics a concious, reliable company, focused on customer satisfaction and protection.

Green Belt Certification

LEAN SIX SIGMA:

In 2023, System Logistics introduced the **Lean Six Sigma (LSS) programme**. Developed over forty years ago by Motorola engineer Bill Smith as a statistical quality indicator and later refined by General Motors, the method has been integrated with Toyota's Lean Thinking principles and is now fundamental for companies that prioritise listening to customers and ensuring their satisfaction. System Logistics has chosen to integrate LSS into its training programmes with the strategic objective of broadening the scope of its adoption and promoting operational efficiency and improved resource management. This initiative involved various stakeholders and aimed to improve processes and reduce waste. In April 2023, the first wave of training involved eleven people, mainly from the Operations area, with six of them gaining Green Belt (GB) certification. The project is coordinated by the Quality Director, who already holds Black Belt certification, enabling him to lead working groups and apply the DMAIC framework, an acronym for the five methodological phases: Define, Measure, Analyse, Improve, and Control.

In 2024, the programme continued with a **second wave**, which involved internal Black Belt trainers and resources from all areas of the company, having a positive impact on projects currently under development.

As a result of the programme, nine Green Belt certifications were obtained over the two years 2023–2024 with projects ranging from warranty cost reduction, internal process cost reduction, and product improvement.

Looking ahead, System Logistics' LSS programme envisages the launch of a **third wave** in 2026, with the goal of achieving 15 Green Belt certifications by the end of 2026. The ultimate goal is to reach a **critical mass of at least 40 certified members of personnel**.



This approach will facilitate internal communication and enable **widespread dissemination of the methodology**, through knowledge exchange even between individuals who have not attended formal courses, thus fostering the application of lean **principles in daily work**.

INVESTMENT IN R&D

System Logistics also renewed its commitment to research and development in 2024, continuing implementation of projects launched in previous years and introducing new lines of research aimed at **continuously updating the technology used in its solutions**. In particular, work is being done to reduce the energy consumption associated with goods handling systems developed for the market. For further details, please refer to the dedicated chapter: **Innovative Products and Solutions**.



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INNOVATION ON SHOW: THE SYSTEM LOGISTICS LEGO® MODEL AT LogiMAT 2024



System Logistics showcased innovation at LogiMAT 2024 in Stuttgart with a unique approach: a 1:25 scale LEGO® model of the system designed for Consum, a Spanish cooperative operating in the large-scale retail sector. This project not only demonstrated the company's technological excellence, but also served as an excellent example of how creativity can be transformed into a powerful tool for communication and development.

The idea, which arose from a collaboration with Riccardo Zangelmi, Italy's only LEGO® Certified Professional, required careful design to ensure a faithful and detailed reproduction. The objective was twofold: to provide a concrete demonstration of System Logistics' capabilities in integrating cutting-edge technology and innovative thinking, and to provide the Sales team with an engaging tool to present the company's solutions to visitors

Today, the Consum plant model and the 1:4 scale reproduction of the LogiMate shuttle (symbol of the technological nucleus of System Logistics' plants) welcome visitors in the Fiorano reception area. They are a tangible symbol of the commitment, passion and constant pursuit of **innovative solutions** that drive System Logistics, transforming each project into an opportunity to overcome limitations and anticipate market needs.





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Innovative Products and Solutions

System Logistics develops a wide range of flexible and custom solutions for automated storage, handling and picking/depositing of goods.

The technologies used are almost entirely engineered, designed, manufactured and installed in-house by the Company.

AUTOMATED STORAGE & RETRIEVAL SYSTEMS (AS/RS)

These AS/RS systems are designed to optimise warehouse space and achieve higher levels of efficiency and productivity.







Stacker cranes

Fast Rotation Storage (FRS)

Miniload



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Stacker cranes enable automation of entry/exit operations for material storage.



Fast Rotation Storage (FRS)



Miniload



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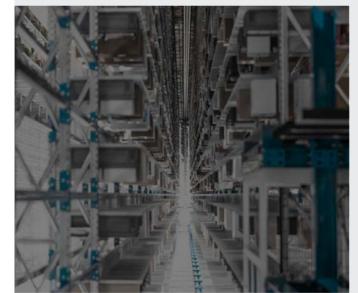
These AS/RS systems are designed to optimise warehouse space and achieve higher levels of efficiency and productivity.



Stacker cranes



Fast Rotation Storage (FRS) systems are used for high-density storage, either as a production buffer prior to shipment or for intensive, high-rotation storage.



Miniload



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Stacker cranes



Fast Rotation Storage (FRS)



Miniload systems handle light loads (crates, containers and boxes), providing a quick, automated, and secure picking system that can be configured according to the needs of the specific project.



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In the field of automated storage and retrieval systems, System Logistics has adopted a series of electrical and electronic measures aimed at **reducing** the energy costs of stacker cranes and miniload machines.

The improvement in energy efficiency was achieved through a combination of several factors:

- energy recovery during braking/deceleration via energy exchange between axes and use of regeneration systems
- automatic adaptation of dynamics according to the load handled
- reducing the movement of high-volume products.

2024 saw an **evolution of the traditional stacker crane** with integration of a regenerative module capable of recovering energy during braking or descending movements and feeding it back into the grid, surpassing the previous solution based on energy exchange between the axes alone.

This new stacker crane, equipped with a **Regenerative Power Unit (RPU)**, was tested in-house on a system at LogHouse. Upgrading of other systems is planned for 2025. With a view to increasing collaboration with customers, in order to provide automation solutions that **optimise and streamline the management of products and materials**, improving process reliability and helping to reduce operating costs, System Logistics has developed various product revamping solutions. The aim is to improve efficiency and promote a more rational management of resources.

2022/2023		2024	2025 objective
	Solutions with direct reuse of energy, exchanged between axes	Solution with regenerative power	
Technology	Energy exchange between axes	Direct regeneration in the fuel system	Energy buffers with supercaps
Energy savings	Up to 25%	Up to 40%	Up to 40%*

^{*}The solution with supercaps also allows lowers installation costs due to the smaller cable diameter and lower power required by the transformer.



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INDUSTRY 5.0 AND ENERGY EFFICIENCY: AN OPPORTUNITY FOR ITALIAN COMPANIES



The **Industry 5.0** plan provides a strategic framework for Italian companies aiming to improve energy efficiency and reduce consumption. It offers incentives and support to companies investing in technologies that improve energy efficiency, reduce consumption and promote the digital and environmental transition.

In this context, **System Logistics** positions itself as a key player, developing and implementing solutions geared towards **reducing energy consumption and CO₂** emissions. The company focuses its efforts in two main directions: firstly, **energy recovery**, harnessing equipment capable of reusing energy that would otherwise be wasted, and secondly, reduction of consumption through application of these solutions both on new installations and to upgrade existing installations.

One key aspect is the concrete application of these innovations, e.g. the replacement or modification of energy-intensive machinery, such as stacker cranes, with systems capable of recovering and feeding energy back into the grid (regeneration) or storing it locally. In addition to generating energy savings, these initiatives also bring **direct technological advantages**, such as a reduction in the **size of cables** and the power rating of installed motors.

System Logistics aligns development of its **solutions with the objectives of the Industry 5.0 plan**, facilitating customer access to the incentives available, promoting the adoption of technologies that enable a more efficient use of energy and the digital and environmental advancement of processes.





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PICKING SOLUTIONS

Scalable and adaptable to the required level of automation, System Logistics' picking solutions allow complete automation of goods handling and mixed pallet operations. **Goods-to-person** processes ensure **high operational efficiency and optimised ergonomics** for operators.



Modular order picking system (MOPS):

allows fully automated creation of mixed pallets.



Each picking:

goods-to-person (GTP) solutions combine custom-designed ergonomic stations with intuitive operator control systems to dramatically improve order fulfilment efficiency.



Steady picking location (SPL):

ideal for operations with average picking volumes, this enables increased operator performance, improved working conditions, reduced errors and containment of costs.



Pick-to-pallet system (PPS):

intensive picking system, extremely flexible, suitable for medium-high picking volumes and high SKU (stock keeping units) variability over time. It supports split picking and allows significant savings in terms of labour and space.



Automatically refilled picking (ARP)



PickMate



SortMate



LogiMate



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Each picking



Steady picking location (SPL)



Pick-to-pallet system (PPS)



Automatically refilled picking (ARP):

solutions using stacker cranes, pallet-handling systems or automatically guided vehicles to automatically replenish the supply of goods at picking stations. It is particularly ideal in contexts with a small number of SKUs and high order volumes.



PickMate:

ideal for the automation of picking processes in the food & beverage sector, it is designed to handle up to 100 SKUs with a high number of repeat orders.



SortMate:

automatically manages the entire inbound and outbound sorting of fruit and vegetables. Integrated AGVs follow optimised, more efficient and safer paths, unconstrained by the fixed paths of traditional conveyor belts.



LogiMate:

uses an innovative solution based on patented 3-element docking units to increase the contact area and handling stability of unstable and deformable goods without additional means of support. It supports a wide range of picking and order-fulfilment activities, making it perfect for high-volume order-fulfilment centres in the food & beverage and grocery industries.



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LOGIMATE: ENERGY-SAVING SYSTEM IN THE AISLE



LogiMate is equipped with an energy-exchange drive system using a supercapacitor, which connects the machine's main inverters together.

Integrated with a proprietary management software, the system enables **optimisation of the movements on the two primary axes**, coordinating them so as to **minimise simultaneous acceleration reducing energy consumption by up to 25%**.

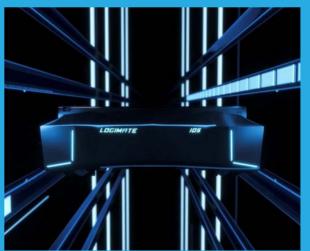
ENGINEERING

With a view to saving energy, materials were carefully selected during the engineering of LogiMate: more than 70 percent of the components are made of aluminium and plastics, thus limiting the overall vehicle weight. Elements used to handle load units are made of **100% recycled polymers**.

In 2024, the LogiMate system underwent technical development to improve its efficiency and optimise the use of resources. Optimisation of the production process led to a 20% reduction in assembly times, contributing to more efficient management of activities. In addition, the rationalisation of the racking design generated an estimated 15% saving in materials used, simplifying procurement. The adoption of additive manufacturing principles and the targeted use of lightweight materials has enabled a reduction in the amount of resources required, while maintaining performance standards. Supporting smoother and better integrated operational management, **new software features** have been introduced, including **roaming between levels**.









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MATERIAL-HANDLING SOLUTIONS

System Logistics solutions for material handling and transport connect all points of goods receipt, production, order picking and shipment of materials on a company's premises quickly and efficiently, optimising storage and transport within the warehouse.

SYSTEM LOGISTICS S.P.A.'s technological developments and experience in both the mechanical and electronic fields have enabled it to create a series of machines suitable for high-performance material handling, increasing productivity and optimising delivery times of warehoused products. Positioning accuracy, adaptability and compliance with the strictest standards represent key strengths of System Logistics' material-handling system.

The range of pallet handling and transport systems includes:







System vehicle loop (SVL)

Straight-line shuttles

Pallet handling



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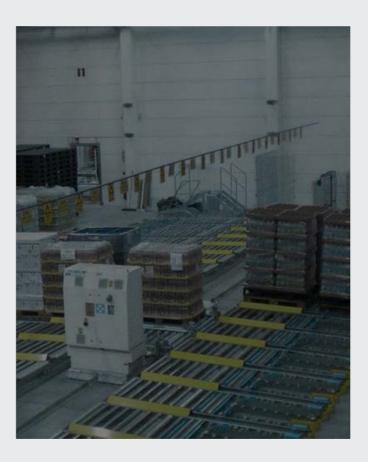
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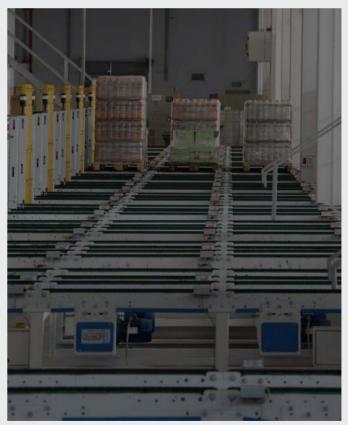
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SVL steering shuttles are designed for handling and sorting large flows of material in the warehouse. SVL shuttle circuits are normally positioned between an automated high-bay warehouse (HBWH) and picking bays, or between order picking and shipping bays. SVL steering shuttles travel on a monorail circuit, which offers numerous advantages, including speed, responsiveness, simplicity and redundancy.





System vehicle loop (SVL)

Straight-line shuttles

Pallet handling



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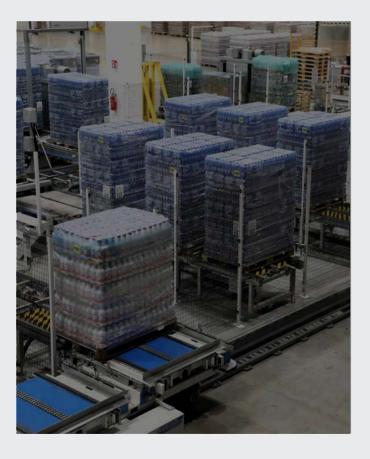
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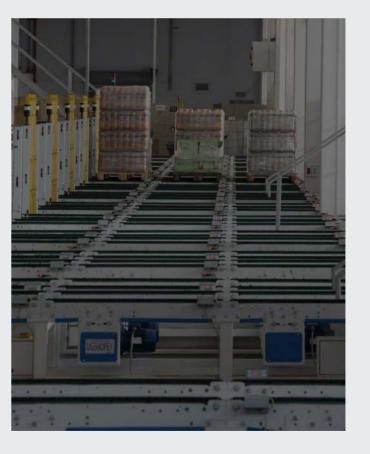
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The range of pallet handling and transport systems includes:



Shuttles are pallet transport systems used to connect different areas of an automated storage facility. Straight-line shuttles can be used to fast feed incoming and outgoing pallets in an automated warehouse or to feed several order picking stations. The shuttles run on a double straight track with a special profile that supports the weight of the shuttle and guides its laterally.



System vehicle loop (SVL)

Straight-line shuttles

Pallet handling



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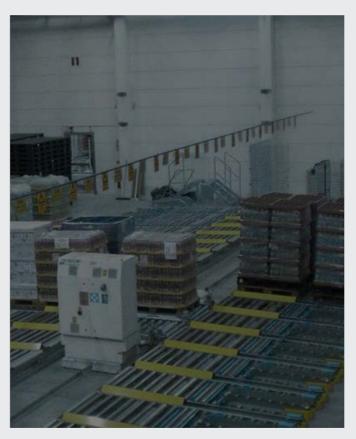
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The range of pallet handling and transport systems includes:





Pallet conveyor systems provide a continuous flow of material and quickly and efficiently link all points of goods receipt, production, order picking and material dispatch. Load units can be transported in a straight line using two different macro systems: roller or chain conveyors.

