



# Statement accordance to the Transparency Act





# Introduction

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The Norwegian Transparency Act entered into force on 1 July, 2022. It shall ensure respect for basic human rights and decent working conditions in the company's own operations and in the supply chain. AutoStore works actively to comply with the demands and expectations set by the Transparency Act. We are in the process of carrying out our due diligence assessments and will integrate these into existing work on assessments of our own operations, partners, suppliers and other business partners. As AutoStore's value chain is extensive, complete due diligence assessments will be an ongoing process. We will always, to the best of our ability, answer all questions in accordance with the duty to provide information in the Transparency Act.

This statement applies to AutoStore Group and any third party acting on behalf of AutoStore Group and is published in accordance with the requirements of the Norwegian Transparency Act.





# Value proposition

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At AutoStore Group we take our responsibility to having a positive impact on the people and communities where we work very seriously. We are committed to protecting the human rights of people who work throughout our value chain and interact with our products. We set high expectations for ourselves and third parties. AutoStore will only cooperate with partners, suppliers and other stakeholders who adhere to the same ethical standards as we do.

**Our values are what drive our decisions and build our company culture. We have defined our key values to be:**

## Lean

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We continuously strive to create more customer value with fewer resources and the elimination of waste, while maintaining full focus on quality, delivery and cost.

## Transparent

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We approach tasks with focused minds and foster teamwork through transparency and open dialogue. We are fair and easy to do business with.

## Bold

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We are here to change the industry for the better with great innovations. We have the creativity, courage and willingness to take risks.

# Who we are

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AutoStore’s purpose is to utilize space, energy and time in better ways. Compared to conventional storage, cubic storage gives businesses four times the storage capacity within the same footprint. Utilizing space in better ways frees up areas for new activities, and can transform businesses, society and the environment.

For more information about our operational overview and organizational overview read our **Annual Report (page 6-7 and 11-12).**

## What we do

AutoStore™, founded in 1996, is a technology company that develops order-fulfillment solutions to help businesses achieve efficiency gains within the storage and retrieval of goods. The company offers both hardware and software capabilities and the AutoStore technology is interoperable with other third-party solutions. Cubic storage automation is one of the leading technologies used to automate warehouse operations. The AutoStore system consists of an aluminium Grid, Robots, Bins, Ports and a Controller. Cubic storage will continue to be at the centre of everything we build.

Standardization is key to AutoStore’s scalability and profitability. The AutoStore system is a modular solution that can be built in any shape, form or height and can fit into any space, giving AutoStore’s customers great flexibility.

For more information about our resilient business model read our **Annual Report (page 22-26).**

## Governance framework and group policies

AutoStore’s sustainability efforts are guided by the UN Sustainable Development Goals and the OECD Guidelines for Multinational Enterprises. AutoStore has signed up to the UN Global Compact’s 10 Principles for Responsible Business and implemented them into policies and operations. AutoStore’s commitment to human rights is specified in the company’s supply chain business ethics code, which is based on ILO standards and the human resources policy.

Human rights is at the core of AutoStore’s sustainability efforts. The company’s updated materiality assessment identified human rights as a material topic for all our stakeholders. As a global company, our potential human rights impact – both positive and negative – relates not only to AutoStore’s own employees, but also to its supply chain.

To address AutoStore’s human rights impact in a structured manner, we have developed a human rights policy, which was approved by the CEO in 2023. This policy is owned and implemented by the Chief People & Information Officer (CPIO). The purpose of the policy is to outline the main principles governing AutoStore’s management of its impact on human rights issues, and to set out requirements regarding implementation and monitoring of, as well as reporting on, compliance with the principles.

