MODULAIRE GROUP

THE FUTURE IS OURS TO BUILD

ESGS Report 2024

About this report

Working across
23 countries
in Europe and Asia Pacific

Around
5,000 employees

Serving over
52,000 customers

Around
330,000 modular space units
and portable storage units

Around
5,000 remote accommodation rooms

Extensive network of
180 service centres
including 13 design and assembly facilities

With
Operating brands
including: Algeco, Advanté, Altempo, Ausco, Module Tech, NET Modular, Portacom and Uniteam

Modulaire Group (Modulaire) is Europe and Asia Pacific's leading specialist in modular services and infrastructure. Combining unrivalled skill and adaptability, we create smart spaces for people to work, learn and live. We deliver added value for our customers through our equipment, connectivity and furniture solutions. With operations in 23 countries, and over 330,000 modular units, our skilled workforce delivers the space solutions our customers need.

This is our **fifth annual Environment, Social, Governance and Sustainability (ESGS) report**, which shares our impacts, priorities, actions, and progress from 1 January 2024 to 31 December 2024 (unless otherwise stated). The focus areas are informed by our double materiality process, meeting the needs of our business strategy. All of our operations are in scope unless otherwise stated. We commit to sharing this information with our stakeholders through our communication channels. We integrate the TCFD (Task Force on Climate-related Financial Disclosures) four pillar framework into our reporting structure, believing in its principles of effective disclosure, with sections on Governance, Strategy, Risk Management, and Metrics and Targets. By using these principles and the latest reporting developments, Modulaire will ensure our practices remain aligned with best practice sustainability standards.

→ www.modulairegroup.com

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Picture caption: Kindergarten school in Spalt, Germany with contemporary modular design and build by Algeco.

Building our future

We are redefining the future of the built environment with a steadfast dedication to sustainability, circular economy principles, technological advancements, and modular design. Every space we create embodies resilience, efficiency, and connectivity – serving businesses and communities while safeguarding the environment.

Our approach is driven by the transformative forces of evolving megatrends, national ESG targets, sector dynamics, societal shifts, customer requirements, and industry advancements. By strategically aligning with these critical factors, we maximise our ability to create long-term value across every stage. Our unwavering commitment to excellence ensures the delivery of safe, high-quality, and fully compliant spaces and products - providing our customers with tailored solutions that meet their unique needs and expectations.

By embracing a circular economy approach, we prioritise refurbishment and material reuse, minimising waste and ensuring resources remain in continuous circulation. The emergence of smart cities, powered by AI and Internet of Things, is revolutionising urban living - making it smarter, more efficient, and seamlessly interconnected.

In my first year as CEO, I have deeply valued meeting with our people, customers, suppliers, and investors. The potential for our modular solutions is vast, and we are committed to expanding our successes across all markets.

With the growing demand for sustainable goods and services, we remain focused on innovation — developing value-added products and services that contribute to a low-carbon future.

This year, our decarbonisation efforts have yielded a 41% reduction in Scope 1 and 2 absolute emissions since 2020. Prioritising electrification, 22% of our cars and 35% of our forklifts have transitioned to electric. Our newest service centre in Karlstein, Germany, is at the cutting edge of sustainable design and will enable us to share learnings and best practice from the site across the Group.

Our mission is clear: to shape the future with purpose, sustainability, and innovation at its core - meeting the evolving needs of our stakeholders. The circular economy is not just our strategy; it is the foundation upon which we build the future.

Pavan Pattada
Group Chief Executive Officer

Key megatrends shaping the built environment

- **Sustainable builds**
- **Off-site construction**
- **Digital transformation**
- **Retrofitting & Energy efficiency**
- **Smart cities**
- **Automation**
- **Decarbonisation & Electrification**

Performance highlights 2024

Environmental

87% less Waste
to landfill since 2020 per typical unit

Net Zero targets
submitted to SBTi

41% less GHG emissions
Scope 1 & 2 absolute market-based since 2020

64% less Water
since 2020 per typical unit

78% Renewable energy

Social

30% lower LTAFR
since 2023

5,442 hours
paid volunteering

3% more female employees
overall proportion since 2020

3 UN days
Participated in International Women's Day; World Day for Safety & Health at Work; and World Environment Day

Governance

2,070 hours
Code of Ethics training, including Anti-bribery and Corruption

11 EcoVadis medals
6 Gold medals
5 Silver medals

117 hours
Cybersecurity training

"The relationship between Finance and ESGS is pivotal. By integrating ESGS considerations into financial decision-making, we drive sustainable growth and manage oversight of our impacts and risks and we can act on opportunities for value creation. This fosters a more resilient and a robust approach. In 2024, ahead of regulatory change, the Board has assigned responsibility for ESG compliance to the Audit & Risk Committee and appointed an ESGS Controller to align internal process."