System vehicle loop (SVL)

Straight-line shuttles

Pallet handling



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AUTOMATED GUIDED VEHICLES (AGV)







Counterweighted AGV Shark AGV Light AGV



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AUTOMATED GUIDED VEHICLES (AGV)

These automated vehicles support the handling of finished products and consumables, enabling smoother and safer internal logistics:

- Pallet transport from production lines to automated warehouse
- Pre-staging of pallets in shipping areas
- Pallet stacking for different storage modes
- Pallet storage on racking





Counterweighted AGV Shark AGV Light AGV



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AUTOMATED GUIDED VEHICLES (AGV)



Shark is the most compact and versatile product in the range. It can move in all directions and operate in confined spaces. Designed for flexible and integrated handling, Shark facilitates the interconnection of automated systems:

- Pallet transport from production lines to automated warehouse
- Handling between different automatic transport systems
- Feeding automatic picking systems



Counterweighted AGV Shark AGV Light AGV



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AUTOMATED GUIDED VEHICLES (AGV)





With their compact dimensions and optimised manoeuvrability, Light AGVs are ideal for production environments with limited space:

- Feeding consumables (Euro pallets) to production lines
- Integration with automated picking systems
- Point-to-point transfer of pallets

Counterweighted AGV Shark AGV Light AGV



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Energy efficiency and revamping



To improve system energy efficiency, System Logistics provides for the **revamping** of existing solutions, e.g. replacement of lead-acid batteries with lithium batteries, which allows an increase in overall efficiency from 61% to 79%.

In 2024, the **DIGICAP** project was launched, replacing conventional batteries in shuttle pallets with supercapacitors. This solution, integrated into automated case-picking systems, enables increased energy efficiency and reduces charging times.

Targeted solutions have also been adopted to increase energy efficiency, including the introduction of exchange systems on SVL shuttle tracks. These measures enable:

- shortening of routes by employing shortcuts, thus saving energy
- parking one or more SVL shuttles on "dead" tracks for dynamic use only the





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SYSTORE: THE TAILOR-MADE SOFTWARE FOR MODULAR AND FLEXIBLE MANAGEMENT OF LOGISTICS SOLUTIONS

Systore is an application entirely designed and developed by System Logistics for managing automated intralogistics solutions.

It provides all the tools needed for complete control of the different technologies in an intralogistics system, such as stacker cranes, Miniload units, FRS (fast rotation storage), AGVs, straight shuttles, SVL (system vehicle loops) systems, robots, pallet and parcel conveyors, and even third-party machines and software. Everything is managed via an advanced graphical interface, which allows real-time monitoring of system activity.







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System Logistics' Customer Services: transparency, trust and constant support

The relationships built between System Logistics and its customers are founded on **transparency, mutual trust and operational proximity**. The goal is to provide an effective and customised response to each customer's needs, developing solutions with high added value that evolve with businesses.

At the end of 2023, our Customer Services division was restructured with two complementary areas, further strengthening the commitment to **customer satisfaction**:

- **Regional Customer Services:** responsible for the operational management of day-to-day issues, with a regional focus for greater organisational sensitivity and area-specific strategies
- **Corporate Customer Services:** provides cross-regional support, including strategic functions such as pre-sales engineering, product management and 24/7 service management (including software).

The complexity of automated systems, designed to last for decades and adapt to developments in technology and in the business, makes after-sales services a strategic area. The **planned Customer Services activity** is supported by a commercial team actively pushing maintenance, training, technical support and upgrade contracts, anticipating customer needs and managing component obsolescence. In 2024, there was growing interest in **energy-saving** solutions, which promote both operational efficiency and economic and environmental sustainability.

In addition to planned services, the Customer Services division also responds to emergency support, with the help of our back office team and a 24-hour service, managed by the CS Software team, dedicated to remote assistance. The project manager's role has been strengthened to guide customers through service, maintenance, improvement and revamping processes. Increasingly widespread adoption of full-service contracts, particularly in the large-scale retail sector, has led to an increase in on-site System Logistics personnel for complete plant management, including preventive and routine maintenance and troubleshooting. To support this high level of service, a dedicated division was set up to select and train technicians assigned to customer sites. To improve system monitoring and effectiveness, the company developed **Systore OneView** in 2024. This intuitive software platform for collecting KPIs is now ready for the pilot phase with key accounts. It consists of a digital dashboard giving customers a clear overview of performance, enabling quick and effective decision making. With the goal of extending system life, Systore SW Revamps projects were introduced to maintain high performance despite the obsolescence of certain components. A dedicated team conducts continuous assessments to optimise the initial investment. The 2024 software upgrades were completed in compliance with **timelines, costs** and quality standards, complying with CRA and NIS2 regulations.

In the **robot-as-a-service (RaaS)** sphere, **robotic solutions** (such as SortMate and PickMate) were offered via **OPEX** models, which increased returns for customers. In 2024, the new generation of **PickMate** was deployed with a mixed **CAPEX/OPEX** model, adapting to different spending needs.



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The service offered by System Logistics: a synergy of expertise, vision and transformational capabilities

The System Logistics working method is built around four main characteristics, which represent the pillars of customer relations and design of advanced logistics solutions.



SKILLS

edge.

efficiency.

With more than 40 years of experience

in material handling and intralogis-

tics, System Logistics provides a wealth

of technical and operational knowl-

This in-depth understanding of market

dynamics and the needs of different

production sectors represents a **strong**

competitive advantage. This, trans-

lates into the ability to develop cus-

tomised solutions, geared towards business continuity and internal process



Each project is developed with a comprehensive vision, considering the client's complete business ecosystem and their short-term and long-term organisational, functional and strategic goals. The ability to **analyse and interpret the entire value chain** allows the company to create solutions consistent with the operational flow, maximising overall effectiveness.



INNOVATION

A distinguishing feature of the corporate identity, innovation is supported by continuous investment in **R&D**, from dialogue with research centres to the use of **proprietary technologies** and design approaches oriented towards process simplification. System Logistics positions itself as a **digital-transformation partner**, capable of supporting companies through their technological evolution.



DYNAMICS

Young, well-structured and responsive, System Logistics is distinguished by its ability to **adapt quickly** to different production contexts, translating customer requirements into **concrete and effective solutions**. Every project phase is handled with a flexible approach, from the technical proposal through to long-term management of the relationship.

To guarantee high-quality solutions, System Logistics ensures full compliance with current regulations on **safety and quality**, applying industry best practices. The **System & Machinery Safety** function verifies every phase of every project, ensuring compliance with the Machinery Directive and its essential safety requirements, together with applicable technical regulations.

Once again, in 2024, no serious cases of non-compliance or penalties were recorded by inspection bodies. Looking ahead to 2025, System Logistics aims to further enhance customer satisfaction, with a focus on extending the useful life of equipment and providing active support throughout the product lifecycle. One of the key initiatives planned involves a new management consulting service, supported by a dedicated in-house team that will offer operational consulting to improve the performance of existing installations. Several initiatives are already scheduled for launch in 2025, confirming System Logistics' commitment to consolidating its role as a long-term strategic partner.



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Responsible Supply-Chain Management

With a supply chain geared towards transparency and accountability, System Logistics prioritises the selection of reliable, solid partners aligned with the Group's ethical principles and quality standards. Supply-chain management is based on a responsible and conscious approach, aligned with business sustainability goals and international regulatory developments.

In 2023, the Act on Corporate Due Diligence Obligations in Supply Chains came into force in Germany. This sets out the responsibility of German companies to respect human rights in global supply chains. In line with this approach, System Logistics — in relation to its subsidiaries and other Group companies — has launched a plan to reduce CO₂ emissions (Scope 3) by 30% by 2030. Planned activities include:

- mapping suppliers' ESG risks and impacts
- assessing the ESG performance of "critical" suppliers
- ad hoc audits.

At the same time, all business partners are required to comply with the <u>Supplier</u> <u>Code of Conduct</u> adopted by the Krones Group, with a goal of 70% of corporate suppliers having signed the document by 2024 and 100% by 2025.

HUMAN RIGHTS

System Logistics is committed to upholding and applying principles such as human rights protection, compliance with local regulations, promotion of fair working conditions, environmental protection, protection of personal data and anti-corruption. The Krones Group leads the supplier due-diligence process and has set up a special office to support all Group companies.

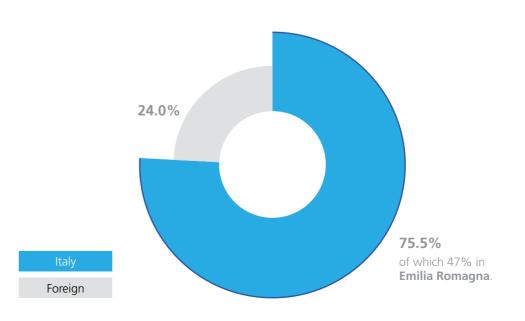
At the end of 2023, the Group Policy on Human Rights was shared and adopted, and the decision was made to include specific mandatory Human Rights Training within employee onboarding. Additionally, System Logistics conducted a supplier risk analysis via the Ecovadis platform, which identified zero highrisk suppliers. Firstly, the analysis considered environmental risks, such as air pollution, waste management and water and soil contamination. Secondly, working conditions and human rights were evaluated, including aspects such as adequate wages, child labour, forced labour, occupational safety and

health and freedom of association. These criteria are supplemented with an overall assessment of the sector, its critical issues and the country in which the supplier operates, compiling a comprehensive risk profile.

PROCUREMENT MANAGEMENT

In 2024, the total number of **suppliers** was **890**, with **supplied goods and services totalling € 84 million**. Although the overall spend was lower than in 2023, it is important to note that in 2024 there was a further consolidation of the local procurement network established. In 2023, 82% of **procurement spending** was within Italy. In 2024, this percentage stood at **75.5%**, with **47% of Italian supplies** originating from suppliers in the Emilia-Romagna region (a significant increase on the 42% of 2023), for expenditure of **€ 30.0 million**.

2024 PROCUREMENT SPENDING (%) (System Logistics S.p.A.)





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Economic and financial performance, generated and distributed value

In 2024, System Logistics Group revenue from sales and services and changes in contract work in progress totalled € 302.9 million, an 8.1% increase from the € 280.3 million recorded in 2023.

Net profit for the year was € 0.78 million after allocating current tax provisions of € 8.5 million for the year and recognising deferred tax assets and liabilities of € 1.2 million. In 2024, System Logistics' subsidiaries contributed total revenue of € 199 million, corresponding to 66% of total consolidated revenue.

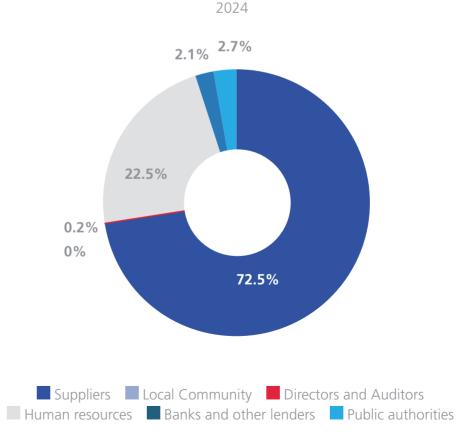
For System Logistics, order intake in all regions where the company is active — from Asia to Europe to the Americas — amounted to € 448 million in 2024, up +37% on 2023. This growth was mainly driven by the Europe and Africa Cluster, which saw a remarkable increase of 138%, followed by strong performance also in the America (+16.42%) and Middle-East and Australia (+21.6%) Clusters. The Customer Services Cluster (+23.61%).

SYSTEM LOGISTICS GROUP ORDER INTAKE - WORLDWIDE						
€/1000	Dec 2024	Dec 2023	Dec 2022	Dec 2021	Dec 2020	Dec 2019
Europe and Africa Cluster	120,810	50,706	110,925	126,195	83,505	78,752
Middle East and Australia Cluster	42,385	34,850	14,683	27,377	19,853	12,490
Americas Cluster	220,227	189,173	209,518	68,955	84,833	86,665
Customer Service Cluster	64,910	52,513	43,383	27,818	21,552	23,707
Total	448,332	327,242	378,509	250,345	209,743	201,614

System Logistics Group generated a value of approximately € 309 million in 2024, of which € 294.3 million was distributed to the various stakeholders.

The main stakeholder categories were suppliers and human resources, to whom, respectively, approximately 72.5% and 22.5% of the wealth generated was distributed.

ECONOMIC VALUE DISTRIBUTED BY THE SYSTEM LOGISTIC GROUP





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SYSTEM LOGISTICS: AN INTEGRATED APPROACH TO ESG FACTORS





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GRI 2-28

GRI 2-29

GRI 201-1

GRI 3-1

GRI 3-2

GRI 3-3

ESRS 2

SBM-3

IRO-1

IRO-2

Corporate strategy: pillars, commitments and ambitions

Integrating sustainability into business processes is an ever greater priority for many companies in the intralogistics sector. Adoption of efficiency-led practices in the management of material and product flows within organisations — including internal storage, handling and distribution — can also help to minimise environmental impacts.

System Logistics recognises the importance of objectives such as **reducing energy consumption and improving operational efficiency**, pursued through technological solutions with environmental, economic and functional benefits. Emphasising its commitment to environmental, social and governance issues, System Logistics has chosen to provide a transparent and coherent overview of its actions and future goals in this report.

The path towards a more conscious and well-structured business model requires **effective integration of sustainability into the overall strategy** and the adoption of a nuanced and ongoing development process. In 2024, System Logistics voluntarily chose to publish its **fourth report, confirming the value placed on transparency and dialogue with stakeholders**.

The company's strategic and operational choices are no longer based solely on economic or production criteria, but also take into account environmental, social and governance aspects. Key factors in this regard are a focus on certification of the quality of the company's products and internal processes, monitoring of emissions generated, adoption of measures optimising energy consumption, awareness of environmental footprint, and all the measures implemented to reduce it and make a tangible contribution to fighting climate change.

Particular attention is paid to the way people are treated in the company, and their professional development. In 2024, System Logistics renewed its **sustainability implementation strategy, working on the three levels detailed below.**

- **Pillars**: strategic dimensions that guide the development of actions and objectives. These are the key areas the company focuses on to generate positive and lasting environmental, social and governance effects
- **Commitments**: formal, concrete statements expressing the organisation's intentions on specific issues. Defined on the basis of issues that are relevant to the company and its stakeholders, these are approved by the Board of Directors and represent the guidelines adopted to meet challenges and seize opportunities for each Pillar.
- Ambitions: strategic objectives that the organisation aims to achieve in order to generate significant and lasting results over time, consistent with each Commitment. Ambitions guide corporate actions and choices.