# Who we are

All subsidiaries must follow AutoStore’s Governance framework and the group policies. The subsidiaries of AutoStore Holdings Ltd. are presented below:

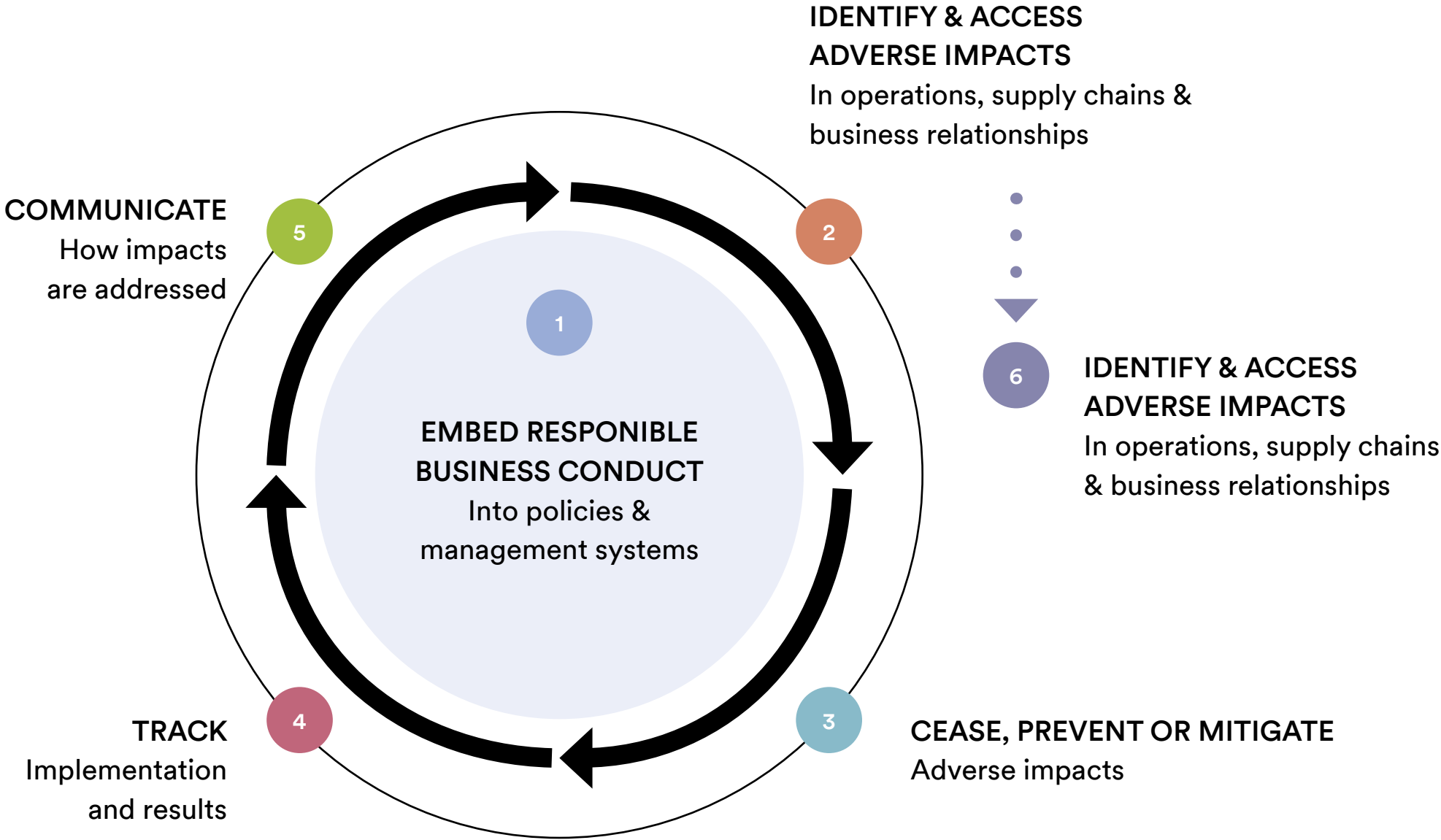
For more information on AutoStore’s work on human rights, read the **”Human Rights Statement”** under the **“Sustainability”** tab on our website.