Emma Mercer
Group Chief Financial Officer

"We have implemented a comprehensive ESGS Responsible Sourcing Policy to embed ethical practices across our supply chain. It is helping us to evaluate and prioritise our impacts and to minimise the risk of human rights violations. The increased transparency it brings benefits everyone and gives emphasis to collaboration, performance evaluation and continuous improvement. We will continue to improve our approach and tools over time. This year, we participated in several ESG audits for key customers that have focused on social impact."

James Odom
Group General Counsel

Our ESGS purpose

At Modulaire, we create smart spaces for people to work, learn and live. We work with purpose; to help generate economic prosperity, to do social good and promote environmental responsibility. Where we can make a difference, we will with our people and products.

We seek to reduce our environmental impacts and to continuously improve our sustainability performance through responsible governance, processes and practices. Our ESGS purpose is aligned with a number of best practice frameworks and standards, including the UN SDGs, UNGC Principles and the TCFD.

Environment

- Provide customers with sustainable and circular solutions using our Loops within Loops strategy
- Help to improve the sustainability performance of our supply chain
- Design and deliver safe, energy-efficient, low-carbon solutions to our customers using clean and innovative technology where possible
- Reduce our environmental impacts across energy, carbon, water, waste and biodiversity

Governance

- Strict compliance with applicable local legislation relating to ESGS
- All functions and business units contribute and report on Modulaire's ESGS commitments and targets
- Achieve sustainable growth and robust business performance through responsible corporate governance and an open dialogue with all stakeholders
- Meet sustainability objectives
- Support our commitments to external ESGS frameworks including the UN Sustainable Development Goals, UNGC Principles and the TCFD

Social value

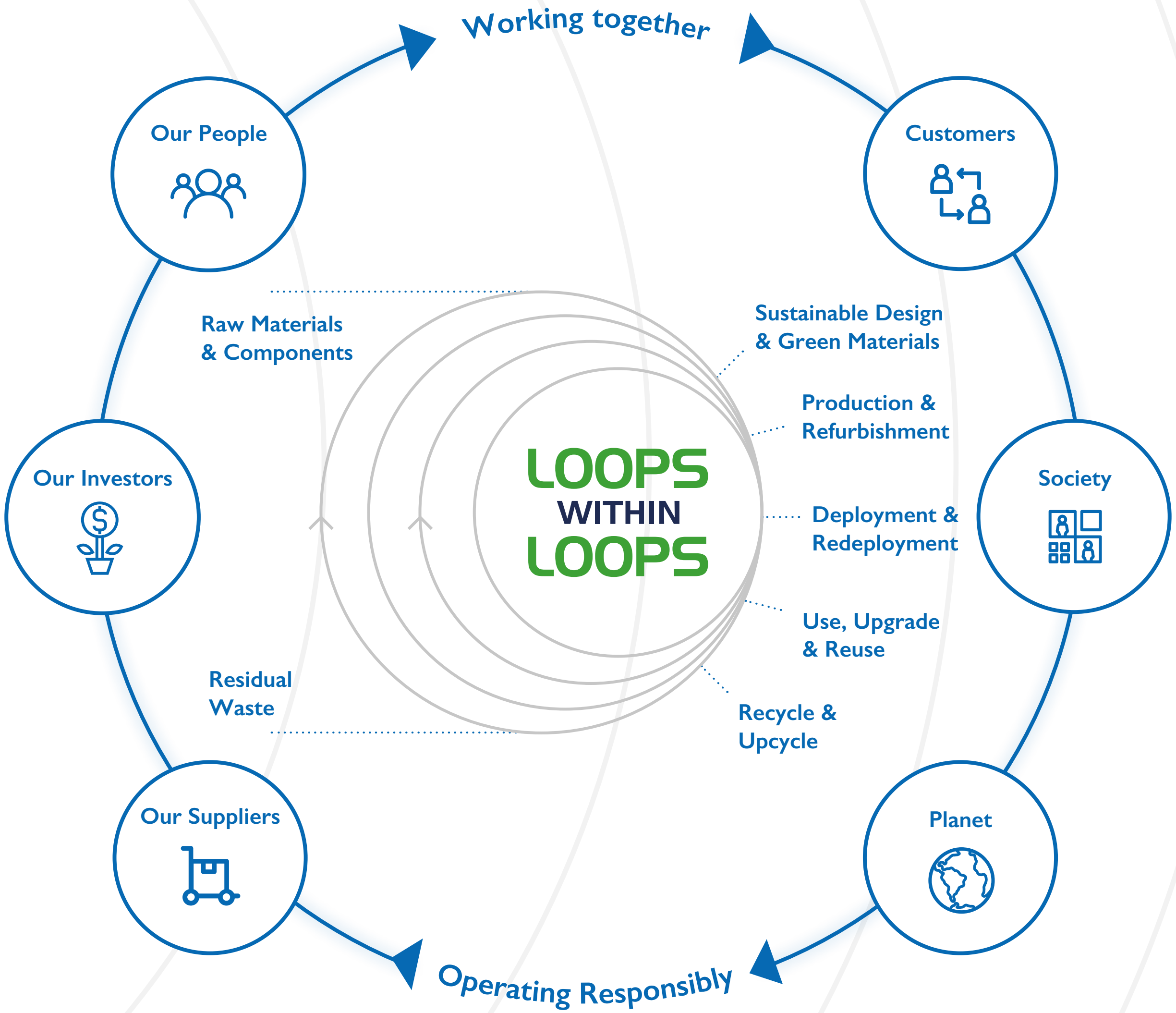
- Provide a safe, inclusive, diverse and motivating environment for our people, contractors and visitors
- Promote organisational change management to meet ESGS commitments
- Empower our employees to add value for our customers, suppliers and communities
- For communities, act responsibly and create social value through our group initiatives and focused local programmes

