



A T T A B O T I C S

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR SUPPLY CHAINS ACT REPORT

Financial Year End December 31, 2023

This report, pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* in Canada, pertains to Attabotics Inc., a wholly owned Canadian Company.

Introduction

Attabotics recognizes our responsibility to protect human rights and does not tolerate any form of forced labour or child labour within our supply chain or those of our suppliers. As our products are a piece of the supply chain landscape, we recognize an added obligation to reduce the risk of forced or child labour. We hold ourselves to the very highest standards and expect our employees, contract workers, suppliers, clients, and members of the board of directors to act with integrity and responsibility to these laws.

Fighting Against Forced Labour and Child Labour in Supply Chains Act

The Act requires entities to report steps taken during 2023 to prevent and reduce the risk that child or forced labour as part of the organization's supply chain. Reports must include the following seven topics:

- Each entity's structure, activities and supply chains;
- The policies and due diligence processes of these entities regarding forced and child labour;
- The aspects of business and supply chains that carry a risk of forced or child labour being used and the steps the entity has taken to assess and manage that risk;
- Measures that have been taken to remediate any forced or child labour abuses;
- Measures that have been taken to remediate the loss of income to the vulnerable families that results from the measures taken to eliminate labour abuses;
- Any training provided to employees on forced and child labour; and
- How the entity determines its effectiveness in ensuring that forced and child labour are not used in its organization.

In 2023, Attabotics Inc., took the following measures to understand, reduce and prevent the risk of forced labour and child labour within our supply chains:

- Review and updates to our Supplier Code of Conduct in accordance with the International Labour Standards and the Forced Labour in Canadian Supply Chains Act.
- Implementation of training for the Attabotics Supply Chain team on the responsibility of our Supplier Code of Conduct.
- Communication with current suppliers with respect to our requirements.

About Attabotics

Attabotics is an industry-leading supply chain technology company offering a 3D robotics fulfillment solution tailored for modern commerce. This solution falls under the Automated Storage and Retrieval System (ASRS) umbrella, and is unique in its design, which draws inspiration from nature.

Built to address the supply chain and fulfillment problems of today, the Attabotics system is optimized for the three-dimensional movement of robotic shuttles within its storage structure. The system's patented storage structure matrix and 3D robotic shuttles, also known as the Studio, replace the rows and aisles of traditional fulfillment to create a superior customer value proposition. The Studio allows companies to significantly improve productivity levels while materially reducing space and labor requirements by maximizing vertical space.

Attabotics is setting the new standard for warehousing technology by reducing warehouse footprints by up to 85% while offering an average ROI of less than three years. The unique, and patented geometry of

the Studio enables full sortation, sequencing, and buffering capabilities within a dense footprint. The systems proprietary robots, the Attabots™, have direct access to pick any storage bin from any location within the structure, can bring that bin to any pick station, and present that bin in any order.

The Studio is present in several warehouses across North America. From retail, manufacturing, defense, grocery, and more, Attabotics is empowering clients to transform their supply chains and build for the future, today.

Attabotics activities and supply chains

We have 18 key suppliers whose products and/or services are structured into the following major procurement and sourcing categories at Attabotics:

1. Software services
2. Cable assemblies and wire harnesses
3. Injection molded plastic products
4. Rapid prototyping services
5. Capacitor modules' products
6. Contract manufacturing of printed circuit board assemblies
7. Servo motors and steppers
8. Power supply units
9. Aluminum extrusion products
10. Aluminum die casted parts
11. Machined steel parts (shafts, gears, ball screw assemblies, structural components, etc.)
12. Products for electrical charging

Most of these suppliers are located in North America, however a few suppliers that are headquartered in North America have manufacturing operations in Asia. This includes aluminum extrusion, die-casting, and stamping suppliers.