Consolidated entities	Office	Operations
Automate Holdings S.à r.l.	Luxembourg	Holding-company
Automate Intermediate Holdings 1 S.à r.l.	Luxembourg	Holding-company
Automate Intermediate Holdings 2 S.à r.l.	Luxembourg	Holding-company
Automate HoldCo 1 AS	Norway	Holding-company
Automate BidCo AS	Norway	Holding-company
PIO AS Norway	Norway	Sales Office for SMB segment
Terminator BidCo AS	Norway	Holding-company
AutoStore AS	Norway	Operations and admin
AutoStore Technology AS	Norway	Operations and admin
AutoStore Sp. Z o.o.	Poland	Assembly
AutoStore Systems Inc.	U.S.	Sales Office
AutoStore System Limited	UK	Sales Office
AutoStore SAS	France	Sales Office
AutoStore System GmbH	Germany	Sales Office
AutoStore System K.K.	Japan	Sales Office
AutoStore System Ltd.	South Korea	Sales Office
AutoStore System AT GmbH	Austria	Sales Office
AutoStore System S.r.l.	Italy	Sales Office
AutoStore System S.L.	Spain	Sales Office
AutoStore System AB	Sweden	Sales Office
AutoStore System Pte Ltd	Singapore	Sales Office
Locai Solutions Inc.	U.S.	Sales Office

# Process for due diligence

AutoStore supports the OECD guidelines for multinational enterprises and the United Nations Guiding Principles (UNGP) approach to due diligence, which recognises the need to have processes in place to identify, prevent, mitigate, and account for how the impact on human rights is addressed. This is part of AutoStore’s existing processes for sourcing and enterprise risk management. It is understood that this is an ongoing activity, as risks may change over time in line with operational changes or external influences.

AutoStore follows a five-step model for due diligence assessments, based on the OECD guidance. The five-step model lays the foundation for internal governing procedures and monitoring activities, overview of suppliers and assessment of whom posing the greatest risk.





# Own operations

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As part of the yearly enterprise risk assessment, AutoStore has also conducted a Health and Safety assessment. Based on these assessments, AutoStore considers that there are no significant risks linked to our operation and employees with negative impact on human rights. There are no serious reported incidents on HSE which supports the latter. However, any HSE risks or incidents will be handled though our HR Policy and Environment and Climate Policy.





# Due diligence of the supply chain

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## Third parties

AutoStore’s suppliers and subcontractors are those who supply or produce goods, services or other input factors that are part of AutoStore’s delivery of the system and services from the raw material stage to the finished product. Examples include aluminium profiles, electronic assembly, electric equipment, and machine parts relevant to our assembly facility. AutoStore has almost 300 suppliers which are delivering products or services directly linked to AutoStores own operations. Most components in the AutoStore system are sourced from multiple suppliers, while final assembly (and thus the highest value-adding activity) is done in-house. Business partner are any supplies goods or services directly to our business. These services are important for the day to day running of the business and not part of the core products or services sold by AutoStore. Examples include consultants, office rent, IT software and outsourced accounting.

## Classification of third parties into risk categories

AutoStore’s portfolio of suppliers are assessed and classified into different risk categories. The risk assessment is based on an inherent risk assessment using **DFØ’s list of high-risk products** and the **Norwegian Labor Inspection Authority’s overview** of industries in Norway with information and supervisory duties. Although the latter are industry risks specific to Norway, the assumption is that such industries most likely are high risk in other countries too. Other relevant elements in the risk assessment include geographical risk, type of service/product, complexity in the supply chain and company structure. Based on their risk profile, suppliers are classified in different risk categories.





# Significant risk of adverse impact



High Risk overview – Suppliers	Human Rights	Decent working conditions
Hardware for AutoStore products	Local communities	Workers in the supply chain
Software for AutoStore products	Local communities	Workers in the supply chain
Transportation	Local communities	Workers in the supply chain

For suppliers, the high risk categories are third-parties providing hardware and/or software to AutoStore products and transportation. The risk profiles relate both to human rights and decent working conditions (industry/product risk), with additional country risks.

### 1. Hardware for AutoStore products

Hardware suppliers are key suppliers to AutoStore’s operations. Hardware includes aluminium based products (Grids), plastic (Bins), motors and electric equipment’s (Robots and Ports). There is significant risk of breaching fundamental human rights and decent working conditions related to our hardware for workers, and human rights breaches for local communities. This risk lies in the supply chain where raw materials, such as metal, plastic and electrical components, are extracted and processed, which typically takes place outside Europe in high-risk countries. AutoStore is only indirectly related to these risks.

