

EU Taxonomy Report

AutoStore Holding ASA

The EU Taxonomy

AutoStore ASA (AutoStore) is reporting the disclosures required by the EU taxonomy for 2023. This report describes how far our activities are considered environmentally sustainable pursuant to the EU taxonomy.

The EU taxonomy is an internationally recognized classification system with set requirements to define sustainable economic activities aimed at reorienting capital flows towards sustainable investments and helping navigate the transition to a low-carbon society, as well as fostering a resilient and resource-efficient economy for investors and companies. Thus, helping to reach the EU's climate and environmental targets for 2030 and the objectives of the European Green Deal.

As a large public interest entity with over 500 employees within the scope of the Non-financial Reporting Directive EU (2014/95), AutoStore is in scope of the EU taxonomy. Norway adopted Lov om bærekraftig finans (Sustainable Finance Act), which came into effect on January 1st, thereby implementing the EU taxonomy regulation into Norwegian legislation. Norwegian companies falling within the scope of the regulation, such as AutoStore, are therefore presenting their first mandatory reports pursuant to the EU taxonomy for the 2023 financial year. In 2022, AutoStore conducted a voluntary screening of its economic activities under the EU taxonomy regulation.

An economic activity is considered taxonomy eligible if it is listed in the EU Taxonomy and has the potential to positively contribute to at least one of the following six environmental objectives: Climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. Economic activities are considered regardless of their geographical location, whether inside or outside of the European Union.

For an activity to be considered environmentally sustainable - in other words, taxonomy-aligned - it must meet all of the three following conditions:

- It makes a substantial contribution to one of the environmental objectives by meeting the screening criteria defined for this economic activity.
- It meets the Do-No-Significant-Harm (DNSH) criteria defined for this economic activity.
- It is carried out in compliance with the minimum safeguards, which relate primarily to human rights and social and labour standards.

In the following, we describe the way our economic activities regulated under the EU taxonomy have been identified and how their alignment has been assessed.

Eligibility screening of our economic activities

Eligible economic activities are those regulated by the EU taxonomy. AutoStore has followed the development of the taxonomy closely and has conducted an eligibility screening against the taxonomy's published activities with external sustainability experts from CEMAsys in 2023. Here, an assessment of whether AutoStore's economic activities fall under the economic activities affected by the Commission Delegated Regulation (EU) 2021/2139 and its amendments was conducted.

In 2023, the EU further amended the Climate Delegated Act (Delegated Regulation (EU) 2021/2139) with Commission Delegated Regulation (EU) 2023/2485 and introduced the Environmental Delegated Act (Delegated Regulation (EU) 2023/2486). New economic activities introduced through these regulations can be assessed for eligibility for the financial year of 2023.

In order to identify eligible activities, a list of potentially eligible activities was drafted and discussed with key internal staff and external consultants. The assessment of the technical screening criteria for each of the potentially eligible activities, as specified in the Commission Delegated Regulation (EU) 2021/2139 and its amendments, concludes that AutoStore, as a technology company that develops order-fulfilment solutions, performed the following eligible activities in 2023:

- *CCM/CCA 6.5 Transport by motorbikes, passenger cars and light commercial vehicles*
While the transport of our products to the customers is done by a third party, the only eligible transport activity is the transport of people and materials in our leased and purchased company cars.
- *CE 1.2 Manufacture of electrical and electronic equipment*
AutoStore manufactures the hardware for our order fulfilment solutions which consists of electronic equipment such as our robots, ports, and the controller units.
- *CE 4.1 Provision of IT/OT data-driven solutions*
AutoStore develops and provides its own software, which utilizes sophisticated computer algorithms to continuously calculate and recalculate the most efficient path for our robots.
- *CE 5.2 Sale of spare parts*
AutoStore sells spare parts that are used in the hardware it manufactures.
- *CE 5.5 Product-as-a-service and other circular use-and result-oriented service models*
AutoStore's fulfilment automation technology and PIO are also available as a pay-per-pick service. The pay-per-pick model is based on an upfront payment for the warehouse grid infrastructure and a recurring subscription fee for robots, ports, and software based on order volume.