Our business strategy: Loops within Loops

Loops within Loops is our sustainable circular business model. It simply means we use innovative sustainable design solutions to produce modular units that can stay in service longer, going round and round again. This reduces the use of virgin materials, minimising resources and waste. By designing in sustainability and designing out waste, we produce a circular product that can be reused, refurbished, remade and assembled. We do this to meet the expectations of our stakeholder groups, who want maximum value with minimum impact.

Our sustainable modular solutions contribute to an advancing circular economy. Whilst we are in the early stages of realising the full potential benefits of our activities, the steps that we are taking to better understand the risks and opportunities of the transition to a low carbon economy are bringing measurable benefits to our customers, the environment and the societies in which we operate.

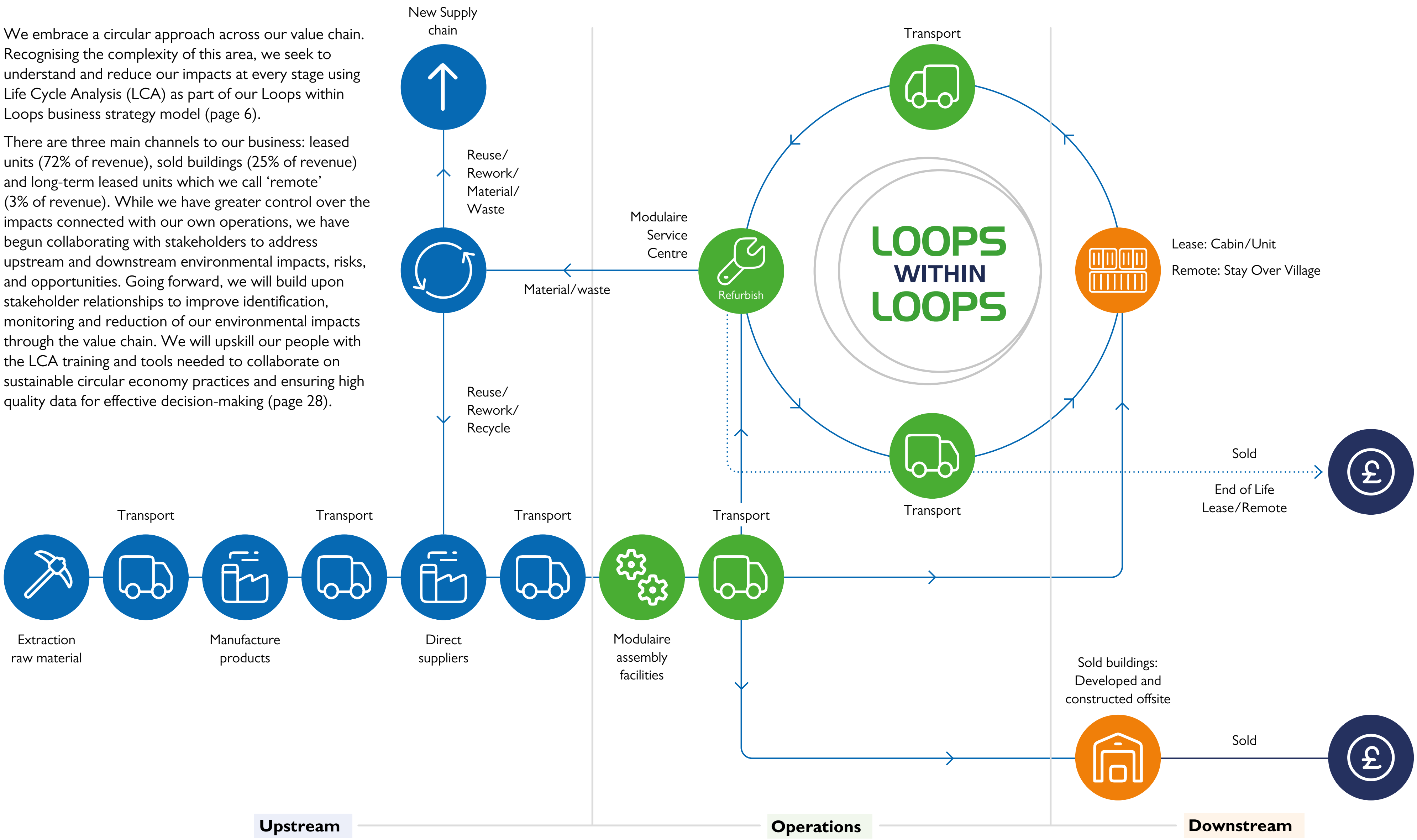
See Loops within Loops in action below:



Our value chain: a circular approach

We embrace a circular approach across our value chain. Recognising the complexity of this area, we seek to understand and reduce our impacts at every stage using Life Cycle Analysis (LCA) as part of our Loops within Loops business strategy model (page 6).

There are three main channels to our business: leased units (72% of revenue), sold buildings (25% of revenue) and long-term leased units which we call 'remote' (3% of revenue). While we have greater control over the impacts connected with our own operations, we have begun collaborating with stakeholders to address upstream and downstream environmental impacts, risks, and opportunities. Going forward, we will build upon stakeholder relationships to improve identification, monitoring and reduction of our environmental impacts through the value chain. We will upskill our people with the LCA training and tools needed to collaborate on sustainable circular economy practices and ensuring high quality data for effective decision-making (page 28).



How we manage ESGS governance

We are a responsible business and comply with legal requirements of the countries where we operate. Responsible conduct is a critical element of our corporate culture and embedded in our strategy. We operate with the highest degree of integrity and ethics.

Our responsibilities

It is our responsibility to conduct our business ethically, taking into account our ESGS purpose and being a good employer. We have a strong governance structure in place; the Modulaire executive team and Board of Directors take ESGS commitments seriously and seek to deliver strategy and targets in a way that our stakeholders can be proud of.

Delivering our commitments

Our commitments to ESGS are championed at every level of Modulaire, from our shareholders, Board, senior leaders, and management teams to all our customer service centres.

We deliver on these commitments by incorporating them into key processes including our business performance reviews, assurance audits and risk management. It enables us to assign the appropriate level of accountability to meet our objectives and KPIs.

Climate Change governance

The executive and management responsibility for assessing and managing climate-related risks and opportunities is held at board level.

Governance structure for ESGS

Board of BCP V Modular Services Holdings Limited (including independent non-executive directors)

Provides ESGS oversight (including climate change) and approves material initiatives, disclosures, and reports. Board oversight of climate-related risks and opportunities.

Audit and Risk Committee

Responsible for oversight of the Group's compliance with the Corporate Sustainability Reporting Directive.

Environment, Social, Governance and Sustainability (ESGS) Committee

Brookfield-nominated member, Group CEO, Group General Counsel, Director ESGS, and Group Chief Human Resources Officer

Responsible for assisting the Board in articulating and developing our ESGS strategy, mission and tactics. It provides oversight of sustainability initiatives, in line with our purpose, values and strategy. The committee oversees ESGS monitoring of material risks and opportunities (including climate-related), disclosures, reporting, operations, policies and regulation. The Group General Counsel and Director of ESG and Sustainability are responsible for the ESGS function, policy and strategy and ensure implementation and the provision of necessary resources.