Below is an illustrative preview of System Logistics' sustainability best practices, broken down according to Pillar and ESG Ambitions.



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System Logistics and sustainability

Our approach to sustainability

CARING ABOUT THE **COMPANY**

CARING ABOUT THE **FUTURE**

CARING ABOUT **PEOPLE**



RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Mapping of suppliers according to ESG criteria and signing of supplier code of conduct



ENSURE TRANSPARENCY AND ACCOUNTABLE GOVERNANCE

Transparency and sustainability reporting



PROMOTE INTEGRITY THROUGH COMPLIANCE AND ANTI-CORRUPTION PRACTICES

Adoption of a clear and binding Code of Ethics and Conduct, and anti-corruption training programmes



ENSURE IT SECURITY AND DATA PROTECTION

Adoption of data protection policies and procedures, and IT security training for all company personnel



MONITOR AND REDUCE CO, EMISSIONS

Energy-efficiency measures, extension of photovoltaic system, energy management and precise tracking of emissions generated (Scope 1, 2 and 3)



GUIDE CUSTOMERS TOWARDS MORE EFFICIENT SOLUTIONS

Design and development of advanced technologies aimed at optimising internal processes and improving the energy efficiency of solutions



MANAGE WASTE EFFICIENTLY AND IMPROVE RESOURCE USE

Adoption of organisational practices aimed at reducing waste and utilising end-of-life materials within company flows



PROMOTE ALTERNATIVE FORMS OF CORPORATE MOBILITY

Implementation of a company fleet with electric vehicles, charging infrastructure and initiatives to promote shared commuting solutions



PROMOTE DIVERSITY, EQUITY AND INCLUSION

Diversity & inclusion activities and projects



VALUING PEOPLE: WELLBEING, GROWTH AND CULTURE

Training and coaching, performance appraisal & people development



ACHIEVE ZERO INJURIES

ISO 45001, continuous safety training programmes for all personnel



BUILD TRUST THROUGH PRODUCT SAFETY AND QUALITY

ISO 9001, management of customer feedback for continuous improvement of products and services





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Stakeholders

Stakeholders are individuals or groups with whom a company develops and maintains relationships in the context of its operations.

In conducting its business, System Logistics establishes valuable ongoing relationships with a variety of parties, from employees to customers, suppliers and shareholders.

No less important are relations with local and national institutions, the local community, local schools, local associations and trade unions.

System Logistics is a member of two trade associations:

- Federmanager, the association with the biggest membership in the world of management, which deals with contractual, institutional, social, professional and cultural matters
- **Confindustria Emilia**, the main association representing manufacturing and service companies in Italy. Its mission is to promote enterprise as a driver of the country's economic, social and civil growth.

System Logistics is also a **member of AMHSA**, the *Automated Material Handling Systems Association*, as a leading provider of innovative intralogistics automation solutions and technologies.

System Logistics believes in dialogue and stakeholder engagement to promote shared growth and enable management to verify that the company's mission, vision and values coincide with the expectations of all its stakeholders. To this end, a structured approach has been identified, pinpointing key stakeholders and the most appropriate forms of engagement.





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The **stakeholder map** below provides a immediate overview of System Logistics' key stakeholders, divided into a macro level and a more detailed level, and identified according to the specific nature and proximity of their relationship with the Company.

	Stakeholder groups	Stakeholder categories	Main mo	des of engagement	Interests
	FINANCIAL COMMUNITY	Krones Group Banking institutions		ridual and group meetings rmation via website and media	Sustainable growth, financial strength, return on investment, and transparency in business management
	INDIVIDUALS AND TRADE UNIONS	Employees External personnel Unions	EvenIndiv	porate (or group) intranet hts/webinars ridual interviews and surveys e-union groups and collective meetings	Safe and healthy working conditions, continuous training, professional development, respect and inclusion; work flexibility and initiatives to improve work-life balance; monitoring of equal opportunities, involvement in company decisions, and data transparency
@ @	ASSOCIATIONS	Trade associations Industry associations	-	ific and general meetings sletter updates	Active participation and contribution to growth of the sector, and compliance with industry standards
and the same	SYSTEM LOGISTICS GROUP	System Logistics Group branches	• Colla	aboration projects	Active collaboration with the parent company and overall development of the organisation
	SUPPLIERS AND PARTNERS	Suppliers of commercially available parts Suppliers of custom parts Service providers Strategic partners	• Audi	tings, working groups and conferences its and surveys -conformity management channel	Transparent and long-term collaboration, timely payments, and clear technical and quality requirements
	CLIENTS	Customers Operators Intercompany customers Indirect customers and leasing companies	Sales for list	rnal communication (website, social media newsletter) s network and customer services as channels stening and communication der-equality progress updates	High-quality products and services, regulatory compliance, fast delivery times, and efficient after-sales support. Working with companies that actively demonstrate a commitment to social sustainability and gender equality
	PUBLIC BODIES AND INSTITUTIONS	Public bodies Public regulatory authorities Public institutions	• Gend	tutional meetings and communications der-Equality Report er dedicated initiatives	Compliance with laws, environmental and tax regulations; transparent access to gender equality data; and submission of the two-yearly report required by the Equal Opportunities Code
	ACADEMIC WORLD	Universities	• Colla	and European projects aboration with students: meetings, training internships	Strategic partnerships in research and talent development
	MEDIA	Trade publications Website and social media	• Upda	s releases and interviews ates on events and projects via newsletter, site and social media	Access to information on scientific research and innovation initiatives and projects
	CERTIFICATION AND AUDITING BODIES	Certification bodies Auditing bodies		its, inspections and dedicated meetings ular compliance and performance reports	Compliance with applicable laws and regulations, compliance with environmental and safety regulations, fulfilment of fiscal and administrative obligations
2	LOCAL COMMUNITY AND AREA	Local communities Non-profit organisations		rnal communication (social media, website, etc.) al and environmental initiatives	Positive impact on the environment and society, transparency in operations, and contributions to community wellbeing



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Double materiality analysis

In previous sustainability reports, **System Logistics** focused primarily on the identification and subsequent management of significant material issues from an impact perspective. With introduction of the *Corporate Sustainability Reporting Directive 2022/2464/EU (CSRD)*, the framework for sustainability reporting has evolved towards a "**double materiality**" perspective. The CSRD now requires consideration not only of the impacts generated by the company on the outside world (**impact materiality**), but also of how sustainability issues affect its financial performance and business model (**financial materiality**). This marks a significant shift in System Logistics' approach. Whilst this is not mandatory (please refer to the Methodological Note for more information), the company has decided to commit itself to a more complete and integrated view of its sustainability profile, in line with the new European standards.

On a voluntary basis, System Logistics has chosen to adopt the double materiality framework group-wide, with a top-down approach to identification of material topics. As mentioned above, assessment of the materiality of sustainability issues or topics considers two perspectives:

- impact materiality (inside-out perspective): identifies the relevant impacts, whether positive or negative, actual or potential, that business activities generate on the environment and society.
- **financial materiality (outside-in perspective)**: measures how ESG issues influence the company's financial position, performance and value in the short, medium and long term.

System Logistics is adopting an "interoperable" GRI-ESRS sustainability reporting approach. The aim is to gradually move from a report compliant with **GRI (Global Reporting Initiative)** standards to alignment with the requirements of the **CSRD (Corporate Sustainability Reporting Directive)**. This is the reason for inclusion of the double materiality analysis in the current document. Detailed reporting of impacts, risks and opportunities arising from this analysis will be included in future reports. The current Sustainability Report continues to cover the sustainability issues already analysed and reported on in previous years, ensuring continuity. The materiality analysis was conducted by System Logistics from May to July 2025, with the involvement of the appointed **Working Group**. Beginning with an in-depth analysis of the business context — including definition of the company's

boundaries, its activities, products and services, the value chain (discussed under "The value chain") and the geographical areas in which it operates, as well as its stakeholders and communication methods — impacts, risks and opportunities were first **identified** (compiling a long-list) and then **evaluated** using quantitative scales. Subsequently, relevant issues were defined from both a financial and impact perspective, using the nomenclature of the Topical ESRS (*European Sustainability Reporting Standards*).

The methodology follows that suggested in the Materiality Assessment Implementation Guidance (IG 1) issued by the *European Financial Reporting Advisory Group (EFRAG)*.

This was a three-step process.

- Context analysis: this phase included the analysis of company and group activities, business relations, the context in which they take place and stakeholders. The analysis included a desk study on a basket of companies operating in the same and/or comparable sectors, examination of institutional sources and the analysis of the regulatory framework. This activity, also supported by the analyses carried out in previous reporting years and internal company documentation, formed the basis for identification of impacts, risks and opportunities ("IROs").
- Identification of IROs: During this phase, actual and potential IROs related to sustainability issues were identified. The process involved analysing the findings from the previous step and conducting interviews (roundtable format) with representatives of the various departments. This process of direct engagement and discussion gathered key information and enabled a detailed understanding of the organisation's operational and strategic characteristics, crucial to ensure that identification of IROs was fully aligned with the business context.
- **Evaluation of IROs:** The IROs identified in the long-list were assessed in relation to both dimensions by the Working Group. For the assessment of impact materiality, the severity of the impact (scale, scope and potentially irreversible nature) and the likelihood of its occurrence were analysed for current and potential impacts. In terms of financial materiality, the potential financial effect on the company (on revenues, costs, assets, etc.) and the likelihood of its occurrence were considered.



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- **Validation of double materiality:** Finally, the double-materiality findings were validated.
- **Reporting:** As mentioned above, reporting of this year's ESG performance follows the framework of material topics covered in previous years. In terms of reporting, findings of the double-materiality process will be included in future reports.

IRO ASSESSMENT AND DETERMINATION OF MATERIALITY THRESHOLDS

Assessments and subsequent prioritisation of impacts were conducted on the basis of four parameters:

PARAMETER

Description	range
SCALE	
the severity of a negative impact is or level of benefit of a positive impact on people or the environment	0-4
SCOPE	
the reach of the impact (in relation to the percentage of employees, geographical locations or markets affected)	0-4
IRREVERSIBLE NATURE	
whether and to what extent negative impacts can be remedied, i.e. by restoring the environment or persons affected to their original state	0-4
PROBABILITY	
likelihood that the impact in question will occur in the period considered.	
Probability is only considered for potential impacts	0-1

The score associated with each impact (scale), from 0 to 4, was determined by multiplying the previously averaged values for the factors scale, scope and irreversible nature (where applicable) and the probability of occurrence (where applicable) on a scale of 0 to 1. The assessment and prioritisation of risks and opportunities was conducted considering two parameters:

PARAMETER

Description range

SCALE

the potential, positive or negative, scale of financial effects (including effects identified considering operational, reputational, compliance or social-impact criteria) associated with the occurrence of risks and opportunities

0-4

PROBABILITY

the probability of occurrence in the period considered.

Probability is only considered for potential impacts

0-1

For impacts, risks and opportunities, assessments were carried out in relation to three time horizons:

• Short term: 1 year

• Medium-term: 1–5 years

• Long-term: longer than 5 years

Following the assessment of all potentially relevant IROs for System Logistics, materiality thresholds were defined to identify those most significant for the company. The materiality thresholds were calculated by averaging the assessment scores assigned to the IROs of each topic (impact materiality threshold of 2.0 and financial materiality threshold of 1.4). The quantitative results were then compared and analysed, with exclusion from the final list of material IROs of those with a rating below the materiality thresholds. IROs with a final rating equal to or above the thresholds were considered material IROs.



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RESULTS OF THE ANALYSIS

The double materiality process **identified a total of 49 impacts, 16 risks and 49 opportunities**. Assessment of these involved the definition of material ESRS reference topics according to the two different dimensions (impact materiality and financial materiality) concerning environmental •, social • and governance • aspects:

ESRS	ESRS topic	Impact materiality (threshold = 2.0) Fin	nancial materiality (threshold = 1.	4) DM Results	Krones Materiality
ESRS E1	Climate Change	•	•	Material topic	Material topic
ESRS E2	Pollution	X	X	Non-material topic	Non-material topic
ESRS E3	Water and marine resources	X	X	Non-material topic	Material topic
ESRS E4	Biodiversity and ecosystems	X	/	Non-material topic	Non-material topic
ESRS E5	Circular economy	•	X	Material topic	Material topic
ESRS S1	Own workforce	•	X	Material topic	Material topic
ESRS S2	Workers in the value chain	•	X	Material topic	Material topic
ESRS S3	Affected communities	X	X	Non-material topic	Non-material topic
ESRS S4	Consumers and end users			Material topic	Non-material topic
ESRS G1	Business conduct	•		Material topic	Material topic

Six material topics emerged (those above the threshold) either from an impact or financial perspective, or both:

- Climate change: this topic was identified as material from both an impact (2.0) and financial (1.4) perspective. The nature of the Group's activities and resulting greenhouse-gas emissions mean it has a significant climate impact. At the same time, it is recognised that climate risks can directly influence financial performance.
- **Circular economy:** this topic is considered material from the **impact perspective (2.4)**. The high score for impact materiality is consistent with System Logistics' business, which involves the use of materials, generation of production waste and end-of-life management of products. The score also reflects an ability to contribute to circularity in customer processes, e.g. By extending the useful life of products.
- Own work force: this is considered a material topic from an impact perspective (2). Recognising the significance of the impact on its employees, System Logistics is committed in this regard, providing both robust welfare and career advancement programmes.
- Workers in the value chain: this was identified as a material topic from an impact perspective (2.2). System Logistics recognises that it has a significant

impact on the conditions of workers in its value chain, mainly due to the complexity of the global supply chain, managed through its Group-wide commitment to human rights.

- **Consumers and end-users:** this is a material topic from an **impact perspective (2.1).** The score reflects the energy-efficient solutions that System Logistics introduces in its products, as well as its management and monitoring of customer satisfaction.
- **Business conduct:** this is a material topic from both an **impact (2.0)** and a **financial (2.5)** perspective. The high level of financial significance highlights the critical nature, for a global Group operating with major customers and in complex markets, of factors such as reputation, regulatory compliance, anti-corruption measures and management of legal risks.

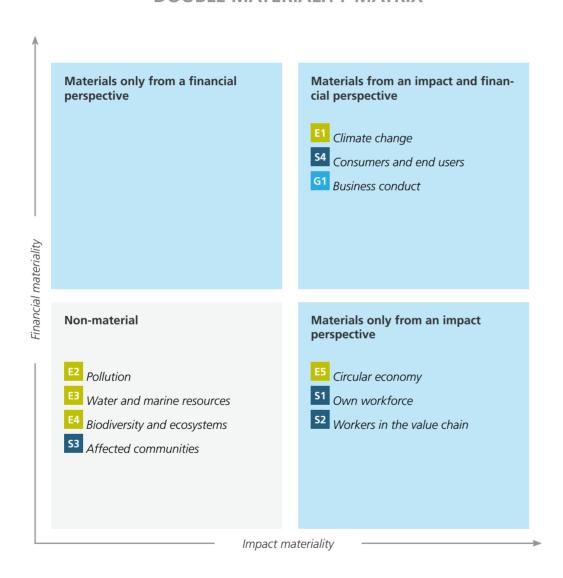
System Logistics' double materiality analysis is graphically represented through a matrix highlighting the correlation between impact materiality and financial materiality.