Policies and due diligence processes

1. **General Terms and Conditions (GT&C) for procurement on a turnkey basis**
 - a. These **GT&C** and the documents incorporated therein by reference, including any documents into which these GT&C are incorporated, including the Contract, contain the entire understanding of the parties with respect to the subject matter hereof. There are no other oral or written understandings, terms or conditions and neither party has relied upon any representation, express or implied, not contained in this document. They replace any previous verbal or written communications, understandings, or agreements hereto, in particular any previous version of standard or general terms and conditions. Any capitalized term not defined herein is as defined in the Contract.
 - b. **Compliance:** The Plant and the Work shall comply with Applicable Law, where the Attabotics system is located and with relevant Design Codes. When performing a part of the Work in a country, other than where the Site is located, the Supplier shall manufacture and produce all parts of the Work in accordance with and otherwise comply with Applicable Law at these locations. Further, the Supplier and its Subcontractors shall transport the Plant or any part thereof accompanied by completed Material Safety Data Sheets and mandated labeling information. They shall comply with applicable regulations

governing the packaging, marking, shipping and documentation of hazardous material. If any change of Applicable Law or Design Code occurs after the Effective Date, such that the Plant must be modified, the Supplier shall notify the Purchaser of the need for such modification and if the Purchaser requests that the new Applicable Law or Design Code be complied with, the Purchaser shall grant to the Supplier an appropriate Change Order in accordance with the terms of Clause 26 (Changes in the Work).

2. Purchasing and procurement procedure

- a. The purpose of this procedure is to define the activities required to ensure that purchased products conform to the specified purchase requirements, by detailing the combination of supplier controls, purchasing requirements and purchased product inspection taking into account the potential consequences of a non-conforming product being delivered.

3. Supplier Code of Conduct

- a. This Supplier Code of Conduct is developed in accordance with the International Labour Standards (fundamental conventions of the International Labour Organization on fundamental labour rights) and the Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023, c.9). Attabotics Inc. ("Attabotics") herein defines the basic requirements placed on every supplier or contractor ("Supplier") concerning its responsibility towards employees, partners, and the environment.

4. Modern Slavery Act Policy

- a. Due to the significance of this global issue, Attabotics must do its part over and above the legislated requirements to ensure that our supply chain and suppliers are not using any forced or child labour in their facilities for the safety and security of vulnerable persons in Canada and around the world. To help achieve this goal and to comply with our obligations under the Modern Slavery Act, Attabotics has implemented this Policy to provide information and guidance to our Team ("**Policy**").

How we determine the risk of forced labour or child labour

To determine the risk of forced labour and child labour in our supply chains we consider the nature of goods (parts and components) supplied and services rendered, their raw material processes, country of origin vs the ILO's information about high modern slavery risk geographical areas, low labour cost countries etc.

Steps taken to assess and manage any potential identified risk within our supply chains include:

- Collaboration of Supply Chain Management, Strategic Sourcing, and Legal to minimize the modern slavery risks in contractual documents and agreements.
- Due diligence, including ESG, before onboarding a new supplier or contractor, or entering a new agreement.
- The selection of a new supplier through the democratic process as per defined criteria with all functional teams involved.
- Having special contractual clauses and acknowledged Supplier Code of Conduct with Tier 1 suppliers and binding them to trace modern slavery risks upstream to sub-suppliers and sub-contractors.
- On-site audits of new suppliers if we have the financial resources to travel to their premises.

Certain key suppliers were marked as potentially having higher risk of modern slavery in their upstream tiers (for our due diligence).

Remediation measures

In 2023, we did not identify any incident of forced labour or child labour in our supply chain.

Training

Training is being developed and will be managed on our employee training platform, BIS trainer. Until training is developed, the Act and its importance continues to be discussed within the Supply Chain Team.

Continuous improvements

We have improved our processes through a number of measures, including:

- Adjustment of contractual documents.
- Procurement procedures and addition of supplier selection criteria including ESG and modern slavery assessment criterion.
- Acknowledgement by key suppliers of our Supplier Code of Conduct.
- Legally bound suppliers to trace modern slavery upstream.
- Added more due diligence actions and objects.
- Raised awareness among Attabotics employees involved.

Our commitment to improvement is reflected in the following outcome of our ISO 9001:2015 audit (05-February-2024 - 07-February-2024):

“The system continues to comply with the requirements of ISO 9001: 2015 and the scope of design, **procurement**, manufacturing, and assembly of hardware robotic warehousing and fulfillment systems. Management review minutes showed a commitment to maintain the effectiveness of the system and **to continual improvement.**”

Board Approval

Attabotics’ corporate governance procedures include periodic review and approval of all its Forced Labour Policy and Report by its Board of Directors.

The 2023 Report was approved by the Attabotics Board of Directors on May 29, 2024.

Per: _____

