

# ESG Report

2020

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# CEO letter

As a global company with about 550 installations delivered in over 30 countries, a wide range of customers and suppliers, and 357 employees, AutoStore has a significant economic, social and environmental impact on its stakeholders and the broader society. Some of these impacts are positive contributions to the communities in which we operate, while others are potentially negative.

In recent years, we have experienced a high interest in sustainability and ESG (Environmental, Social, and Governance) among our stakeholders. I am therefore proud to present our first sustainability report, which is delivered in accordance with the GRI Standards (GRI) Core option as well as the Oslo Stock Exchange's Euronext guidelines.

For AutoStore, sustainability is both about the solutions, products, and services we offer and how we run our business and treat our employees. We aim to have an active dialogue with the environment around us, making sure that we operate according to the highest standards, all while ensuring profits for our shareholders.

Defining which areas our company has a direct and indirect impact on, and also what directly and indirectly impacts us, is vital if we are to remain and develop as a sustainable company. Thus, for the 2020 report, an interdisciplinary task force composed of representatives from different parts of AutoStore's organisation conducted stakeholder interviews and a materiality assessment, mapping out key sustainability topics for our company to focus on going forward:

- Ethics and integrity, including anti-corruption
- Working environment, including HSE and diversity
- Environment, including energy use and material use

and disposal

Through our global business operations, AutoStore is directly and indirectly exposed to ethical risks. To mitigate such risks, the company strives to ensure that good corporate governance, anti-corruption policies, and respect for fundamental human and labour rights are priority areas that are monitored regularly. We believe that a strong corporate culture, combined with

awareness training and good governance mechanisms can help reduce such risks and make sure that we can proactively handle any cases of misconduct. For the 2020 report we have looked at what documents and training procedures are in place, how we communicate with employees and suppliers on business ethics and how to report irregularities.

The working environment at AutoStore is key to delivering results and it also help us attract and retain the skilled workers that our company is dependent on. Furthermore, maintaining a safe and healthy working environment is critical and part of our license to operate, and this work has been intensified in 2020 due to the ongoing Covid-19 pandemic. AutoStore can directly impact the working environment through our policies, and indirectly through active dialogue with AutoStore employees and by conducting employees survey regularly. Also, constantly following up on HSE procedures as well as maintaining and increasing employee engagement are and will continue to be a continuous focus for us.

Today, buildings and retail have a significant impact on the environment. Being a global storage solution provider means that we need to pay specific attention to the way we design and build our warehouses, including how much energy is consumed, and how our operation impacts material use and waste disposal. Our global robot technology company has invented and continues to pioneer Cube Storage Automation, which to date is the densest order-fulfilment solution in existence, and that also uses less energy compared to traditional warehouses. Working systematically with environmental management and reducing our environmental footprint will be a priority area for the company in the time to come.

As CEO of AutoStore, I believe regularly reporting on all of these topics will help meet our company's business objectives, support our strategy, and reduce extra-financial risks, and I look forward to sharing our progress in these areas on an annual basis from hereon.

Karl Johan Lier, CEO AutoStore



# About this report

For information about this report and its content, please contact AutoStore AS and CFO Bent Skisaker.

This is AutoStore's first sustainability report and applies to the reporting period 1 January to 31 December 2020. The report is prepared in accordance with the General Reporting Initiative's guidelines for sustainability reporting (GRI) Core option and the Oslo Stock Exchange's Euronext guidelines. For GRI matrix, please visit AutoStore's web site or the GRI database.

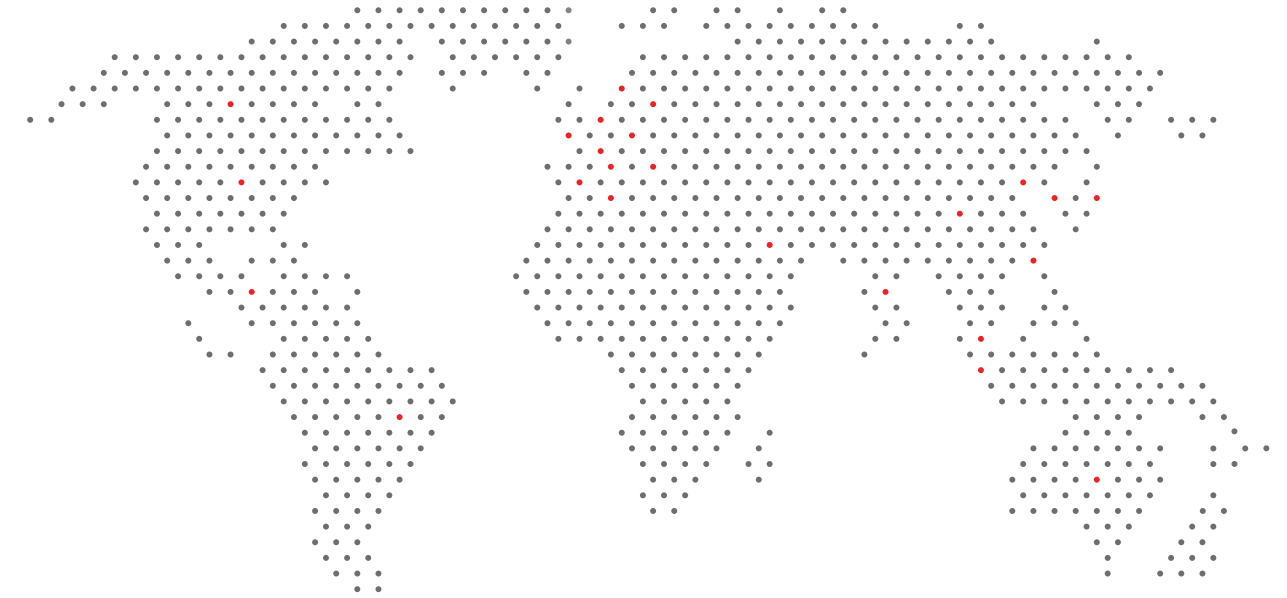
AutoStore's sustainability report has been reviewed and approved by the Board of Directors.