The results of the first double materiality analysis led to the decision to stick to the results derived from the chosen objective thresholds.



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DOUBLE MATERIALITY MATRIX



The results of the materiality analysis show **strong alignment of System Logistics and Krones** on material topics. System Logistics and its parent company Krones classify Climate Change (ESRS E1), Circular Economy (ESRS E5), Own Workforce (ESRS S1), Workers in the Value Chain (ESRS S2) and Business Conduct (ESRS G1) as material topics. There is also alignment on non-material topics: Pollution (ESRS E2), Biodiversity and Ecosystems (ESRS E4) and Affected Communities (ESRS S3).

SUSTAINABLE DEVELOPMENT GOALS (SDGS)

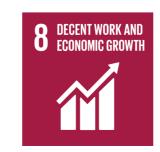
In identifying the most significant ESG topics for our Group, we also considered their link with the Sustainable Development Goals (SDGs), defined in the United Nations 2030 Agenda. Committing to action in these areas, System Logistics will seek to contribute — as far as possible — to overcoming the global challenges relating to sustainability. Listed below are the ESG issues identified as material topics and that are related to the Sustainable Development Goals (SDGs) of the UN 2030 Agenda:

ESRS	ESRS topic	Related SDGs
ESRS E1	Climate Change	13
ESRS E5	Circular economy	12
ESRS S1	Own workforce	3 4 5 8
ESRS S2	Workers in the value chain	3 8
ESRS S4	Consumers and end users	3 12
ESRS G1	Business conduct	16

















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Objectives

PILLAR	COMMITTMENT	OBJECTIVES	2023	2024	STATE OF PROGRESS	TARGET YEAR
	Responsible supply chain management	100% of buyers trained on human rights	Ongoing	Ongoing	•	2026
		100% of suppliers having signed the Code Of Conduct	Ongoing	80%	•	2025
COMPANY		100% of suppliers undergoing risk analysis on human rights compliance	-	Ongoing	•	2026
MP	Ensure transparency and accountable governance	Publication of first Group Sustainability Report	Second Sustainability Report	Third Sustainability Report		2025
		EcoVadis medal awarded	Silver	Gold		2025
CARING ABOUT THE		Preparation of 2025–2030 Strategic Sustainability Plan	-	Ongoing	•	2025
	Promote integrity through compliance and anticorruption practices	100% of employees trained on Organisational and Management Model pursuant to Leg. Dec. 231/01	Ongoing	Ongoing	•	2025
		100% of employees trained in anti-corruption	Ongoing	Ongoing		2026
	Ensure IT security and data protection	100% of employees trained on the basic IT security module	Ongoing	40%	•	2025
		Implementation of a Cybersecurity Risk Mitigation and Action Plan	Creation of System Logistics Cybersecurity Organisation BU	Ongoing	•	2025
		Adoption of Group IT Policy		Full adoption		2025
		ISO 27001 certification (IT Security Management System)		Ongoing		2026



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CARING ABOUT THE FUTURE



TOTAL ENERGY CONSUMED SYSTEM LOGISTICS GROUP 21,474 GJ



TOTAL ENERGY CONSUMED SYSTEM LOGISTICS S.P.A.

14,804 GJ (+0.8% compared to 2023)



ELECTRICITY CONSUMPTION 5,574 GJ

(+4.6% compared to 2023)



ENERGY PRODUCED BY THE PHOTOVOLTAIC SYSTEM

1,507,184 kWh (+135.4% compared to 2023)



ENERGY PRODUCED BY THE PHOTOVOLTAIC SYSTEM AND CONSUMED

46% of energy self-generated by photovoltaic system was consumed in 2024 169.13 tonnes CO₃eg avoided in 2024



WASTE GENERATED

153 tonnes of waste generated in 2024

98% destined for recycling 24% less packaging (waste) than in 2023



WATER CONSUMPTION

8.019 m³ of water consumed in 2024

(+9% compared to 2023)



CO₂ EMISSIONS

846 tonnes of Scope 1 and 2 CO₂eq emissions (-5% compared to 2023) (-15% compared to 2022) (-16% compared to 2021)



SUSTAINABLE MOBILITY

45,644.21 km saved by choosing sustainable mobility for commuting 5,93 t CO₂ emissions avoided



SYSTEM LOGISTICS FOREST

650 trees planted in the System Logistics Forest



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2030 Climate Strategy

System Logistics doubled down on its commitment to reducing environmental impacts by adopting the Krones Group Environmental and Climate Policy in 2024. This decision is fully aligned with the 2030 Climate Strategy established by the parent company and the related Public Carbon Transition Plan, which outline specific objectives, targets and progress.

Specifically, System Logistics pursues the following objectives:

- 80% reduction in corporate carbon footprint, i.e. Scope 1 + Scope 2 CO₂ emissions, by 2030
- 25% reduction in product carbon footprint, i.e. Scope 3 CO₂ emissions, by 2030.

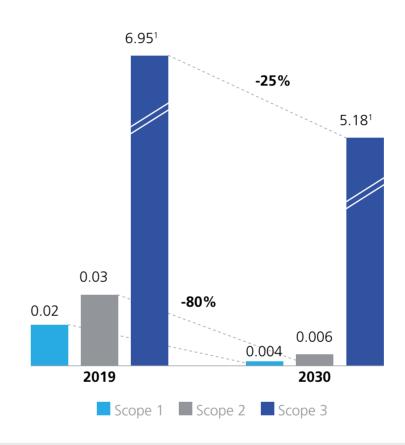
GRI 302-1 GRI 302-4 GRI 302-5

ESRS E1-5

Energy and energy efficiency

For the three-years 2022–2025, in compliance with the Krones Group 2030 Climate Strategy, a **Carbon Action Plan** has been prepared, which sets out a series of actions aimed at reducing CO₂ emissions and energy dependence on external sources. These actions focus on:

- reducing emissions connected to the use of company vehicles
- reducing natural gas consumption
- increasing capacity for energy self-generation
- increasing use of renewable energy.



Target 1

80% reduction in overall corporate carbon footprint (Scope 1 + Scope 2) of the Krones Group by 2030 (baseline: 2019) with the goal of achieving climate neutrality by 2040.

Target 2

25% reduction in overall carbon footprint of KRONES Group products (Scope 3) by 2030 (baseline: 2019)

Krones Scope 3 = Customers' Scope 1 + 2.

In line with the Group's strategy, System Logistics also contributes to the achievement of its customers' climate targets by improving the carbon footprint of its machines and systems.



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Energy consumption in the organisation

In 2024, System Logistics' energy consumption (electricity, natural gas and diesel) increased by 0.8% overall compared to the previous year, rising from 14,689 GJ to **14,804 GJ**.

The company's overall energy requirements related to lower fuel consumption by the company fleet (4,003 GJ in 2024) against increased consumption of electricity (5,574 GJ, +4.6 % compared to 2023) and natural gas (5,227 GJ, 2.6 % compared to 2023), which System Logistics uses for heating and, to a lesser extent, to produce framework.

System Logistics supplies itself with electricity from the grid and energy produced by its own photovoltaic plant.

In February 2024, the new photovoltaic system with a nominal capacity of **800 kWp**, installed the previous year, was activated.

This system, made up of the existing installation on the roof of LogHouse Production and the recent expansion, now has a total nominal capacity of 1,275 kWp.

Thanks to this expansion, the photovoltaic system covered 44% of the electricity demand and avoided the emission of 169.13 tonnes of CO₃eq into the atmosphere during the year.

Energy Efficiency

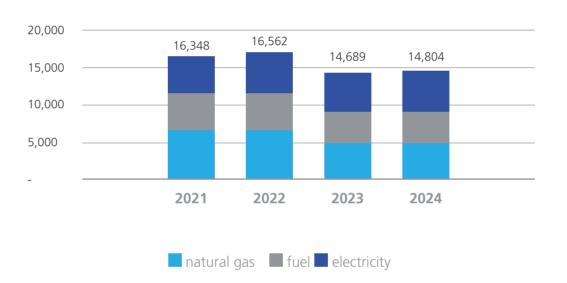
Since 2022, when System Logistics installed KontrolON, a system for analysing and monitoring the company's energy consumption at its headquarters, the company has continued to analyse the distribution of energy consumption across the company's various utilities and more easily identify opportunities to optimise consumption and avoid wasting energy. Overall, around 30 energy meters were installed in the field.

In 2025, System Logistics aims to install a heat pump that will heat offices and provide heating and cooling in production areas. This will eliminate the dependence on methane gas for heating, while the increase in electricity consumption will be partly covered by the photovoltaic system.



ENERGY CONSUMED IN THE ORGANISATION

2021–2024 (GJ) (System Logistics S.p.A.)



of electricity requirement covered by self-generated energy from photovoltaics

46% of self-generated photovoltaic energy consumed



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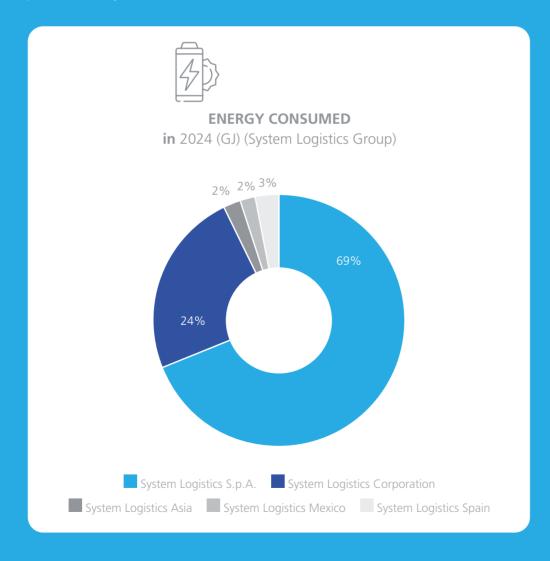
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For System Logistics Group's non-Italian branches, energy consumption stands at **21,474 GJ** and is composed of:

- electricity = 9093 GJ
- fuel = 5965 GJ
- natural gas = 6416 GJ.

In addition to its headquarters in Fiorano Modenese, System Logistics Corporation also produces and consumes renewable electricity from its photovoltaic system³.









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GRI 305-1 GRI 305-2 GRI 305-5

CO₂ EMISSIONS

To continuously improve its environmental impact, System Logistics has begun to use a dedicated platform to report to the parent company on its greenhouse gas emissions related to its business activities.

For the purposes of data comparison, **2021** was chosen as the **baseline for System Logistics**, **the** year in which it moved to LogHouse, the new company head-quarters.

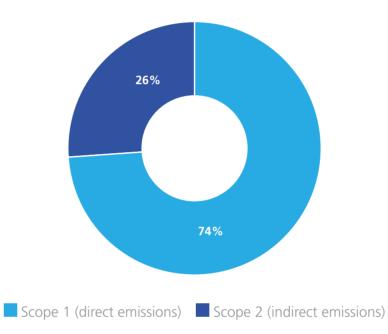
Overall, in 2024, Scope 1 and 2 emissions amounted to 846 tonnes of CO₂ equivalent, showing a decrease of approximately 5% compared to the previous year (890 tCO₂eq produced in 2023), 15% compared to 2022 and 16% compared to 2021.

System Logistics does not produce ozone-depleting substances on a regular or even occasional basis. The company offices have refrigeration units for air conditioning, which contain refrigerant gases in the following quantities:

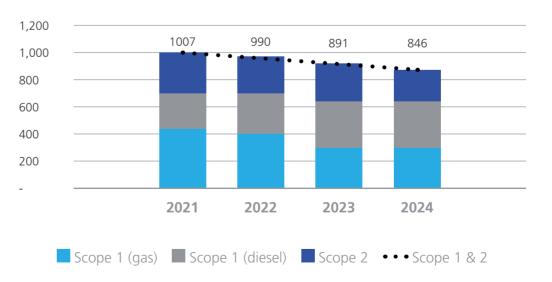
- 527.65 kg R410A (GWP* 2088)
- 5.66 kg R32 (GWP* 675)

DIRECT AND INDIRECT EMISSIONS

in 2024 (%) (System Logistics S.p.A.)



SCOPE 1 AND 2 **CO₂ EMISSIONS** 2021–2024 (tCO₂eq) (System Logistics S.p.A.)



^[1] Sources of emission factors considered for natural gas: 0.2005 kg CO2/kWh

^[2] Sources of emission factors considered for diesel fuel: 0.26665 kg CO₂/kWh

^[3] Sources of emission factors considered for imported electricity: 0.257 kg CO₂/kWh

^{*}Global Warming Potential (the global warming potential expresses the contribution to the greenhouse effect of a greenhouse gas relative to the effect of CO₂).



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GHG emissions table Scope 1 - Scope 2 - Scope 1&2

GHG emissions - Scope 1 tCO ₂ eq, (System Logistics S.p.A.)	2019*	2021	2022	2023	2024	Var. 24-21
Direct combustion emissions from fixed/stationary sources (related to natural gas consumption for heating and framework production)	205	449	423	317	325	-28%
Direct emissions due to combustion from mobile sources (diesel and petrol)		270	287	317	300	11%
Total Scope 1	535	719	711	634	625	-13%
Scope 2 - tonnes CO ₂ eq GHG emissions	2019	2021	2022	2023	2024	Var. 24-21
Scope 2 - tonnes CO ₂ eq GHG emissions Electricity purchased (location-based)	2019 174	2021 288	2022 280	2023 257	2024 221	Var. 24-21 -23%



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Sustainable Mobility

System Logistics adopts a **sustainable mobility** strategy aimed at reducing dependence on private vehicles, promoting shared and public transport, and the use of bicycles and walking. This generates both environmental and employee welfare benefits. Since 2021, a **Mobility Manager** has been in charge of updating the **Commuting Plan** (*PSCL*). The 2024 Plan has been submitted to the Municipal Authority of Fiorano Modenese. The Plan aims to develop collaborative solutions to improve corporate mobility.

In **2024**, more than **10%** of employees adopted modes such as **car-pooling or cycling** to travel to and from work, driving a migration towards more conscious mobility choices.

A survey conducted in July 2024, involving **50% of employees**, provided a clear overview of the travel habits and impact of remote working.