### 2. Software for AutoStore products

One type of risk is identified to AutoStore’s software. This risk is associated with the IT equipment/computers used to build the software tools. This is similar to hardware, which AutoStore is only indirectly related to.

### 3. Transportation

Transportation is a high-risk industry with a significant risk of breaching decent working conditions and labor standards with regards to wage and contracts. A lack of decent working conditions increases the risk of dangerous accidents on the road. A lack of work contracts and minimum wage increases the risk of social dumping, a situation in which the drivers’ risk exploitation when rights are sub-standard compared to those specified by law or collective agreements in the transport sector.



# Measure to prevent and mitigate risk

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## Code of Conduct for Suppliers

AutoStore requires suppliers to comply with our supply chain business ethics code, and implement it in their supply chain. This covers topics such as labor and social conditions (including forced and child labor), working hours and compensation, non-discrimination, health, safety and environment (HSE), business ethics (including corruption, bribery and money laundering), and data protection. The supply chain business ethics code is communicated to and incorporated into contracts with all new suppliers, and all suppliers are required to sign up to the ethics code.

Before signing contracts with partners and suppliers, AutoStore conducts risk assessments and due diligence covering anti-corruption, business ethics and human rights. Suppliers are also screened by reference to AutoStore’s audit checklist, which covers topics such as management policies, quality management standards (QMS), training and motivation of employees, finance, and product and process safety. During the assessments, AutoStore asks suppliers to submit all required documents to confirm compliance with the business ethics code. In the event of any negative findings during the audit, which is always performed before the first order is placed, the supplier is not approved.

## Conflict minerals program

AutoStore has started a conflict minerals program. A questionnaire regarding 3TGs was sent to approximately 300 suppliers, where 47% completed within time. The focus on the first assessment was to bring awareness and mature the suppliers on the conflict minerals topic. AutoStore will continue this work and questionnaire in the coming years. 72% of the suppliers that submitted had no 3TGs, 9% had 3TGs but not from The Democratic Republic of the Congo (DRC), 2% operated in DRC but not in conflict area and 17% operated in DRC undeterminable area.

The next step of the conflict minerals program will be to identify whether 3TGs may be associated to components in our Robots, Bins or Grids.

## An actual negative consequence

AutoStore has not uncovered actual negative consequences on fundamental human rights and decent working conditions in our supply chain.

In case of actual negative consequences, the supplier shall inform AutoStore without undue delay of any violation of the principles of the Code of Conduct for suppliers, or of such presumptions, as well as provide the recovery plan to remedy such violation that AutoStore will be able to accept. In addition, AutoStore has the right, to the extent permitted by applicable law, to conduct individual assessments and tests, to a reasonable extent, to confirm that the supplier complies with the Code of Conduct for suppliers. If the violation is repetitive or persistent AutoStore will terminate the contract with the supplier.



# Whistleblower channel

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AutoStore has established internal procedures and external mechanisms to facilitate the submission of anonymous written or verbal reports concerning censurable circumstances.

The company's external whistleblowing channel is fully anonymous and untraceable, and provides an alternative for employees who do not wish to use internal reporting procedures. AutoStore has engaged SafeCall as the whistleblower recipient. SafeCall is a professional, entirely independent whistleblowing service provider.

The Whistleblowing channel is also available for third parties. We encourage all stakeholders to report and express their concerns relating to our activities and suspected violations of our policies. For more information and how to report, please visit our **Whistleblowing and Investigation Policy**. We are committed to ensuring that all reports are appropriately heard, investigated and remediated as required.