The claims and data in this report have not been audited by a third party.



# Locations

AutoStore's headquarters is in Nedre Vats, Norway, with production facility and three warehouses in Poland and a warehouse in the US. The company also have sales representatives in the US, UK, Germany, France, Austria, South Korea and Japan. At the end of 2020, AutoStore had 357 employees, of which 259 were men and 96 women.



# About AutoStore

Founded in 1996, AutoStore is a robot technology company that invented and continues to pioneer Cube Storage Automation – the densest order-fulfilment solution in existence. The company's focus is to marry software and hardware with human abilities to create the future of warehousing. The company is global, with about 550 installations in over 30 countries in a wide range of industries. All sales are distributed, designed, installed, and serviced by a network of qualified logistics system integrators called Partners.

There is a growing demand for automated storage and fulfilment solutions that take up less space but nevertheless have high-storage density. AutoStore systems can reduce the storage footprint by up to 75% compared to traditional storage systems with aisles and shelves, increasing storage capacity up to four times compared to manual storage solutions.

# Number of employees

Location	Number of employees
Norway	140
UK	1
US	29
Poland	171
France	1
Japan	3
Germany	8
Austria	1
South Korea	1

## Revenue 2020

### Key figures

Revenue:	USD 182 million
EBITDA:	EBITDA margin >50%
Equity ratio:	56 %

AutoStore is a privately-owned group and is not listed.

## Economic impact and tax information

AutoStore creates value in the countries in which the company operates, directly through the payment of direct and indirect taxes, the payment of dividends to owners and wages to employees, and indirectly by buying goods and services from local suppliers.

In 2020, labour costs amounted to USD 25.2 million including activated R&D expenses. Labour cost accounted for 14% of sales revenue.

The company purchased goods and services valued at roughly USD 13.1 million and the Group's tax paid in 2020 came to USD 19.7 million.

Tax paid by country – amounts in USD million	2020
Norway	12.00
US	0.17
UK	0.05
Germany	0.20
France	1.20
Japan	N/A
Poland	7.30
Total	19.73

### Sectors served

AutoStore's expertise is within Automated Storage and Retrieval. The company serves a range of different sectors, with a significant exposure to e-commerce.

## Corporate governance

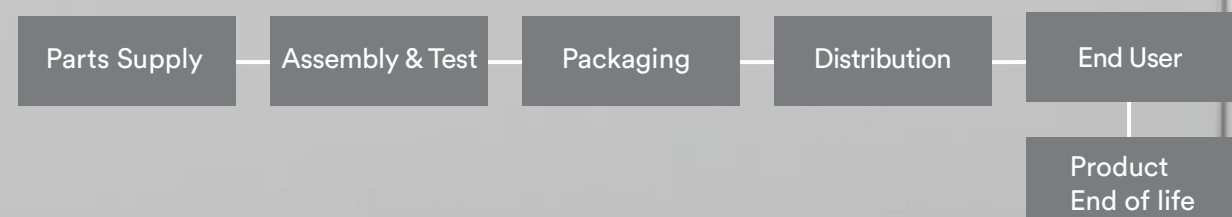
AutoStore's business activities and internal operations are conducted with a high level of integrity and with a clear ambition to be a responsible company, acting ethically and lawfully in every segment of our value chain. The company shall comply with applicable laws and regulations in the countries in which it operates, promote and respect human rights and act in a socially responsible manner. AutoStore AS operates in accordance with the Norwegian Companies Act as a Norwegian entity and is also inspired by the governance principles of its main shareholders. The holding company is domiciled in Luxembourg following private equity industry practice.

The Annual General Meeting (AGM) is AutoStore's supreme governing body, where shareholders can influence the company's sustainability policy. AutoStore's Board of Directors bears the ultimate

responsibility for AutoStore's sustainability practice, and the sustainability report is discussed and approved by the Board.