- **Distance and travel time**: **34%** of employees live within 10 km of the site, and a further **25%** between 11 and 20 km. Most **(63%)** take less than 30 minutes to get to work, with **25%** completing the journey in just 15 minutes. Only **6%** take longer than one hour.
- Mode of transport: although the car remains the most widely used means of transport (85%), carpooling has increased to 8% (up from 6% in 2023) and bicycle use to 3%. 94% use only one means of transport.
- Satisfaction: the average level of satisfaction with mode of travel used is **3.45/5**, with **21%** completely satisfied.

Remote working plays a crucial role in reducing travel time and costs. The survey revealed that **30%** of employees work remotely for around two days a week, and **14%** for three days. Overall satisfaction with remote working is high, with an average score of **4.19/5** and **58%** or respondents giving the highest score. This data shows that agile working not only improves employee quality of life, but also promotes a better work-life balance and, by reducing travel, helps to reduce traffic, fuel consumption and mobility-related emissions.

Jojob for Shared Mobility

Since 2021, System Logistics has been promoting the use of the **Jojob**app, an effective tool **to incentivise alternatives to the private car for travel to and from work**. Through this initiative, 151 employees participated in carpooling, cycling and walking, generating environmental and economic benefits.

The results achieved with Jojob highlight the effectiveness of the initiative

- Carpooling: 4,858 kg of CO₂ emissions avoided and 37,373 km of shared travel
- Cycling and walking: 1,075 kg of CO₂ emissions avoided and over 8,271 km of zero-impact travel.

Jojob further incentivises green mobility: users can collect **cashback credits** that can be converted into vouchers. For those who choose carpooling, **dedicated parking spaces** are available on the company site.

In 2024, System Logistics promoted use of the app through targeted initiatives during key events. On **Bike to Work Day** (17 and 20 May) and World Environment Day (5 June), employees were invited to certify their journeys via the JoJobRT app, benefiting from increased cashback for each trip logged and receiving special rewards for involving colleagues. During European Mobility Week (16-22 September), the joint effort resulted in the certification of 180 trips, saving almost 1,500 km of travel and avoiding 194.68 kg of CO₂ emissions, demonstrating the positive impact of the initiative. In December, the company participated in the JoJobRT Advent Calendar, offering weekly cashback prizes to new members and those who certified the most sustainable trips. Thanks to this ongoing commitment, both carpoolers and cyclists were able to collect credits that can be convertible into vouchers through the company's cashback system. These efforts were recognised when System Logistics came fifth in the national "Active Carpooling Users" ranking of the JoJob Awards 2024, an achievement that underlines the committed and consistent participation of employees and reflects a corporate culture geared towards shared and responsible mobility.

Electric transition

System Logistics has launched a significant **electric transition of its company car fleet**. In December 2023, about 18% of the total 112 cars were fully electric. This commitment continued in 2024, bringing the proportion of *fully electric* vehicles to around 37% of the total fleet of 125 cars.

The company car park is equipped with vehicle charging stations to support electric mobility. More specifically, charging infrastructure consists of:

- six 11 kW AC wallboxes
- one 22 kW DC column
- eight dual-charging columns delivering 50 kW DC and 22 kW AC



ACHIEVEMENTS IN 2024

- 6,645 carpooling, cycling and walking trips
- 5,933.66 kg CO₂ avoided by choosing shared mobility solutions
- 45,644 km saved by choosing sustainable home-work mobility

*Source: Jojob app



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GRI 303-1 GRI 303-3 GRI 303-5

Water resource management

Water Consumption and Discharge

System Logistics uses water resources for the following main purposes: civic uses, i.e. for use in toilets and tap water, vending machines, the canteen and fire-fighting, and for irrigation.

In 2024, 8,019 m³ of water were withdrawn for consumption, 44% of which was from wells, and the remaining 56% from the mains (third-party water resources). Compared to previous years, there was a significant reduction in the use of water. In particular, compared to 2021, water consumption decreased by 16%, which is largely in line with the Group's target of a 10% reduction by 2030.

Welcome kit and awareness-raising

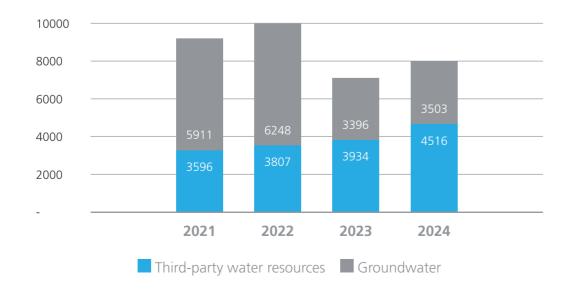
To encourage more resource-conscious behaviour and reduce the consumption of single-use plastics, System Logistics provides everyone in the company with a welcome kit consisting of a thermal water bottle and a reusable cup. This promotes the use of in-house water dispensers and less use of disposable cups.

A portion of the proceeds from the production of the water bottles is donated to water.org, a non-profit organisation whose goal is to bring clean, safe, accessible and affordable water to all people around the world, contributing to Goal 6 of the 2030 Agenda.



WATER CONSUMPTION

2021–2024 (m³) (System Logistics S.p.A.)





"The annual consumption of plastic cups, if stacked, would almost reach the height of Everest."

To combat this waste, System Logistics modified its coffee dispensers to make them compatible with the use of reusable cups and, to mark World Clean Up Day 2023, handed out branded cups to everyone in the company. This initiative complements the supply of stainless steel flasks, designed to promote the use of free drinking water dispensers on company premises.

With these actions, the company encourages small daily habits that, when added together, can contribute significantly to reducing waste and saving resources.



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GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5

Waste management

To promote responsible behaviour in relation to waste management, System Logistics organises regular information sessions for all personnel, including those joining the company for the first time. The aim is to share best practices in the workplace, fostering greater collective awareness.

Waste management is regulated by a specific company procedure based on the **principles of ISO 14001**certification, with the aim of constantly monitoring the destination of materials produced. Tracking relies predominately on the Ecolwaste management platform and the monthly monitoring of specific key performance indicators (KPIs).

In 2024, there was a **significant decrease in total waste generated** compared to the previous year, totalling approximately -42%. Breaking this down, approximately **153 tonnes of waste was generated, consisting of 148 tonnes of non-hazardous waste** and **5 tonnes of hazardous waste**.



WASTE PRODUCED BY TYPE

2021–2024 (t) (System Logistics S.p.A.)



The large decrease compared to previous year is attributable to the one-off disposal in 2023 of unused lead-acid batteries that had been stored for years.

With regard to non-hazardous waste and paper and cardboard, plastic and mixed-material packaging in particular, there was an overall reduction of 24% compared to 2023, resulting from less consumption of plastic, wood, and mixed-material packaging.

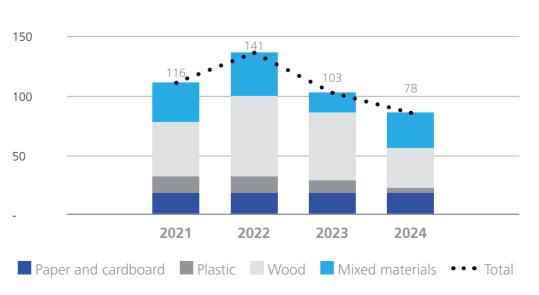
This figure reflects both a decrease in the use of certain types of packaging, and a focus on selecting the most suitable solutions for efficient end management, supported by activities to raise awareness within the company during the year.

In 2024, the **UniCircular Safety** project started, with the aim of collecting and recovering end-of-life safety shoes.

The equipment is placed in special containers in the production departments and offices and then sent to specialised plants for recycling. New products are obtained from the recovered materials, including:

- sound-absorbing panels
- rubber for flooring in gyms and playgrounds
- desk tops.

PACKAGING USED 2021–2024 (t) (System Logistics S.p.A.)





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GRI 304-1 GRI 304-2

Safeguarding the territory

The System Logistics Forest

Since 2023, System Logistics has partnered with Treedom to help protect the environment and support rural communities in several countries in the Global South by creating its own company forest, the **System Logistics forest**.

The company has decided to enrich the forest over time by planting trees to mark two important recurring events in company life:

- arrival of a new member of the workforce
- the birth of employees' children.

To date, the System Logistics forest has **650 trees**, which according to Treedom's estimates **will absorb 180.3 tonnes of CO**, in the first ten years of growth.

The QR code on the right provides access to our dedicated page on the Treedom website, which tracks development of the forest over time.





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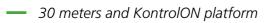
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Objectives

PILLAR	COMMITTMENT	OBJECTIVES	Baseline year	2022	2023	2024	STATE OF PROGRESS	TARGET YEAR
	Reducing CO ₂ emissions	Contribution to 80% reduction in Group Scope 1 emissions	2021	- 1.1%	- 12%	-13%		2030
		Contribution to 80% reduction in Group Scope 2 emissions	2021	-2.8%	-11%	-23%	•	2030
JRE		Contribution to a 25% reduction in Group Scope 3 emissions	2021	-	-	Ongoing	•	2030
FUTUR		Doubling the power of the photovoltaic system	2022	475 kWp	475 kWp	1,275 kWp	•	2024
		Energy monitoring by installing 30 energy meters on various machines and utilities	-	_	_	_		2025
		Adoption of the best technological solutions to reduce the energy consumption of products and systems (AGV and LogiMate)	-	Ongoing	Ongoing	Ongoing	•	2028
ABOUT		10% reduction in generation of hazardous waste	2021	+110%	+4700%	+450%		2030
		30% reduction in packaging used	2021	+21%	-11%	-32%	•	2025
CARING	Water management	10% reduction in water consumption	2021	-5.8%	-23%	-16%		2030
S	Encourage shared mobility solutions	Increase company's electric fleet to 30%	2021	18%	25%	37%		2025
		Installation of at least 15 charging points for electric cars	-	17	17	17	•	2024
		Maintain the percentage of employees who do not use a private car to travel to work at least 10%.	-	9%	12%	10%	•	2025



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CARING ABOUT PEOPLE



SYSTEM LOGISTICS PEOPLE

810 people (+5% compared to 2023)



FEMALE EMPLOYMENT

+4% compared to 2023



SYSTEM LOGISTICS S.p.A. PERSONNEL

423 people

100% employed under National Collective Labour Agreement

100% employees on a permanent contract



HOURS OF TRAINING PROVIDED

14,007 total hours

33 hours on average per person



PERSONNEL UNDER 30

41% of new hires are under 30



OCCUPATIONAL HEALTH AND SAFETY

0 accidents at work

'Open Eyes' awareness and training campaign

Company Safety Day

"Safety Induction on Construction Sites" video

Almost 2,500 hours of occupational health and safety training managed both by external training providers and internally by the HSE body



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GRI 2-7 GRI 2-8

GRI 401-1

GRI 401-3

GRI 404-1

GRI 404-2 GRI 405-1

GRI 405-2

GRI 406-1

ESRS S1-1

ESRS S1-6 ESRS S1-7

ESRS S1-13

ESRS S1-15

ESRS S1-16

ESRS S1-17

Personnel and management policies

Human resources are essential to System Logistics' development. The company fosters a working climate of dialogue and cooperation, supported by projects and initiatives geared towards training and professional development, with a particular focus on occupational health and safety.

As at 31/12/2024, System Logistics' workforce consisted of 423 employees (348 men and 75 women), representing an increase of two (+0.5%) compared to the previous year, and with 64 employees on temporary contracts.



The **System Logistics Group** had a workforce of 810 employees (139 women and 671 men) and 80 non-employees as at 31 December 2024.

In addition, the Group's workforce includes seven individuals belonging to protected categories, all of whom are male⁵.

The **female component**, predominantly employed in managerial or office roles, also grew in 2024, with a **4.2%** increase on the previous year. This trend reflects the company's commitment to promoting female employment and supported achievement of Gender Equality Certification during the year. In order to retain its human resources and guarantee stability and continuity in professional-development paths, System Logistics continues to favour permanent contracts and full-time employment. Three part-time contracts were also activated in 2024, in the context of a clear predominance of full-time employment relationships. Youth employment plays a significant role: in **2024**, **employees under 30** represented **22%** of the overall **workforce** and **41%** of **new hires**.

System Logistics complies with the obligations under Italian Law 68/1999. In 2024, the workforce included seven individuals belonging to protected categories, all of whom were male, four in office roles and three in blue-collar roles.

Since 2018 the company has been collaborating with Alecrim, a social cooperative that provides personnel to keep the offices tidy and manage a variety of activities.







⁵ The scope of the data considered includes the companies: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia.

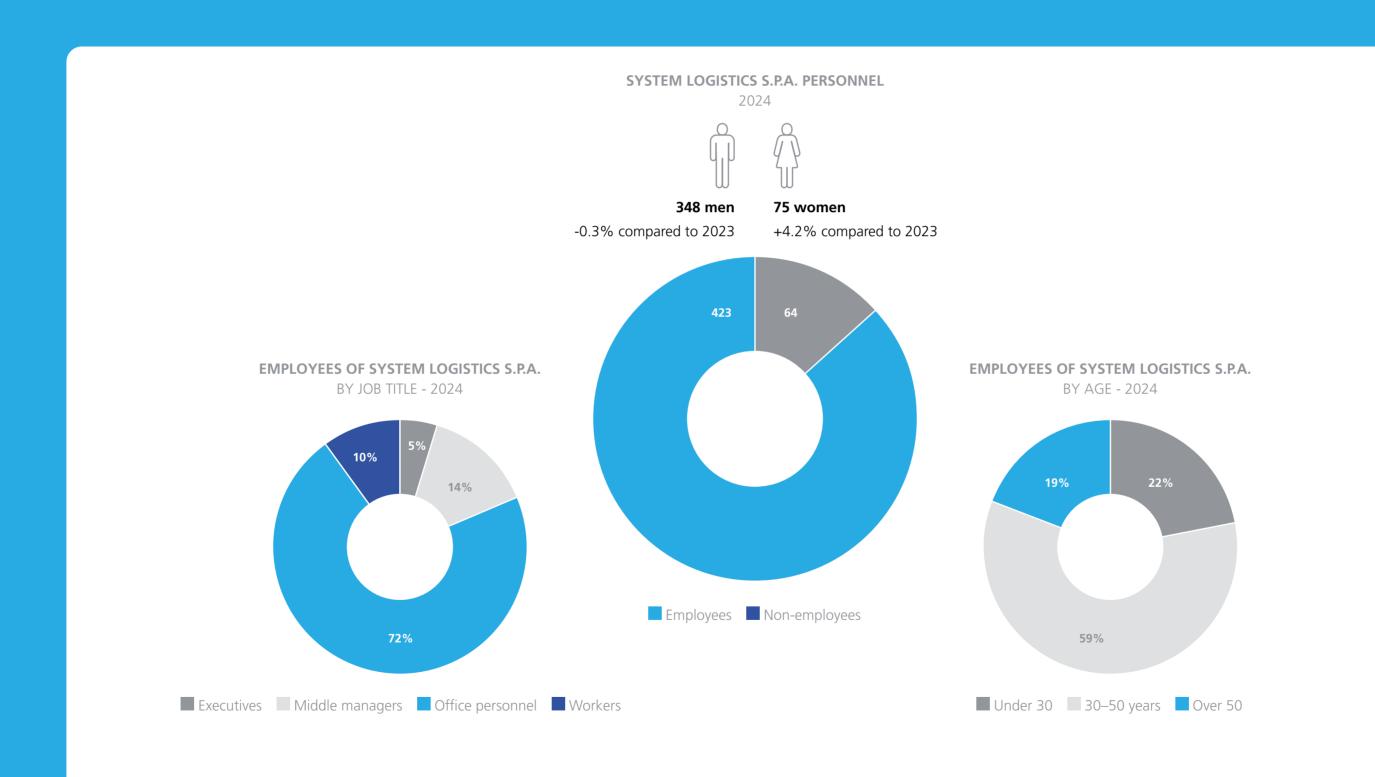


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New employee hires and employee turnover

There were 46 new hires in 2024 (13 women and 33 men), while 38 individuals left the company, primarily due to voluntary resignation and retirement.