The reason why the 2023 eligibility screening concludes that several economic activities are deemed eligible, contrary to the 2022 screening, is two-fold: Firstly, the methodology for the eligibility screening has been refined in 2023. It now considers all economic activities under the taxonomy regulation, instead of considering only activities related to AutoStore's NACE-codes (Nomenclature of Economic Activities). Secondly, the newly introduced economic activities to the EU taxonomy such as *manufacture of electrical and electronic equipment*; *provision of IT/OT data-driven solutions*; *sale of spare parts*; and *product-as-a-service and other circular use-and result-oriented service models* reflect AutoStore's activities, leading to an increase in eligible economic activities.

The results of our assessment of how our activities align with the conditions for environmental sustainability specified in regulation (EU) 2020/852 of the European Parliament and the Council – in other words, whether the criteria for an economic activity to be sustainable are fulfilled – are presented below.

Alignment assessment of AutoStore's eligible economic activities

In the alignment assessment, AutoStore's eligible economic activities are assessed against the substantial contribution criteria and the do no significant harm criteria as set out in the technical screening criteria of Commission Delegated Regulation (EU) 2021/2139 and its amendments, as well as the minimum safeguard criteria. While the substantial contribution criteria and do no significant harm criteria are economic activity-specific criteria, the minimum safeguards criteria are a company-level policy requirement.

The substantial contribution set out the criteria for determining that a specific economic activity furthers the taxonomy's environmental objectives, while the do no significant harm set out the criteria for determining that a specific economic activity does not impair any other environmental objective in the act. Economic activities have to be carried out in compliance with the minimum safeguards that mainly relate to human rights and labour standards but also cover the topics of corruption, fair competition, taxation, and controversial weapons. Here, AutoStore follows the set guidelines presented in "Final Report on Minimum Safeguards" by the Platform on Sustainable Finance.

The Norwegian Transparency Act (Åpenhetsloven), which sets out the legal requirements for conducting human rights due diligence for Norwegian undertakings, is built on the United Nations Guiding Principles (UNGPs) on Business and Human Rights, the OECD Guidelines for Multinational Enterprises. AutoStore's human rights due diligence is conducted in line with the UNGPs and the OECD Guidelines. Read more on our human rights due diligence, policies on corruption, fair competition, and taxation on pages 65-68 and [49/176](#).

In 2023, the EU further amended the Climate Delegated Act (delegated regulation (EU) 2021/2139) with Commission Delegated Regulation (EU) 2023/2485 and introduced the Environmental Delegated Act (delegated regulation (EU) 2023/2486). New economic

activities were thereby incorporated into these regulations, such as the *manufacture of electrical and electronic equipment*; the *provision of IT/OT data-driven solutions*; the *sale of spare parts*; and the *product-as-a-service and other circular use-and result-oriented service models*. Assessing the eligibility of these new economic activities is voluntary for the 2023 financial year.

When assessing the alignment of the eligible economic activity introduced in the Climate Delegated Act, *transport by motorbikes, passenger cars and commercial vehicles*, the generic do no significant harm criteria for climate change adaptation states that a physical climate risk assessment should be conducted for the eligible activity and that adaptation solutions should be identified. Even though AutoStore conducted a climate risk assessment as part of our double materiality assessment in 2023, focusing on AutoStore's main activities, the EU Taxonomy requires a physical climate risk assessment to be conducted for each eligible economic activity subject to the EU taxonomy regulation. Owing to the lack of materiality of *transport by motorbikes, passenger cars and commercial vehicles* in the context of AutoStore's other economic activities, this activity has not been covered by the physical climate risk assessment. We accordingly do not fulfil the do no significant harm criteria yet. Therefore, the alignment assessment concludes that none of AutoStore's eligible economic activities are aligned and therefore environmentally sustainable per the EU taxonomy regulation. For the newly introduced economic activities under the Environmental Delegated Act, we cannot report alignment yet, as this has not been assessed in 2023.