Corporate Executive Management bears the ultimate responsibility for AutoStore's strategy, development, and day-to-day work. This entails that Corporate Executive Management is responsible for compliance with legislation and regulations and the company's Code of Conduct, as well as for the implementation of appropriate and effective initiatives to ensure that goals are reached. Managing Directors are responsible for implementing and enforcing the Code of Conduct in their respective companies, and Department Managers are responsible for implementing and enforcing the Code of Conduct in their respective departments.

## Supply chain



# AutoStore's stakeholders

AutoStore has previously conducted a stakeholder analysis and the latest assessment was done in November 2020 by an interdisciplinary working group consisting of employees representing finance, HR and the management group, with assistance from Corporate Communications.

## Employees:

AutoStore employees are primary stakeholders that directly affect and are also affected by AutoStore's internal policies and activities.

## Investors/Shareholders:

AutoStore's investors are primarily stakeholders and directly affect the company's priorities and strategic direction.

## Customers:

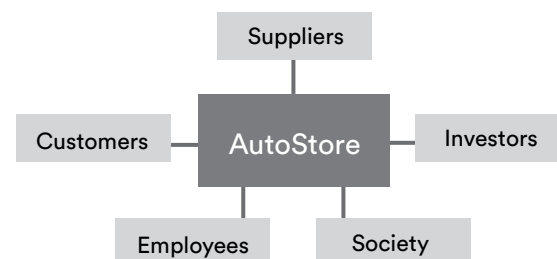
AutoStore's customers directly affect the company economically, and customer expectations contribute to setting AutoStore's sustainability priorities.

## Governments and civil society:

Governments and regulatory authorities affect AutoStore and the company's operating conditions directly and indirectly. Local communities are indirectly affected by the company's activities in job creation, tax payment, and environmental impact.

## Suppliers:

Suppliers are directly economically affected by AutoStore and indirectly affected by the company's focus on responsible business practices and the expectations placed on them.



# Stakeholder dialogue

AutoStore aims to have an active dialogue with the company's stakeholders, as the conversation strengthens its relationship with and understanding of the society in which it operates. Stakeholder dialogue is also beneficial as it allows the company to detect, investigate and manage potential risks arising in its immediate surroundings. The stakeholder dialogue is both a means and an end in itself, as systematic stakeholder dialogue is a key objective in the GRI Standards and part of the GRI Management approach.

The company's approach to sustainability is based on the stakeholder dialogue conducted in November 2020 and covers the period between 1 January and 31 December 2020. Corporate Communications has facilitated the stakeholder dialogue on behalf of AutoStore, speaking to representatives from key stakeholder groups, including employees, customers, shareholders, and suppliers, and interviewing them through semi-structured phone/video interviews. The stakeholder dialogue process also included document reviews and

industry level ESG topics overviews, as well as reviewing the sustainability reports of AutoStore's peers.

The company will continue to keep an active dialogue with all stakeholder groups for future ESG reports.



	Expected of AutoStore	Arena for dialogue
Investors/ Owners	<ul style="list-style-type: none"> <li>Follow laws and regulations in terms of workers' rights, human rights and anticorruption</li> </ul>	<ul style="list-style-type: none"> <li>Reporting</li> <li>BoD (meetings)</li> <li>Questionnaires</li> <li>Direct communication</li> </ul>
Society	<ul style="list-style-type: none"> <li>Responsible sourcing of materials, focus on a circular economy and proper waste management</li> </ul>	<ul style="list-style-type: none"> <li>Written communication</li> <li>Documentation through online system</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Follow laws and regulations in terms of ethical business operations, human rights and anticorruption</li> </ul>	<ul style="list-style-type: none"> <li>Folder/leaflet</li> <li>Website</li> <li>E-mail</li> <li>Supply chain management through Supplier evaluation forms and yearly audits of class A suppliers</li> </ul>
Customers/ Partners	<ul style="list-style-type: none"> <li>Ensure responsible sourcing of materials, focus on a circular economy and proper waste management</li> <li>Energy efficient operations</li> </ul>	<ul style="list-style-type: none"> <li>Newsletter</li> <li>Training</li> <li>Website</li> <li>Quarterly business reviews</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Ensure a healthy and safe working environment for its employees</li> <li>Follow laws and regulations in terms of ethical business operations, human rights and anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>Folder/leaflet</li> <li>Website</li> <li>E-mail</li> <li>Meetings in the working environment committees</li> </ul>