New hires mainly regarded young people: **41% were under 30 years old** (compared to 48% in 2023), **while 50% were in the 30–50 age bracket** (48% in 2023). System Logistics' overall staff turnover rate in 2024 was 0.5%, further improving from 6% in 2023. This figure confirms sound personnel management policies and the effectiveness of actions taken to attract, enhance and retain people over time.



In 2024, the **System Logistics Group** recorded 166 new hires, 22% of which were female staff⁶.

Parental leave

In 2024, 20 people entitled took parental leave (13 women and 7 men). The return-to-work rate was 100%, with all those taking leave returning at the end of the period. 12 months after their return, all individuals are still employed.

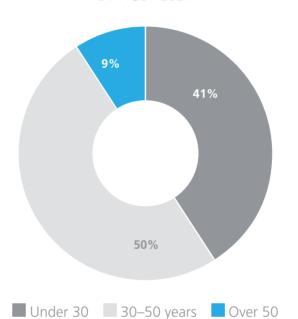
The rate of pay is 100% for mandatory maternity and paternity leave. For optional parental leave up to the first year of the child's life, it is 50% (as per in the supplementary contract, which improves on current legislation). This drops to 30% after the child's first birthday.



In 2024, 22% of **System Logistics Group** staff took parental leave, 54% of which was **men**.

NEW HIRES AT SYSTEM LOGISTICS S.P.A.

BY AGE - 2024





⁶ The scope of the data considered includes the companies: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia.



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People development and people sustainability

Equity, commitment and valuing of human resources

System Logistics recognises the value of people as central to business success. The organisation is committed to fair and responsible treatment that recognises individuals. These principles underpin its People Development strategy. **Performance appraisals** are central to development processes. This tool analyses performance and contribution to the growth of the company, taking into account results and behaviour in relation to the expected technical and soft skills. This process, which draws on both qualitative and quantitative criteria, sits at the heart of development processes, with the aim of:

- Improving individual performance
- aligning individual and team goals with organisational goals
- identifying strengths and areas for improvement
- increasing motivation and satisfaction in the workplace
- fostering effective communication between managers and employees.

The evaluation of individual performance is based on three main areas:

- **results**, in relation to the agreed annual targets
- behaviour, observable in the performance of everyday activities
- technical knowledge, which supports performance and promotes objectivity through predefined and shared levels.

In 2024, evaluation sessions included **top-down**, **bottom-up and peer-to-peer** approaches, with significant extension of the bottom-up process.

- **Top-down:** supervisors evaluate colleagues that report to them, provided they have been working continuously for the last six months.
- **Bottom-up:** introduced as a cultural innovation, this was extended to the entire organisation due to the positive results seen in frontline management.
- Peer-to-peer: currently applied to heads of department/area.

Two new figures were introduced in the context of *top-down*evaluation: an "**Evaluator 2**" and an "**Observer**", in response to recent organisational changes and new hires at the company.

- "Evaluator 2" assists "Evaluator 1" and supports People Managers during their first experience or with limited knowledge (less than 6 months) of the person under appraisal. This is usually the former direct supervisor.
- The "**Observer**" (first line manager and head of department/area) can also view the profiles for levels below them, but cannot edit them.

In the Performance Appraisal process, **soft skills**, **hard skills and language skills** (the latter made distinct from hard skills since 2024) are assessed. Supporting this approach, System Logistics offers a series of **training courses and plans** (soft and hard skills), delivered via the **LinkedIn Learning** platform. Some of the hard-skills courses cover topics related to sustainability and sustainable supply chains.

In order to effectively manage development processes, in 2024 System Logistics continued use of **HR tools**, now integrated into the new *employee experience*-platform, My Board, which also enables appraisal of soft skills. In January 2024, **HR Business Partner** figures were introduced. These figures work in the Human Resources area and support People Managers in processes related to individual wellbeing and professional development of personnel. Activities are carried out at the Fiorano Modenese headquarters and the US office, integrating day-to-day activities with direct and ongoing support for people management.



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System Logistics: active listening drives our future

In July 2024, System Logistics' Human Resources area conducted its usual annual **People Survey**, a strategic tool aimed at anonymously gathering the opinions of those working at the company on a daily basis.

The questionnaire, composed of existing and newly introduced questions, helps to identify strengths and areas where future efforts can be focused.

The HR team's analysis of the results defined the main areas of action for future company strategies. Some of the findings:

- 73% of respondents would recommend System Logistics as a working environment to friends and family
- 64% stated that they have a clear vision of the objectives related to their role
- 71% said that they have an adequate level of decision-making independence, which is considered satisfactory.





TALENT PROGRAMMES

System Logistics invests in the identification and development of new talent through apprenticeship programmes and a Talent Programme aimed at recent graduates in technical fields. The programme involves a training course aimed at facilitating the hiring of technical and operational figures. It aims to offer concrete opportunities for growth and to recognise and enhance skills right from individuals' initial experiences in the world of work.



JOB POSTING

To enhance expertise and the network of relationships between its people, System Logistics has introduced an internal programme allowing personnel to apply for open positions within the company.



REFERRAL PROGRAMME

This rewards employees who successfully refer an external candidate for an open job position. Should the referral lead to employment of the candidate, the employee who made the referral will receive a bonus in the form of a credit that can be spent on the corporate welfare platform.



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Corporate welfare and wellbeing

Again in 2024, System Logistics' personnel continued to benefit from the **corporate welfare plan**, managed through the Edenred platform, in addition to **supplementary healthcare**. To promote work-life balance, the option of **remote working** was also confirmed, with up to 100% flexibility in the case of documented health, personal or family requirements. 89% of the workforce worked remotely at some point in 2024, an increase over 2023.

Initiatives in 2024 confirm System Logistics' focus on generating a stimulating working environment that is attentive to the needs of its people.

The Fiorano Modenese site offers a company canteen open to employees and guests, run by CIRFood.

This service is founded on two main principles:

- **local sourcing,** favouring the use of local products certified PDO, PGI, PAT or 0 km
- **biodiversity**, guaranteed by the use of primarily seasonal and local ingredients.





TAKEAWAY: TAKEAWAY: COMBATTING FOOD WASTE

This project allows people to take home food leftover from lunchtime, paying only a nominal amount. The initiative aims to combat food waste while supporting a better work-life balance. The project also contributes to achieving Goal 12 of the UN 2030 Agenda: Ensure sustainable consumption and production patterns.

In 2024, the **SU-EATABLE LIFE** project was launched in cooperation with CIRFood to raise awareness on the carbon footprint of food and promote more conscious food choices.

Initiatives to reduce plastic consumption continued beyond the canteen area, encompassing the entire premises. In 2024, there was a 24% reduction in the use of plastic coffee cups compared to the previous year, switching to reusable containers such as ceramic cups. For 2025, System Logistics plans to renew the company's supplementary contract, introducing innovative elements that support organisational wellbeing, including reduced working hours for equal pay.

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TEAMBUILDING: WINTER ESCAPE

As in 2023, in 2024 the entire company population was invited to participate in our team-building event in the snow organised in the Alpe di Pampeago area (Trento) in February. The event saw its highest number of participants in recent years (over 170 people). The programme included outdoor sports and team-building activities aimed at encouraging the participation of all those involved. The two days provided an opportunity to promote integration, strengthen team cohesion and reinforce a sense of belonging, in an informal setting and in contact with nature.







CINEMA UNDER THE STARS

A series of free film evenings was organised in 2024, with the possibility of extending the invitation to a guest. This project was conceived to provide an opportunity for recreation and promote access to culture, creating moments of sharing outside the professional sphere. The selected films addressed issues of social and cultural relevance, including immigration and integration, personal and professional challenges, family dynamics and the role of women in contemporary society.

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APERIZEN

In the month dedicated to mental health, System Logistics organised a special initiative to promote the mental and physical wellbeing of its people. On 1 October, a Hatha Yoga class was held at LogHouse, led by a certified instructor, followed by time spent together enjoying a buffet with some balanced food options. The event was attended by around 70 people and received a very positive response. It demonstrates the company's focus on promoting a work environment attentive to the balance between the personal and professional spheres, as well as to mental and physical health.



SEASON'S GREETINGS PARTY

The end-of-year event, hosted at the Fiorano Modenese headquarters, was an opportunity to celebrate achievements and reinforce a sense of community among all those who works with the company. In his speech, the CEO recalled the values guiding the company, including resilience, equal opportunities and the promotion of female leadership. Significant moments included presentation of plaques to colleagues entering retirement in 2024, a symbolic gesture of recognition for their important contribution over the years.





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Diversity, inclusion and equal opportunities

In 2024, System Logistics renewed its equity commitment by gaining <u>UNI/PdR</u> <u>125:2022 Gender-Equality Certification</u>.

This certifies the company's adoption of a structured management system aimed at promoting gender equity, preventing all forms of discrimination and supporting empowerment pathways. The commitment involved adoption of a **company policy** and a **three-year strategic plan** with measurable targets divided into six key areas:

- Culture and strategy
- Governance
- HR processes
- Opportunities for growth and inclusion
- Remunerative equity
- Parental protection and work-life balance

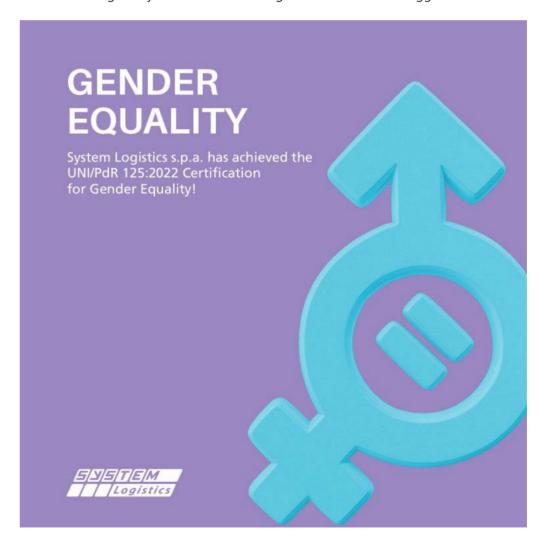
Targets for the near future include:

- extension of parenting support also for same-sex couples
- strengthening of work-life balance policies
- increased number of women in leadership and operational roles
- sharing information on *total-reward* policies
- greater awareness regarding issues of diversity, inclusion and physical and psychological wellbeing.

An **internal Guidance Committee** was set up to oversee the process, with the task of promoting and protecting equal opportunities, monitoring progress through specific KPIs and handling any reports of inequality or harassment. A first round of **training on cognitive bias and stereotypes** was launched in 2024, aimed at the entire corporate population, followed by the **first anonymous DEI** (*Diversity, Equity & Inclusion*) questionnaire in October 2024. The questionnaire gathered feedback from 30% of personnel and produced interesting findings:

• **positive overall judgement** - gender equality received an average score of 4.07/5, inclusiveness 3.98/5 and use of inclusive language 3.86/5

- **experiences and perceptions** 75% of participants did not perceive different treatment according to gender, and 74% felt that gender did not affect benefits or career advancement
- **areas for improvement** needs emerged regarding support on return from maternity leave, attention to working fathers, strengthening of women's representation and the introduction of contact persons in individual departments. Greater regularity in awareness-raising activities was also suggested.







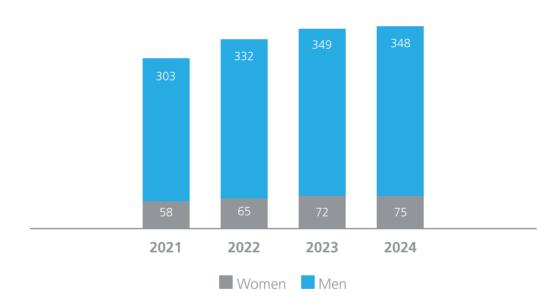
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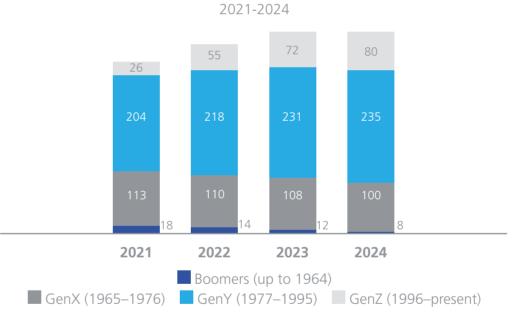
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GENDER DIVERSITY AT SYSTEM LOGISTICS S.P.A. 2021–2024



The graph shows a **positive trend on gender diversity**: the **female workforce has grown steadily** from 2021 to 2024. This trend demonstrates System Logistics' commitment to promoting **gender inclusion** and creating a **more balanced working environment**, even in a traditionally male-dominated industry.

GENERATIONAL TURNOVER AT SYSTEM LOGISTICS S.P.A.



The graph shows gradual growth in the presence of **new generations (Gen Y and Gen Z)** in the company between 2021 and 2024, with a fundamentally stable presence of **Generation X**. This dynamic reflects **an effective generational turnover**, accompanied by **positive coexistence of different age groups**. The integration of established experience and new perspectives contributes to the cultural richness of the organisation and stimulates innovation.

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INITIATIVES TO SUPPORT AND SAFEGUARD INCLUSION

Regional campaign "If he says it, it's VIOLENCE": As part of the Emilia-Romagna Region's communication campaign, red posters with phrases such as "If you leave me, I'll ruin you" have been put up in various areas of the Loghouse site, designed to denounce dynamics of psychological violence against women. The slogan "If he says it, it's VIOLENCE" and the invitation to contact Anti-Violence Centres, convey a clear message: all forms of violence must be acknowledged and opposed.