Our accounting policy

Turnover: AutoStore defines turnover as the sum of the revenue and other operating income, consisting of the revenue from contracts with customers and net freight income, as presented in the consolidated statement of comprehensive income. AutoStore's eligible turnover is the part of the "Revenue from contracts with customers" generated through the manufacturing of electrical and electronic equipment, the provision of IT/OT data-driven solutions, the sale of spare parts, and the product-as-a-service models as presented in note 2.1 of the Consolidated statement of Comprehensive Income.

CapEx: AutoStore defines CapEx as the additions to non-current and current assets following the IFRS definition of CapEx, as presented in the notes to the consolidated statement of financial position. AutoStore's eligible CapEx is the CapEx related to the long-term lease and purchase of company cars, the research and development of our robots, ports, controller units, and software, as well as investments in the AutoStore Cube related to our product-as-a-service models. AutoStore's eligible assets are reported as the following notes under "Total non-current assets" in the Consolidated statement of Financial Position: Note 3.1, Note 3.2 and Note 3.4.

OpEx: AutoStore defines OpEx as the sum of employee benefit expenses and other operating expenses directly related to research and development, as well as the maintenance, repair and day-to-day servicing of property and equipment. AutoStore’s eligible OpEx relates to the operating expenses directly related to the research and development of our robots, ports, controller units, software, and the product-as-a-service models.

Our EU Taxonomy Key Performance Indicators

The EU Taxonomy defines turnover, capital expenditure and operating expenditure as the key performance indicators that must be reported on. The required tables for reporting these key performance indicators follow below:

Turnover

| Financial year 2023 | 2023 | | Substantial contribution criteria | | | | | | | DNSH criteria | | | | | | | Proportion of Taxonomy-Aligned (A.1) or eligible (A.2) turnover, year 2023 (%) | Category enabling activity (E) | Category transitional activity (T) |
|----------------------------------------------------------------------------------------------------------------------|--------|-----------------|---------------------------------------|--------------------------------------|--------------------------------------|------------------|----------------------|-----------------------------|-------------------------|---------------------------------|---------------------------------|-------------|-----------------|------------------------|--------------------|--------------------------|--------------------------------------------------------------------------------|--------------------------------|------------------------------------|
| | Codes | Turnover (MUSD) | Proportion of turnover, year 2023 (%) | Climate Change Mitigation (Y,N,N/EL) | Climate Change Adaptation (Y,N,N/EL) | Water (Y,N,N/EL) | Pollution (Y,N,N/EL) | Circular Economy (Y,N,N/EL) | Biodiversity (Y,N,N/EL) | Climate Change Mitigation (Y,N) | Climate Change Adaptation (Y,N) | Water (Y,N) | Pollution (Y,N) | Circular Economy (Y,N) | Biodiversity (Y,N) | Minimum safeguards (Y,N) | | | |
| A. Taxonomy-Eligible Activities | | | | | | | | | | | | | | | | | | | |
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | |
| Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| Of which Enabling | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 0% | E | |
| Of which Transitional | 0 | 0% | 0% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 0% | T | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| | | | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | | | | | | | | 0% | | |
| Manufacture of electrical and electronic equipment | CE 1.2 | 413.60 | 64.06% | N/EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Provision of IT/OT data-driven solutions | CE 4.1 | 16.99 | 2.63% | N/EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Sale of spare parts | CE 5.2 | 24.66 | 3.82% | N/EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Product-as-a-service and other circular use-and result-oriented service models | CE 5.5 | 0.33 | 0.05% | N/EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 455.57 | 70.56% | 0% | 0% | 0% | 0% | 0% | 70.56% | 0% | | | | | | | 0% | | |
| A. Turnover of Taxonomy eligible activities (A.1 + A.2) | | 455.57 | 70.56% | 0% | 0% | 0% | 0% | 0% | 70.56% | 0% | | | | | | | 0% | | |
| B. Taxonomy-Non-Eligible Activities | | | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy-non-eligible activities (B) | | 190.09 | 29.44% | | | | | | | | | | | | | | | | |
| Total (A + B) | | 645.66 | 100% | | | | | | | | | | | | | | | | |