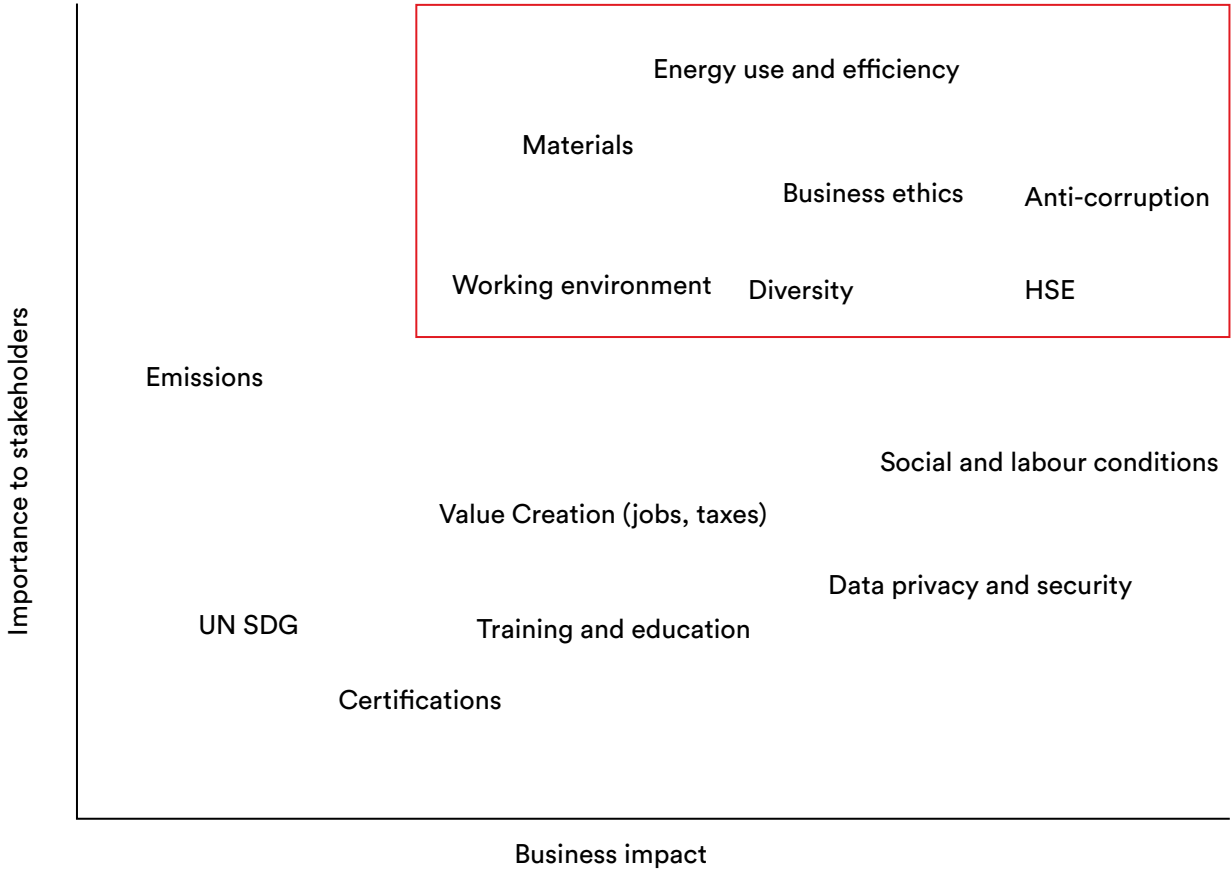


# Materiality assessment

The findings from the stakeholder dialogue have guided AutoStore's priorities in the materiality assessment. The materiality assessment was conducted in 2020 by the internal task force on sustainability, consisting of employees representing HR, finance, and executive management, and concluded that AutoStore should report on the following material topics:

- Ethics and integrity, including anti-corruption
- Working environment, including HSE and diversity
- Environment, including energy use and material use and disposal

The results are presented in the below materiality matrix, with topics considered material for AutoStore in the upper right section.



# Reporting on material topics

In the next chapter, each of the suggested overarching sustainability topics and their relevance to AutoStore are developed in detail. This includes an explanation of why the topic is considered material, as well as the company's performance today and future goals/KPIs. The chapter includes reporting according to GRI 205 Anti-corruption, GRI 405 Diversity and Equal Opportunity and GRI 403 Occupational Health and Safety.

## Business ethics and integrity

AutoStore is directly and indirectly exposed to ethical risks through its global business operations. In order to mitigate such risks, the company should make sure that good corporate governance, as well as anti-corruption policies and respect for human rights, are priority areas and followed-up on a regular basis. Working with suppliers, customers, and employees across borders, AutoStore has a direct and indirect ability and responsibility to make sure that the company maintains a proactive approach to ethics, including assessing operations for risks related to corruption as well as providing sufficient information to and training employees.

### Anti-corruption

AutoStore has zero-tolerance for corruption. The company is operating according to national and international laws and regulations, including (but not limited to) the Human Rights Act, the Money Laundering Act, and the Penal Code with related regulations. Our ethical guidelines are described in the company's Code of Conduct to which all employees have been onboarded. The Code of Conduct contains information about the company's ethical guidelines, including information on illegal business practices and conflicts of interest. All employees, as well as AutoStore's governing body, undergo anti-corruption training annually. Training and communication on ethics and anti-corruption is also part of the onboarding of new employees.