The second edition of the **personal self-defence course for female workers** was run in 2024. This training is part of a broader initiative that started last year, which has already seen the completion of three editions. Each edition, consisting of ten meetings, involved a total of 50 women from the System Logistics team. During these sessions, participants learned basic self-defence techniques, significantly improving their confidence and awareness.

System Logistics supported the <u>Pat Carra exhibition</u>, hosted at the <u>Casa delle</u> Donne in Modena from 8 November to 8 December 2024. The artist's works use humour and irony to address complex issues such as violence against women, male chauvinism and gender stereotypes. It was an opportunity for reflection and action, with women at the centre as conscious protagonists of personal and collective change.

System Logistics directly involved its personnel in the creation of a <u>video against</u> <u>gender-based violence</u>, which was subsequently shared on the company's social-network profiles. This project reinforced the message of the day and engaged employees in a collective message of solidarity and commitment.

Pink parking reserved for pregnant colleagues.

50% supplementation of the amount paid by INPS provided by the System Logistics' Corporate Supplementary Agreement during the period of parental leave, also known as optional maternity leave. This supplement is only granted if the leave is taken before the child's first birthday, or within one year of their having joined the family in the case of adoption or fostering.

System Logistics' Supplementary Corporate Contract provides for the possibility, following the right to guaranteed breastfeeding breaks until the child is one year old, to request **a part-time contract** of 6 hours per day, which can also be used also on a continuous basis, for a maximum period of 6 months.



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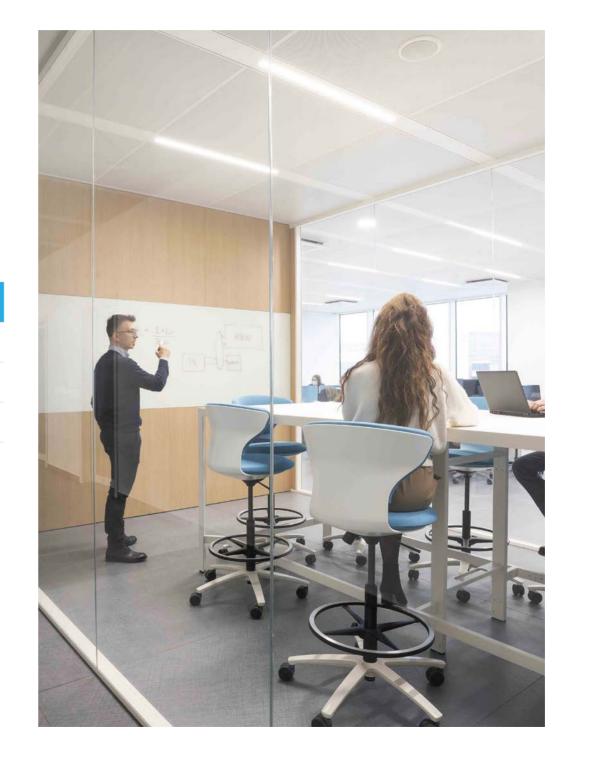
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In line with the Gender-Equality Management System, System Logistics confirms its commitment to promoting equal pay for women and men, recognising the urgency of reducing the gender pay gap, which persists nationally. The data below concern the ratio of women to men for basic salary and total remuneration. In particular, its highlights the achievement of equal pay for middle managers and significant improvements for executive and office figures.

Basic salary (%) ⁷	2021	2022	2023	2024
Senior managers	73%	80%	84%	90%
Middle managers	91%	100%	100%	93%
Office workers	85%	87%	90%	90%



This year, the pay gap was analysed for the various professional categories throughout the System Logistics Group. The results will be reported in future reports.



⁷ Data on the ratio of women's basic salary to men's basic salary for blue-collar employees is not provided as all workers in this category are men.



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Training and skills development

As defined in its **Training Policy**, System Logistics promotes training courses aimed at furthering, broadening and enhancing expertise within the company. The policy applies to the entire company population, including trainees, regardless of contract type.

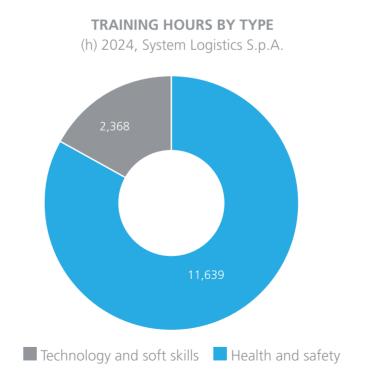
Supporting this commitment, the company provides an in-house **Academy** — a digital platform dedicated to professional training — supported by the use of **LinkedIn Learning**, which enables personalised, stimulating pathways for development.

In 2024, a total of **14,013.25 training hours** were provided, calibrated based on role and responsibility, for an **average of 33 hours per person**.



In 2024, the System Logistics Group provided a total of 14,291.258 hours of training. On average, women received 15.12 hours of training each, while the average was 14.63 hours for men.





⁸ The scope of the data considered includes the companies: System Logistics Corporation, System Logistics SpA and System Logistics Asia.

^{*} The breakdown of training hours by employee category does not include hours spent on occupational health and safety training.



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System Logistics initiatives

My Coach Project

My Coach is an individual coaching and professional support desk designed for the wellbeing of System Logistics people.

In 2024, the tool was consolidated after the trial started in 2023, which saw positive feedback. It is an on-demand coaching service, which can be booked freely within the coach's schedule for individual sessions lasting between 30 and 60 minutes, with no particular annual usage limits.

In 2024, **260 hours were provided for 53 individuals**, a significant figure against a workforce of approximately **430 individuals**.



Across Border

Across Border is an international, six-month intercultural exchange programme that offers employees the opportunity to gain experience at Krones sites or System Logistics branches. The aim is to strengthen professional skills in a global context, fostering encounters with different cultures and the acquisition of new insights and perspectives.



Career Framework Shape Your Future.

Career Framework Shape Your Future is a programme that provides **skills mapping and customised development plans** to acquire, reinforce and update skills, as well as the possibility of setting professional goals for horizontal and vertical progression within the organisation.

Full implementation at organisational level is planned for 2025 and 2026.





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GRI 403-1 GRI 403-2

GRI 403-3 GRI 403-4

GRI 403-5

GRI 403-6 GRI 403-8

GRI 403-9

GRI 403-10

ESRS S1-1

ESRS S1-3 ESRS S1-4

ESRS S1-14

Occupational health and safety

Health and safety protection is a fundamental pillar of System Logistics' corporate culture. In 2024, for the second year in a row, the ambitious zero-accident target was achieved, confirming the effectiveness of a structured, participative system aligned with requirements of the ISO 45001:2018 standard.

During the year, this commitment took the form of 45 meetings with the various departments to reinforce a comprehensive, universal safety culture, along with 55 inspections to monitor installation, support and production activities.

The **Prevention and Protection Service (PPS)** is responsible for risk assessment for everybody working in the company, including employees and contractors, as well as for the management of health and safety training, health surveillance and the documentary qualification of contractors and subcontractors working on construction sites, in Italy and abroad. These activities also include periodic inspections at the company's headquarters, installation sites and customer plants to ensure compliance with safety standards in all operational phases.

There are three active Workers' Safety Representatives (*RLS*), confirming the company's participatory approach.

Health surveillance is organised and tracked using dedicated software, which allows prompt monitoring of medical examinations, tests and related deadlines. In 2024, the PPS managed a total of 240 medical examinations: 67 preventive, 162 periodic, four at the worker's request, nine for a change of role, and two for return from illness exceeding 60 days.



In 2024, 100% System Logistics Group employees were covered by an occupational health and safety management system. Despite this coverage, four accidents were recorded during the year: three at System Logistics Corporation and one at System Logistics Mexico. However, there were no accidents at System Logistics S.p.A.

These figures confirm the Group's constant commitment to occupational health and safety, while highlighting the need to further reinforce prevention and continuous-improvement measures, particularly in international and operational contexts characterised by higher levels of risk⁹.



⁹ The scope of the data considered includes the companies: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia



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In 2023, **training** continued to be a central tool for strengthening a culture of prevention within companies. **Approximately 2,400 hours of training was provided** on specific topics, including category 3 PPE (fall-protection systems), first aid, electrical risk and fire prevention.

Major initiatives include the "Open Eyes" campaign, launched at the end of 2023 and running for six months. This campaign included information sharing, visual materials distributed in departments and an internal "Risk Hunt" competition designed to foster daily awareness of potential dangers. The campaign concluded with the first company Safety Day, organised on 28 April 2024 to coincide with World Day for Safety and Health at Work. The event included testimonials introduced by ANMIL (Italian National Association of Workers Injured or Disabled at Work), with stories of strong emotional impact and educational value, and closed with prizes awarded to those who distinguished themselves for their commitment to the campaign.

In order to support on-site activities, the video "Safety Induction on Construction Sites" video was also produced, providing clear and immediate guidance on the safety rules to be followed during operational work trips.

These actions confirm System Logistics' commitment to building **a shared safety culture** founded on active participation and collective responsibility.







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Safety training: gamification to foster engagement

Gamification is revolutionising **occupational safety** training, making learning more engaging and effective through the use of typical game features such as objectives, challenges, immediate feedback and rewards. This methodology transforms activities traditionally perceived as uninspiring into active and participatory experiences. The aim is to overcome drawbacks typically associated with more traditional courses, such as low participation levels and limited attention of workers.

System Logistics' experience at LogHouse

For the past two years, System Logistics has successfully applied gamification within mandatory refresher courses for personnel at the LogHouse site. The company is supported by a specialised partner and uses **quiz systems**, such as **Kahoot!**, to make training sessions more interactive and engaging.

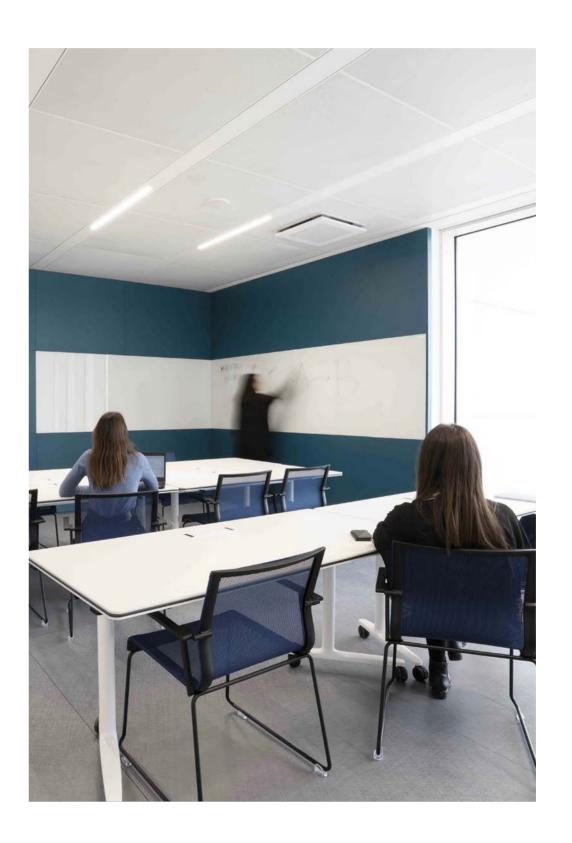
Feedback gathered from participants has been extremely positive, underlining how the gamified approach:

- increases **motivation** and interest
- makes theoretical concepts easier to digest and apply
- maintains high levels of **attention** throughout the course.

Measurable impact and long-term benefits

Numerous studies confirm that gamification improves retention of safety-related concepts compared to traditional methods. This occurs because gamified experiences stimulate different areas of the brain, facilitating the association between theoretical notions and real operational contexts.

With this initiative, System Logistics continues to promote a training model increasingly focused on effectiveness and involvement, contributing to the consolidation of a safety culture experienced as a shared value and collective responsibility.





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GRI 413-1

Local area and community: concrete support, within the company and beyond

System Logistics' approach is also rooted in care for the community and social fabric, providing ongoing support to charity projects and valuable initiatives. In order to ensure consistency and transparency in its support for local associations and organisations, the company applies the Krones Group's "Donations and Sponsorship" policy.

Over the two years 2023–2024, some € 90,000 has been allocated to support local events and projects, a clear sign of System Logistics' sense of social responsibility. In 2023, the allocated amount went to a variety of organisations, with a significant focus on supporting flood victims and sports initiatives. In 2024, whilst continuing some projects, there was a slight redefinition of priorities, with new commitments in cultural and social spheres.

Key examples include:

- **NonDaSola 8 March** the amount was doubled in 2024 (€ 1,000 vs. € 500 in 2023), confirming the central importance of gender-equality issues
- Pentathlon Modena- sponsorship maintained in 2024 for € 3,000, as a sign of ongoing support for grassroots sport
- ANMIL (Italian National Association of Workers Injured or Disabled at Work) new donation of € 1,500 to support this organisation committed to protecting those who have suffered accidents at work
- Photographic exhibition at Casa delle Donne in Modena supported by a donation of € 500, this exhibition provided an important cultural opportunity to reflect on gender stereotypes and violence through the works of Pat Carra.

Since 2022, to mark International Women's Day, the company has also chosen to replace the mimosa traditionally given as a gift in Italy with a symbolic gesture of solidarity: a red bracelet, donated to all female colleagues, created by the association 365GiorniNo in collaboration with the municipality of Sant'llario d'Enza, Unione Val d'Enza and NonDaSola.

Proceeds went to the Anti-Violence Centre of Reggio Emilia, reinforcing the company's tangible commitment to fight all forms of violence.

2024	
NonDaSola 8 March	€ 1000.00
PENTATHLON MODENA	€ 3,000.00
Frige' Flavio - payment of expenses for event at System Logistics	€ 400.00
ANMIL – ITALIAN NATIONAL ASSOCIATION OF WORKERS INJURED OR DISABLED AT WORK APSD ETS	€ 1,500.00
Women's House of Modena	€ 500.00



Support for sport and people

In 2024, in line with its policy of focusing on people (#caringaboutpeople), System Logistics renewed its commitment to promoting sport as a driver of inclusion and wellbeing, becoming Title Sponsor of amateur sports club Pentathlon Modena. This sponsorship takes on even greater significance considering the active participation of a company employee, a Paralympic fencing athlete, testifying to the strong connection between business, community and sport.

2024 seasonal gift: partnership with Altromercato

Over the festive season, System Logistics chose to collaborate with Altromercato, supporting four projects dedicated to the promotion and protection of women, united under the title "Freedom is Female". Initiatives are located in Italy, Kenya and Palestine, involving organisations such as the Bethlehem Children's Hospital, the Rimini Anti-Violence Centre "Rompi il Silenzio" (break the silence), the Association for the Integration of Women and Meru Herbs. This symbolic gesture, together with the seasonal gift, reflects the company's commitment to promoting fair, inclusive and solidarity-oriented development models.