| | Proportion of turnover/Total turnover | |
|-----|---------------------------------------|------------------------|
| | Aligned per objective | Eligible per objective |
| CCM | 0% | 0% |
| CCA | 0% | 0% |
| WTR | 0% | 0% |
| CE | 0% | 70.56% |
| PFC | 0% | 0% |
| BIO | 0% | 0% |

| Row | Nuclear energy related activities | |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 1. | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | NO |
| 2. | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | NO |
| 3. | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, Fossil gas related activities | NO |
| 4. | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | NO |
| 5. | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | NO |
| 6. | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels | NO |

Capital Expenditure

| Financial year 2023 | 2023 | | Substantial contribution criteria | | | | | | | DNSH criteria | | | | | | | Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, year 2023 (%) | Category enabling activity (E) | Category transitional activity (T) |
|-------------------------------------------------------------------------------------------------------------------|-------------|--------------|------------------------------------|--------------------------------------|--------------------------------------|------------------|----------------------|-----------------------------|-------------------------|---------------------------------|---------------------------------|-------------|-----------------|------------------------|--------------------|--------------------------|-----------------------------------------------------------------------------|--------------------------------|------------------------------------|
| | Codes | CapEx (MUSD) | Proportion of CapEx, year 2023 (%) | Climate Change Mitigation (Y,N,N/EL) | Climate Change Adaptation (Y,N,N/EL) | Water (Y,N,N/EL) | Pollution (Y,N,N/EL) | Circular Economy (Y,N,N/EL) | Biodiversity (Y,N,N/EL) | Climate Change Mitigation (Y,N) | Climate Change Adaptation (Y,N) | Water (Y,N) | Pollution (Y,N) | Circular Economy (Y,N) | Biodiversity (Y,N) | Minimum safeguards (Y,N) | | | |
| A. Taxonomy-Eligible Activities | | | | | | | | | | | | | | | | | | | |
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | |
| CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| Of which Enabling | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 0% | E | T |
| Of which Transitional | 0 | 0% | 0% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| | | | | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | | | | | | | | | | |
| Transport by motorbikes, passenger cars and light commercial vehicles | CCM/CCA 6.5 | 0.19 | 0.36% | EL | EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Manufacture of electrical and electronic equipment | CE 1.2 | 16.70 | 32.33% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 0% | | |
| Provision of IT/OT data-driven solutions | CE 4.1 | 7.69 | 14.89% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 0% | | |
| Product-as-a-service and other circular use-and result-oriented service models | CE 5.5 | 2.54 | 4.91% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 0% | | |
| CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 27.11 | 52.50% | 0.36% | 0.36% | 0% | 0% | 52.13% | 0% | | | | | | | | 0% | | |
| A. CapEx of Taxonomy eligible activities (A.1 + A.2) | | 27.11 | 52.50% | 0.36% | 0.36% | 0% | 0% | 52.13% | 0% | | | | | | | | 0% | | |
| B. Taxonomy-Non-Eligible Activities | | | | | | | | | | | | | | | | | | | |
| CapEx of Taxonomy-non-eligible activities (B) | | 24.53 | 47.50% | | | | | | | | | | | | | | | | |
| Total (A + B) | | 51.65 | 100% | | | | | | | | | | | | | | | | |

| Proportion of CapEx/Total CapEx | | |
|---------------------------------|-----------------------|------------------------|
| | Aligned per objective | Eligible per objective |
| CCM | 0% | 0.36% |
| CCA | 0% | 0.36% |
| WTR | 0% | 0% |
| CE | 0% | 52.13% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |

Operating Expenditure

| Financial year 2023 | 2023 | | Substantial contribution criteria | | | | | | | DNSH criteria | | | | | | | Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, year 2023 (%) | Category enabling activity (E) | Category transitional activity (T) |
|------------------------------------------------------------------------------------------------------------------|-------------|-------------|-----------------------------------|--------------------------------------|--------------------------------------|------------------|----------------------|-----------------------------|-------------------------|---------------------------------|---------------------------------|-------------|-----------------|------------------------|--------------------|--------------------------|----------------------------------------------------------------------------|--------------------------------|------------------------------------|
| | Codes | OpEx (MUSD) | Proportion of OpEx, year 2023 (%) | Climate Change Mitigation (Y,N,N/EL) | Climate Change Adaptation (Y,N,N/EL) | Water (Y,N,N/EL) | Pollution (Y,N,N/EL) | Circular Economy (Y,N,N/EL) | Biodiversity (Y,N,N/EL) | Climate Change Mitigation (Y,N) | Climate Change Adaptation (Y,N) | Water (Y,N) | Pollution (Y,N) | Circular Economy (Y,N) | Biodiversity (Y,N) | Minimum safeguards (Y,N) | | | |
| A. Taxonomy-Eligible Activities | | | | | | | | | | | | | | | | | | | |
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | |
| OpEx of environmentally sustainable activities (Taxonomy aligned) (A.1) | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| Of which Enabling | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | Y | Y | Y | Y | Y | Y | Y | 0% | E | T |
| Of which Transitional | 0 | 0% | 0% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| | | | | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | (EL,N/EL) | | | | | | | | | | |
| Transport by motorbikes, passenger cars and light commercial vehicles | CCM/CCA 6.5 | 0.20 | 1.11% | EL | EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Manufacture of electrical and electronic equipment | CE 1.2 | 8.71 | 49.46% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 0% | | |
| Provision of IT/OT data-driven solutions | CE 4.1 | 8.61 | 48.87% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 0% | | |
| Product-as-a-service and other circular use-and result-oriented service models | CE 5.5 | 0.10 | 0.57% | N/EL | N/EL | N/EL | N/EL | EL | N/EL | | | | | | | | 0% | | |
| OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 17.62 | 100% | 1.11% | 1.11% | 0% | 0% | 98.89% | 0% | | | | | | | | 0% | | |
| A. OpEx of Taxonomy eligible activities (A.1 + A.2) | | 17.62 | 100% | 1.11% | 1.11% | 0% | 0% | 98.89% | 0% | | | | | | | | 0% | | |
| B. Taxonomy-Non-Eligible Activities | | | | | | | | | | | | | | | | | | | |
| OpEx of Taxonomy-non-eligible activities (B) | | 0.00 | 0% | | | | | | | | | | | | | | | | |
| Total (A + B) | | 17.62 | 100% | | | | | | | | | | | | | | | | |

| | Proportion of OpEx/Total OpEx | |
|-----|-------------------------------|------------------------|
| | Aligned per objective | Eligible per objective |
| CCM | 0% | 1.11% |
| CCA | 0% | 1.11% |
| WTR | 0% | 0% |
| CE | 0% | 98.89% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |

The numerators of the CapEx and OpEx KPIs do not include investments associated with a CapEx plan, as such a plan has not been established by AutoStore yet.

When AutoStore reported on the EU Taxonomy in 2022, the eligibility screening concluded that AutoStore does not conduct any eligible economic activities. The 2022 screening was solely based on AutoStore's NACE codes and the extent to which these NACE codes correspond to economic activities to which the EU Taxonomy regulation has established technical screening criteria. However, this approach does not allow for a holistic assessment of AutoStore's economic activities and may exclude activities that should have been further assessed. Therefore, in 2023's eligibility screening all economic activities, independent of their NACE codes have been considered in the assessment. As a result, the change in methodology led to AutoStore identifying eligible economic activities in 2023, as opposed to 2022.

The EU Taxonomy aims to gradually introduce additional economic activities under its regulation. AutoStore will therefore continue to follow the advancement of the taxonomy closely and conduct new eligibility screenings once the new activities are launched. Furthermore, new eligibility screenings will be conducted when AutoStore starts to perform additional economic activities that are not performed to this date.