AutoStore's CEO bears the ultimate responsibility for the enforcement of the company's Code of Conduct. Managing Directors are responsible for implementing and enforcing the Code of Conduct in their respective companies, and Department Managers are responsible for implementing and enforcing the Code of Conduct in their respective departments. All employees, including governance body members, have an obligation to familiarise themselves and comply with the requirements of the Code of Conduct.

Before signing contracts with partners and suppliers, AutoStore carry out risk assessments and evaluations on issues relating to anti-corruption, business ethics and human rights, and the company actively communicate with business partners and suppliers about our anti-corruption policies and procedures. As of today, this information is not included in our contracts with suppliers, but the company has started working on implementing this. AutoStore is not part of any external initiatives or collaborations on business ethics and/or corruption prevention but has established a quality process and adheres to QAR guidelines.

All employees are responsible for understanding and identifying possible conflicts of interest and have been informed about their responsibility in such cases. All conditions, which give rise to ethical issues or matters that could involve a breach of laws and which may cause legal liability, loss of value or reputation for AutoStore should be reported to the employees' line manager, the CEO and/or the CHRO, including full written disclosure of the circumstances surrounding the issue. Examples of concerns that may be reported include allegations such as:

- Violation of AutoStore's Code of Conduct
- Violation of AutoStore's employee handbook
- Conflicts of interest
- Health and safety breaches

The company does not have an anonymous whistleblowing channel for reporting irregularities as of today.

There were no confirmed incidents of corruption in 2020; neither has the company nor its employees taken part in any legal cases regarding corruption in the reporting period.

### AutoStore has set the following goals and targets for business ethics and anti-corruption for 2021:

- Set up regular e-learning in the Code of Conduct for existing employees, as well as including this as part of the onboarding process of new employees
- Communicate our anti-bribery policy to partners and suppliers more proactively, and include this information when signing contracts with new suppliers
- Establish an anonymous and external whistleblowing channel



# Working environment

Employees are key stakeholder groups that are directly affected by and have a high impact on AutoStore's operations and business success. The ability to attract and retain skilled workers as well as maintaining a safe and healthy working environment is critical to both the company and its stakeholders. AutoStore can directly impact the working environment through its policies, as well as indirectly through active dialogue with employees, employee representatives and/or unions.

AutoStore operates in accordance with local working environment acts in all countries where we are located, and the company's internal guidelines on working environment and workers' rights are rendered in the Employee Handbook, which also contains information on work regulations and health and safety. The company has two employee representatives in Poland and three in Norway who are responsible for conveying information or concerns about the working environment to the management group. Employee representatives

frequently participate in discussions with the management group on matters such as salary negotiations and pension schemes. The company also has one HSE representative in Poland and one in Norway. The headquarter in Norway has appointed a safety representative, while the production facility in Poland has a fire chief.

AutoStore's company structure can be described as 'egalitarian', with an 'open door policy' to leaders and/or managers. The working environment is generally perceived to be good, and employees are encouraged to actively contribute with their opinions on how the working environment can be improved. AutoStore's vision, mission and values form the why, what and how we do business. It drives our decisions and builds the AutoStore company culture. Our values are used actively when onboarding new employees and is also a big part of the internal communication on a day-to-day basis. Our values are:

## Lean

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

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

## Bold

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

The company has also formed a Work Environment Committee (WEC) that has the responsibility to ensure and proactively work for satisfactory working conditions in all our locations from an HSE and welfare point of view. The WEC meets annually or in case of adverse events to investigate and discuss non-conformity incidents, findings from the annual working environment survey as well as absence rate. The WEC is also responsible for setting and follow up yearly KPIs and targets relating to health and safety.

The company usually conducts employee surveys every second year. Many of AutoStore's employees

in Norway are members of Tekna (the union for The Norwegian Society of Graduate Technical and Scientific Professionals) or other relevant unions. Union membership is less frequent in other countries where AutoStore is present. The company does not have a collective bargaining agreement for employees, but AutoStore's remuneration policy is rendered in both the Employee Handbook and the Department Managers Handbook.

The labour turnover rate in Norway was 1.8 % in 2020. AutoStore has not been involved in any legal proceedings regarding the working environment or employment issues during the reporting period.



## Diversity and non-discrimination

Diversity and equal employment opportunities are topics on which there are increasing expectations for corporate action and transparency. AutoStore has a direct ability and responsibility to ensure that the company has a diverse workforce and that equal opportunities are offered to all employees, regardless of their background.

The company prohibits discrimination in any form, whether it is based on political views, membership in workers' organisations, sexual orientation, disability and/or age. In addition to following the Norwegian Working Environment Act, AutoStore also operates in accordance with the Gender Equality Act, which aims to protect against discrimination based on gender, as well as the Anti-Discrimination Act, which protects against discrimination on the grounds of ethnicity, religion, or the like.

In 2020, the total number of employees at AutoStore was 355, with 73 % of the workforce being men and 27 % women. 23% of the employees are under 30 years old, 70% are between 30-50 years of age and 7% are over 50 years old. In 2020, women's amount of men's pay was 84%.