# Our responsible path into the future

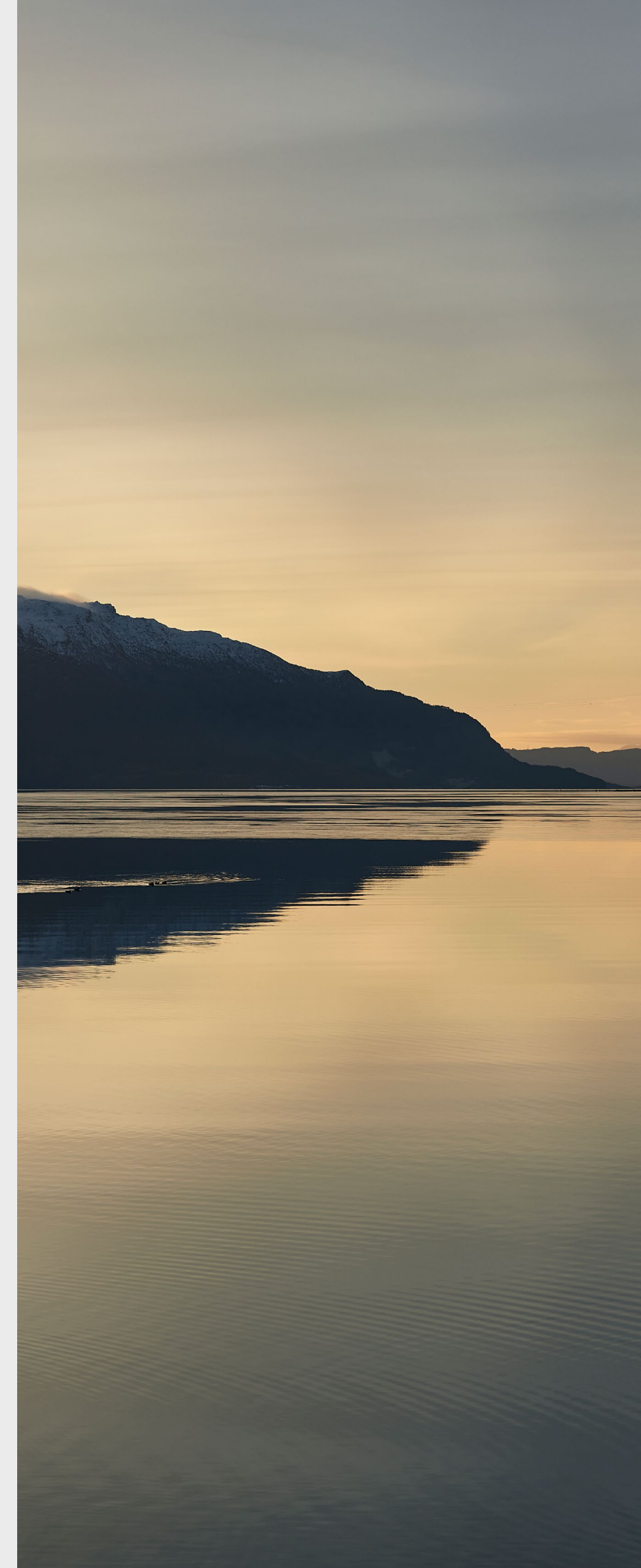
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AutoStore's human rights ambitions are embedded in the company's Code of Conduct and Human Rights Policy, and the company is committed to respecting human rights and decent working conditions in accordance with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and UN Global Compact. As part of AutoStore's responsibility to respect human rights, and in accordance with internal policies, all business units are required to conduct and document human rights due diligence to identify, address and manage human rights related risks and impacts resulting from the company's own activities and those in the value chain.

Going forward, AutoStore will continue to integrate the work on due diligence on human rights in our processes together with the ongoing implementation on the Group Procurement process.

We will identify areas of improvement of the latter, build human rights due diligence capacity across the organisation and focus on raising awareness of the law both internally and externally. A cross-functional working group will be established to strengthen collaboration and coordination of the work going forward. Furthermore, we will implement a better third-party system to investigate, track and monitor our value chain. This will be an important tool to measure and reduce risk in our supply chain. The scope for existing supplier audits will also be expanded to be even more specific on human rights.

In case of significant changes to AutoStore's risk assessments during the course of the year, this will be updated on our website/homepage.



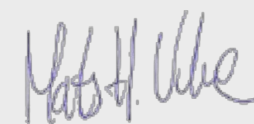




# From the Board of Directors and CEO of AutoStore

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Oslo, June 28, 2023  
The Board of Directors of AutoStore AS



**Mats Hovland Vikse**  
CEO / Chairman of the Board



**Gro Anita Andersen Klungtveit**  
Board member



**Jenny Sveen Hovda**  
Board member