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Objectives

PILLAR	COMMITTMENT	OBJECTIVES	2023	2024	STATE OF PROGRESS	TARGET YEAR
>	Promote diversity, equity and	UNI/PdR 125:2022 Gender-Equality certification	-	Certification gained		2025
MPAN		-	Ongoing		2027	
ABOUT THE COMPAN	Valuing people: wellbeing, growth and culture	100% of employees trained on the general sustainability training module	Ongoing	Ongoing	•	2026
BOUT	Towards zero injuries	Annually maintain 0 injuries at work	0 injuries	0 injuries	•	2025
CARING	Relationship with the area and the local community	Maintain an annual budget to be allocated to local initiatives	Approx. 30,000	Арргох. 60,000	•	2026
A	Build trust through product safety and quality	15 Green Belt-certified employees	-	6		2026



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GRI 2-1

GRI 2-2

GRI 2-3 GRI 2-4

GRI 2-5

ESRS 1 ESRS 2

Methodological note

This **Consolidated Sustainability Report** represents a key step for **System Logistics S.p.A**. (hereinafter also referred to as "System Logistics" or the "Company") and **System Logistics Group**, distinguished by two main aspects.

Firstly, in all of its sustainability reporting since 2021, System Logistics has never before published a **Consolidated Sustainability Report**. Specifically, the consolidation refers to the **quantitative data** of the **System Logistics Group** which includes, in addition to System Logistics S.p.A., **the subsidiaries System Northern Europe, System Logistics Corporation, System Logistics Asia, System-log de Mexico, System Logistics Spain and System Ltd.** With respect to the financial consolidation, it was decided not to include Systorelog Israel, as the company had no employees as at 31/12/2024. It should be noted that System Logistics India is directly controlled by System Logistics Asia and is not included within the scope of consolidation. Any further limitations are indicated in the document on a case-by-case basis. Regarding **qualitative information**, on the other hand, the focus is on the performance of System Logistics S.p.A., and particularly the Fiorano Modenese site ("LogHouse").

Secondly, an "interoperable" approach has been adopted, which bridges reporting based on the **GRI Standards** (such as the 2023 Sustainability Report) and reporting fully aligned with the **European Sustainability Reporting Standards** (**ESRS**), the aim for the 2025 Sustainability Report. This hybrid approach allows System Logistics to maintain consistency with the reporting frameworks, ensuring a smooth transition to full ESRS compliance.

Specifically, for consolidated data, reference was made to ESRS E1 and S1, while, as per previous reporting, data for System Logistics S.p.A. reported according to GRI standards was updated. Reporting refers to calendar year **2024**. Although System Logistics S.p.A. is exempt from the obligation of individual reporting according to the European 2022/2464 Corporate Sustainability Reporting Directive (CSRD) — as part of the Krones Group, which is already subject to this obligation — the Company has nevertheless chosen, on a voluntary basis, to publish this Report.

This was done in order to maintain a high level of **transparency** and consistency with the sustainability standards adopted by the Group. With a view to gradually moving towards a Sustainability Report fully compliant with CSRD requirements, this year a **double materiality analysis** was carried out and the findings published. This is a fundamental tool to identify impacts, risks and opportunities (IROs) of relevance for the System Logistics Group. The definition and assessment of IROs considered the Group's operations, its value chain (both upstream and downstream) and its business relationships. Details on the double materiality analysis, carried out according to the top-down approach, can be found in the section "Double Materiality Analysis" in the chapter "System Logistics and sustainability". The GRI-ESRS interoperable content index of this document (p. 93) clearly reflects this interoperability between standards. It shows the alignment between GRI Standards and ESRS with respect to the issues reported, highlighting the path

The figures were accurately calculated on the basis of the general accounts and other information systems; where estimates are used, the method used to quantify the indicators is reported. The Sustainability Report is published on the company's institutional website www.systemlogistics.com

taken by System Logistics towards increasingly comprehensive and harmonised

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This Sustainability Report was prepared with the methodological support of:



sustainability reporting.



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Reporting package

The following tables show the Group's data according to ESRS indicators E1 and S1. The company scope of reference, based on the data collected, is specified in the caption.

TAB.1 Energy consumption and energy mix

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

Energy consumption (GJ)	System Logistics S.p.A.	System Logistics Corporation	System Logistics Asia	System Logistics Mexico	System Logistics Spain	Total
ELECTRICITY	5574.18	3191.12	163.57	101.37	63.39	9093.62
FUEL	4,003.21	835.09	123.94	375.08	627.72	5,965.04
NATURAL GAS	5226.68	1189.11	0.00	0.00	0.00	6415.79
Total energy consumed (GJ)	14804.07	5215.32	287.50	476.45	691.11	21474.46

TAB.2 S1-6 Paragraph 50a - Total number of employees by gender and age (S1-9 66b)

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

Total number of employees 2024

		2024
	No. of employees	%
<30 years	36	4%
30-50	85	10%
> 50 years	18	2%
	139	
<30 years	170	21%
30-50	365	45%
> 50 years	136	17%
	671	
	810	
	30-50 > 50 years <30 years 30-50	<30 years



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TAB.3 S1-7 Paragraph 55a-b - Non-employees

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

Type of contracts
External staff

Self-employed workers

Temporary personnel

Interns/trainees

Other

Total

Total

Total

80

TAB.4 S1-8 Paragraph 60a - Percentage of total employees covered by collective bargaining agreements

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

Employees covered by collective bargaining agreements

no. 510.00

% 63%

TAB.5 S1-8 Paragraph 63a - Social dialogue

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

No. of employees with trade-union membership

no. 493

% 61%

TAB.6 S1-9 Paragraph 66 a. - Distribution of top management* by gender

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

 2024

 Executives by gender

 Men 88
 % 80%

 Women 22
 % 20%

 Total 110



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TAB.7 ESRS2 Gov-1 21a,d. - Gender distribution as a number and a percentage at senior management level

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

2024

Members of the Board of Directors	Average no. men	2022 Average no. of women	Ratio of male to female members
Executive members	15	2	13%
Non-executive members	132	27	20%
Total	147	29	20%

TAB.8 ESRS2 Gov-1 e. - Percentage of independent board members

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

2024

Independent board members	
no. 0	% 0%

TAB.9 S1-12 Persons with disabilities

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

2024

Employees with disabilities - 2024				2024
Men	Women	Total	% of total employees	
8	0	8	1%	



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TAB.10 S1-13 Paragraph 83b - Average number of training hours

Scope: System Logistics Corporation, System Logistics SpA and System Logistics Asia

Training hours per employee

Training hours by gender	UM	2024
Women	h	4255.25
Men	h	10036
Total training hours provided to employees	h	14,291.25
Average hours of training		
Training hours by gender	UM	2024
Women	h	15.12
Men	h	14.63
Total training hours provided to employees	h	14.71

TAB.11 S1-14: Paragraph 88 - Employees

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

Indicators	UM	2024
Para. 88a	%	100%
Percentage of workers covered by the health and safety management system according to legal requirements and/or recognised standards.		
(percentage reported on the basis of the number of individuals instead of full-time equivalents).		
Para. 88b	no.	0
Number of deaths due to work-related injury and illness (figure for own workforce)		
Para. 88b	no.	0
Number of deaths due to work-related injury and illness (this figure refers to other workers operating on company sites, such as workers in		
the value chain if they operate on company sites).		
Para. 88c	no.	4
Number of work-related injuries recorded		
Para. 88e	no.	157



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TAB.12 S1-15 Paragraph 93a. - Percentage of employees entitled to leave for family reasons

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

2024

Gender	no.	%
Women	127	91%
Men	578	86%
Total	705	87%

TAB.13 S1-15 Paragraph 93b. - Percentage of eligible employees who took leave for family reasons and breakdown by gender

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asi

2024

Gender	no.	% of total eligible employees
Women	72	57%
Men	80	14%
Total	152	22%

TAB.14 S1-16: Paragraph 97b - Total remuneration rate

2024

Total remuneration rate	
Total remuneration rate (includes all employees)	342%



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TAB.15 S1-17 Paragraph 103 - Serious human rights incidents, complaints and impacts (figure refers to Mexican company only)

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

Indicators	UM	2024
Para. 103	no.	0.00
Reported incidents of discrimination (including harassment)		
Para. 103	no.	15.00
Number of complaints/claims made through the established channels (excluding incidents of discrimination mentioned in the previous point)		
Para. 103	€	€
Total amount of fines, penalties and damages resulting from the above incidents and complaints		
Para. 103	Qualitative description	0
Corrective measures taken		

TAB.16 S1-17 Paragraph 104 - Human rights incidents, complaints and serious impacts

Scope: System Logistics Corporation, System Logistics Mexico, System Logistics S.p.A., System Logistics Spain and System Logistics Asia

Indicators	UM	2024
Para. 104	no.	0.00
Number of serious human rights incidents		
Para. 104	€	€
Total amount of fines, penalties and compensation for serious human rights incidents		
Para. 104	Qualitative description	
Corrective measures taken		



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GRI-ESRS interoperable content index

Due to the use, as explained in the methodological note, of an interoperable system of dual GRI-ESRS standards this year, the textual references to the GRI and ESRS standards reported, as well as the interoperability between the two frameworks used, are set out below.

GRI DISCLOSURE	ESRS DISCLOSURE	GRI PAGE
GRI 2: General Disclosures 2021		
2-1 Organisational details		6-86
2-2 Entities included in the organisation's sustainability reporting		86
2-3 Reporting period, frequency and contact point		86
2-4 Restatements of information		86
2-5 External assurance ¹		86
2-6 Activities, value chain and other business relationships	ESRS 2 SBM-1	13-19
2-7 Employees	System Logistics Group consolidated figure for ESRS S1 S1-6	66
2-8 Workers who are not employees ²	System Logistics Group consolidated figure for ESRS S1 S1-7	66
2-9 Governance structure and composition		15
2-10 Nomination and selection of the highest governance body		15
2-11 Chair of the highest governance body		15
2-16 Communication of critical concerns		17
2-22 Statement on sustainable development strategy		3
2-26 Mechanisms for seeking advice and raising concerns	System Logistics Group consolidated figure for ESRS S1 S1-3	17
2-28 Membership associations		45
2-29 Approach to stakeholder engagement	System Logistics Group consolidated figure for ESRS S1 S1-1/ S1-2	45
2-30 Collective bargaining agreements	System Logistics Group consolidated figure for ESRS S1 S1-8	
GRI 3: Information on material topics 2021		
3-1 Process to determine material topics	ESRS 2 BP-1/ IRO-1	45

^{1.} The document is not subject to external assurance

^{2.} To date, the data is not available broken down by gender, but only by category of non-employees



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GRI DISCLOSURE	ESRS DISCLOSURE	GRI PAGE
3-2 List of material topics	ESRS 2 SBM-3	45
3-3 Management of material topics	System Logistics Group consolidated figure for S1 S1-2/S1-4/S1-5	45
GRI 201: Economic Performance 2016		
201-1 Direct economic value generated and distributed		19-45
GRI 203: Indirect economic impacts 2016		
203-1 Infrastructure investments and services supported		
GRI 204: Procurement practices 2016		
204-1 Proportion of spending on local suppliers		19
GRI 205: Anti-corruption 2016		
205-1 Operations assessed for risks related to corruption		17
205-2 Communication and training about anti-corruption policies and	procedures	17
205-3 Confirmed incidents of corruption and actions taken ³		17
GRI 302: Energy 2016		
302-1 Energy consumption within the organisation	System Logistics Group consolidated figure for ESRS E1 E1-5	55
302-4 Reduction of energy consumption		55
302-5 Reductions in energy requirements of products and services		55
GRI 303: Water and effluents 2018		
303-1 Interactions with water as a shared resource		61
303-3 Water withdrawal		61
303-5 Water consumption		61
GRI 304: Biodiversity 2016		
304-1 Operational sites owned, leased, managed in, or adjacer	nt to, pro-	63
tected areas and areas of high biodiversity value outside protecte	ed areas	
304-2 Significant impacts of activities, products and services on b	iodiversity	63
304-3 Habitats protected or restored ⁴		
GRI 305: Emissions 2016		

^{3.} There was 1 incident of corruption during the reporting period.

^{4.} Not applicable. The venue is not located in or near a protected area.



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GRI DISCLOSURE	ESRS DISCLOSURE	GRI PAGI
305-1 Direct (Scope 1) GHG emissions		58
305-2 Energy indirect (Scope 2) GHG emissions		58
305-5 Reduction of GHG emissions		58
305-6 Emissions of ozone-depleting substances (ODS)		
306-2 Management of significant waste-related impacts		62
306-3 Waste generated		62
306-4 Waste diverted from disposal		62
306-5 Waste directed to disposal		62
GRI 401: Employment 2016		
401-1 New employee hires and employee turnover	System Logistics Group consolidated figure for ESRS S1 S1-6	66
101-3 Parental leave	System Logistics Group consolidated figure for ESRS S1 S1-15	66
GRI 403: Occupational health and safety 2018		
403-1 Occupational health and safety management system	System Logistics Group consolidated figure for ESRS S1 S1-1	80
103-2 Hazard identification, risk assessment and incident investigation	System Logistics Group consolidated figure for ESRS S1 S1-3	80
403-3 Occupational health services		80
403-4 Worker participation, consultation and communication on occupational health and safety		80
103-5 Worker training on occupational health and safety		80
103-6 Promotion of worker health		80
103-8 Workers covered by an occupational health and safety management system	System Logistics Group consolidated figure for ESRS S1 S1-14	80
103-9 Work-related injuries	System Logistics Group consolidated figure for ESRS S1 S1-4/ S1-14	80
103-10 Work-related ill health	System Logistics Group consolidated figure for ESRS S1 S1-4/ S1-14	80
GRI 404: Training and Education 2016		
404-1 Average hours of training per year per employee	System Logistics Group consolidated figure for ESRS S1 S1-13	66



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GRI DISCLOSURE	ESRS DISCLOSURE	GRI PAGE
404-2 Programmes for upgrading employee skills and transition assistance programmes	System Logistics Group consolidated figure for ESRS S1 S1-1	66
GRI 405: Diversity and Equal Opportunities 2016		
405-1 Diversity of governance bodies and employees	System Logistics Group consolidated figure for ESRS S1 S1-6	66
405-2 Ratio of basic salary and remuneration of women to men	System Logistics Group consolidated figure for ESRS S1 S1-16	66
GRI 406: Non-discrimination 2016		
406-1 Incidents of discrimination and corrective actions taken ⁵	System Logistics Group consolidated figure for ESRS S1 S1-17	66
GRI 413: Local Communities 2016		
413-1 Operations with local community engagement, impact assessments, and development programmes		83
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		19
GRI 418: Customer privacy 2016		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data ⁶		

^{5.} No incidents of discrimination occurred during the reporting period.

^{6.} No complaints regarding breaches of customer privacy were registered during the reporting period.



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