AutoStore's workforce (2020)	Men	Women	Total
Total workforce	259	96	355
Total workforce full-time employees	257	92	349
Total workforce part-time employees	2	4	6
Number of non-permanent employees	1	0	1
Employees total	73%	27%	100%

AutoStore's management group was composed of six male and two female members in 2020. Three of the members are between 30-50 years of age, and five are over 50 years old. Seven of the members of AutoStore's management group are Norwegians, while one is Spanish. The company's Board of Directors in Luxembourg is composed of eight members, all male.

## Health and safety

Securing safe and healthy working conditions for the company's employees is a high priority for AutoStore. The company has a direct and indirect ability and responsibility to minimise health and safety risks through its policies, processes and by maintaining a proactive approach to health and safety in the working environment.

AutoStore's policies and processes regarding health and safety are outlined in the company's Employee Handbook and Code of Conduct. The company continuously works to improve the health and safety at its offices and production facility by enforcing regulations and by informing and communicating with employees on health and safety risks and hazards.

As one of the main objectives of the Norwegian Working Environment Act is to ensure that employees participate in and influence the design of their own working environment, employees at AutoStore have been involved in the development, implementation, and evaluation of the company's occupational health and safety management system. AutoStore's CEO has the overall responsibility for health and safety at the company, together with the Managing Director in Poland and the Managing Director in the US.

AutoStore's employees, particularly at the production facility and the three storage facilities in Poland and US, are exposed to health and safety risks such as heavy lifting, fire and fall incidents, cuts, collisions, and noise damage, as well as moving forklifts and exposure to toxic emissions when working with lead-acid and lithium-ion batteries that could get damaged. For the sales offices and headquarter in Norway, HSE risks are for the most part associated with the negative impact of sedentary work. Also, due to the Covid-19 pandemic, employees have, for the most part, been working from home during 2020, which is likely to further increase such risks. To reduce strain of static sitting positions, all employees have a desk they can rise to a standing position and the office chairs are ergonomically adaptable. In Norway, AutoStore employees benefit from the services of a licensed medical professional and a physiotherapist.

The company continuously works to improve the working environment by providing training and actively communicating with employees on health and safety risks, including fire safety. New staff undergoes training upon hiring and are introduced to fire-safety regulations during their first week of employment. Other employees undergo periodical training depending on their actual work position as specified by Polish laws and regulations. The company is also performing yearly fire drills.

While the company's ambition is to have zero accidents, loss, or damage to people, material,

and the environment, it is of critical importance to have a full overview of any incident or accidents that may occur in AutoStore's working environment. The company therefore continuously monitor incidents and injuries, with increased monitoring of workstations at the production facility where these hazards pose the biggest risk. AutoStore employees report incidents to their direct supervisors, who in turn report to HSE-representatives.

In 2020, six incidents were reported by AutoStore employees, of which four were related to the assembly of the robot kit, one was related to heavy lifting and one fall incident. None of the incidents led to permanent injuries.





## Injury rate 2020

	Poland	Norway	US
Injury rate*	1754	2097	0
Work injuries (total number)	3	3	0
LTI (lost time injuries, number of injuries that have led to sick leave)	3	0	0
Deaths caused by work injuries	0	0	0
Absence due to illness	4.9 %	1.4 %	0

\*Injury rate is calculated as the number of new cases of injury during the calendar year divided by the number of workers in the reference group during the year, multiplied by 100,000.

Absence due to illness in Norway was 1.4 % in 2020 (0.8 % in 2019), which is extremely low, even in a national context. For Poland, labour turnover rate for 2020 was 4.8 % in the reporting period (4.6 % in 2019). The increase in absence rate should be seen in light of the ongoing Covid-19 pandemic and precautionary measures implemented by the company.

## AutoStore systems

As the company develops robotic storage and fulfilment systems that demand speed and fast-moving parts, there are possible health and safety risks such as pinch point hazards or the risk of fire outbreak. Although the customer is responsible for the health and safety in their own working environment, AutoStore can indirectly impact such risks by actively informing and communicating with customers.

Regarding fire safety, AutoStore always provides customers/partners with guidelines and recommendations on fire safety. On-going fire tests are conducted of the entire system in both Europe and the US, and these tests include various sprinkler configurations, height ratios in relation to overhanging ceilings, and compact storage-unit density. Testing has revealed that even with high-density storage of combustible materials, fire is limited due to the lack of oxygen in the storage grid. To AutoStore's knowledge, there were no fire incidents at any of its storage facilities in 2020.

## AutoStore has set the following goals for HSE and the working environment in 2021:

- Increase the frequency of employee survey from every two years, to every year.
- Hold a fire drill in Poland.
- Continued focus on Covid-19 and precautionary measures for all employees.

## Regarding other directives, AutoStore complies with:

- LVD – Low Voltage Directive: This test exposes the modules to fabricated faults and stresses, with the intention of ensuring that heat does not form and become a fire source or create a risk to personnel.
- EMC – Electromagnetic Compatible Directive: This test is performed to ensure that our modules do not adversely affect other machines and also that AutoStore modules are not affected by electromagnetic radiation. This extensive examination includes testing for antistatic interference.
- EU Machinery Directive: This directive shall ensure that a machine is safe to use and that it does not represent a risk of physical injury to users.
- RED – Radio Equipment Directive: As some of our products contain radio transceivers, it is extremely important that we do not breach legally-established frequency wavelengths. This encompasses transmitter power and the frequency range our products transmit on.
- ETL – Electrical Testing Laboratory: The ETL Mark is recognised as proof that a product follows North American safety standards. Authorities and code officials across the US and Canada accept the ETL-Listed Mark as proof of product compliance with established industry standards. The mark is accepted by retail buyers on products being sourced, while for consumers, it is readily recognisable on multiple products as a symbol of safety.

# Environment

As a manufacturing business, AutoStore's business activities have both direct and indirect environmental impacts. The company's main impact on the environment is through the use of raw materials, waste generation and energy use. In order to mitigate AutoStore's environmental footprint, environmental precautions are considered throughout the production and distribution chain, from raw material production to retail. The company is continuously working to reduce the overall environmental footprint of our operations.



## Energy

Using energy more efficiently and opting for renewable sources is essential for combating climate change and for lowering the organisation's overall environmental footprint. Energy consumption occurs throughout the upstream and downstream activities connected with AutoStore's operations, primarily in the form of lighting, heating, and cooling. The company has not been able to collect data for energy use at the warehouse in the US and is not able to fully disclose the total energy consumption for 2020. A breakdown of the total energy consumption at the rest of our locations is provided in the table below

At the offices in North America and Norway, energy is mainly used for lighting, ventilation, heating and cooling, in addition to electricity to power office equipment. In Poland, the main uses are for heating and cooling. The energy in Poland is generated from gas and coal, and in Norway, energy is generated from hydropower turbines. The office also uses excess heat from a local datacenter that is distributed in the floor heating, however, there is no reading of the amount of energy received from the datacenter.

At our headquarter in Norway, AutoStore has made some changes in terms of lighting to reduce energy consumption, including LED lighting and

motion sensors, which prevent unnecessary energy use outside of working hours. In North America, energy is generated from non-renewable sources, mainly natural gas, oil and coal. At the North American office, 350 gallons of propane is used to heat the building. The production process is heavily reliant on human resources and thus consumes little energy. AutoStore does not use any fuel for production. Electricity, heating, and cooling contribute to the overall GHG emissions (Scope 2) of the organisation.

### AutoStore systems

AutoStore's warehouse robots are dependent on different energy sources in order to stay operational end effective, and in order to pick and deliver the right product at the right time. However, our robots use very little energy compared to traditional storage solutions, as they are not dependent on ventilation, heating, cooling and lighting. In scale, an AutoStore storage system with ten robots will use approximately the same amount of energy as a vacuum cleaner operating for the same amount of time. The robots not only recharge themselves at the right time to avoid excessive charging, but regenerative energy functions also return power to their batteries each time they lower a bin or reduce speed.

## Energy use

Office locations <sup>a</sup>	72 MWh (USA) 1670 MWh (Vats, Norway)
Production sites in Poland <sup>b</sup>	908 MWh
AutoStore systems (the robot) <sup>c</sup>	1509 MWh
Total energy consumption <sup>d</sup>	2650 MWh (72MWh + 1670 MWh + 908 MWh = 2650 MWh)

<sup>a</sup> Includes headquarters in US and Norway. Energy use from sales offices in the UK, Europe, Japan and South Korea are excluded as employees work from home (15 employees in total)

<sup>b</sup> Includes production site (6,540 sqm), heated storage (2,180 sqm) and cold storage units (2,350 sqm).

<sup>c</sup> Total calculated as the total of energy use per 8-hour shift multiplied by the no. of shift per year (365 days) multiplied by the no. of robots sold in 2020 (5421).

<sup>d</sup> The company has not been able to collect data for energy use at the warehouse in the US



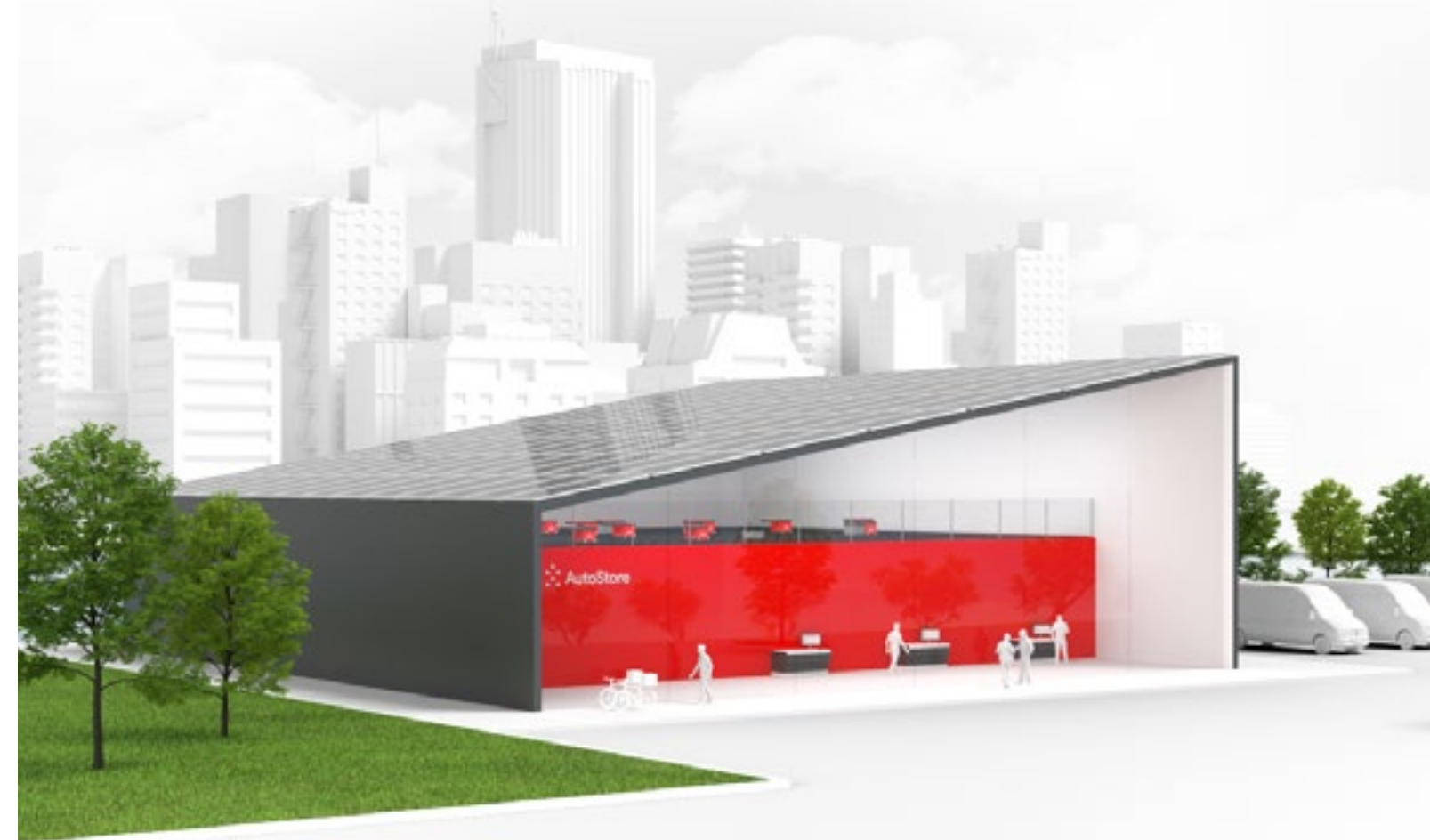
## Material use and disposal

AutoStore uses a range of materials in the production of our storage systems and efficient use of these materials is a core element of sustainable business practices. Our storage solutions are made from durable materials, ensuring a long lifespan. Plastics and aluminum play the most significant role in our production, and a total breakdown of the materials used during 2020 is outlined in the table below. AutoStore uses a range of materials in the production of our storage systems and efficient use of these materials is a core element of sustainable business practices. Our storage solutions are made from durable materials, ensuring a long lifespan. Plastics and aluminum play the most significant role in our production, and a total breakdown of the materials used during 2020 is outlined in the table below.

Material	Tonnes
Plastics	18,920
Aluminium	2,720
Electric and lithium-ion batteries	306
Steel	193
Copper	18

All materials used in the production of our storage solutions are primary raw materials which can be recycled when the system is no longer in use. So far, none of AutoStore's installations have been recycled as they are all still in use, but AutoStore has been in dialogue with all our existing bin producers about recycling of bins and require all partners to have the knowledge and technology (in house or through a third party) to accept AutoStore bins at end-of-life, regrind bins and reuse the material for new products.

Packaging protects our products from external damage, and while company does not reclaim products or their packaging materials to date, customers are encouraged to dispose of and recycle our products and packaging. AutoStore works to prevent waste and recycle as much of our waste as possible and receives information on how to do so. Unrecyclable waste and hazardous materials (e.g., electric and lithium-ion batteries) are discarded in an environmentally sustainable manner through our partner in Poland, EKOSAN Sp. Z.o.o.



### AutoStore has set the following environmental goals for 2021:

- Further develop the energy efficiency of our products, in addition review and make a plan for energy efficiency at our office locations.
- In addition to reporting on energy consumption within the organisation, report on energy consumption outside the organisation, including upstream and downstream activities.
- Start climate accounting on direct and indirect emissions (Scope 1, 2 and 3).
- Source sustainable materials for AutoStore production and explore ways to minimise waste and material use.
- Consider offsetting/buying green certificates or guarantees of origin in order to lower GHG emissions.



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