Executive Committee

Develops and implements ESGS plans for our Strategic Business Units (SBU) and local policies. Responsible for developing and executing ESGS mandate and initiatives. Reviews objectives and progression of our ESGS policy, procedures and projects.

ESGS Team and Working Group / Forum

From each SBU: ESGS Managers and relevant function leads e.g. Operations, HR, Finance

Responsible for executing ESGS mandate and initiatives outlined by the ESGS Committee.

Human rights commitments and policies

Our commitments

Modulaire is committed to protecting human rights across its operations and supply chain, including for our employees, onsite contractors, suppliers, customers and in communities where we operate. We are also committed to ensuring that modern slavery or human trafficking is not taking place in our supply chain or in any part of our business. We further these commitments by implementing and enforcing effective policies, systems, controls and programmes. We are signatories of the UNGC and run activities on associated UN days across the Group (page 30). Read our Modern Slavery and Human Trafficking Compliance Statement here: www.modulairegroup.com/modern-slavery-act

Assessing our risks

Our modern slavery risk assessment considers three key factors: vulnerable populations; high-risk sectors; and high-risk geographies. Based on these risk factors, we identified there are varying levels of modern slavery risk exposure across our business:

1. Our suppliers: we can potentially be exposed to modern slavery risk if it is present in our supply chain, for example, through goods from high-risk countries or base-skill workers engaged in high-risk category services such as cleaning or building maintenance. Based on our supply chain profile, the risk of modern slavery in direct suppliers remains relatively low. We recognise that the risk of modern slavery may increase further down our supply chain (Tiers 2 and below) where we have lower visibility and generally lower ability to influence.

2. Our people: we can potentially be exposed to modern slavery risk as an employer. However, as the majority of our workforce is directly employed, the risk of causing modern slavery in our role as an employer is low.

3. Our Customers: there may be a risk of exposure to modern slavery through leasing services, for example, units provided to clients operating in sectors with base-skill labour and long complex supply chains can present a higher risk of exposure to modern slavery, for example, in construction.

1. Governance

2. Key policy framework

- Anti-Bribery and Corruption Policy
- Code of Ethics
- Cybersecurity Policy
- EDI Policy
- ESGS Policy
- Gift and Entertainment Policy
- Health & Safety Policy
- Modern Slavery & Human Trafficking Compliance Statement
- Policy on Electrification of Machinery, Forklifts & Vehicles
- Policy on Sustainable Use of Water
- Policy on Waste Management
- Responsible Sourcing Policy
- Speak-Up Policy
- Supplier Code of Conduct
- Sustainability-Linked Financing Framework

3. Key systems and controls to mitigate human rights risks across our supply chain

Our suppliers Our people Our customers

- Modern Slavery Statement
- Training: Code of Ethics, Anti-bribery & Corruption, ESGS awareness
- Supplier Code of Conduct
- Responsible Sourcing: Screening, Assessment and Due Diligence
- Raising Concerns: Whistleblowing Hotline
- Continuous Improvement

Risk mitigation

Our double materiality assessment is outlined in this report and has raised salient human rights issues, which are addressed through our ESGS strategy (page 20, ref: S1-S5, G1-G5). Where risk is identified during our ESGS due diligence assessment, our people will identify lessons or opportunities for improvements to be shared with the procurement team, ESGS Committee and the Board as necessary. Where issues are identified, we agree corrective actions between the relevant parties, documenting the process and outcomes.

Supplier Code of Conduct

The Supplier Code of Conduct reflects Modulaire's commitment to act ethically and with integrity in all business relationships. To ensure our suppliers and contractors comply with these values, we require them to adhere to the code including a commitment not to use slave labour or participate in human trafficking. New suppliers must agree at on-boarding stage, understanding that our trading relationship may be discontinued if they should fail to comply.

Continuous improvement & measurement

We are committed to the continuous improvement of our supplier governance framework and process controls. This year, Algeco UK received a score of 91% on the Modern Slavery Statement and Modern Slavery Assessment Tool, achieving the UK Government's green category for public sector organisation suppliers.

ESGS strategy and objectives

The Modulaire ESGS strategy is our commitment to act on our ESGS impacts and communicates our policy position, objectives and actions uniformly across the Group. It is informed by our stakeholder engagement process and addresses key material topics and impacts from our double materiality assessment (page 20).

Our ESGS strategy features circularity, adaptability and leasing at its core. It sets out ambitious ESGS objectives and absolute reduction targets (KPIs), including our commitment to Net Zero emissions by 2050. Central to delivery, is our circular business strategy model – Loops within Loops. It is designed to ensure our raw materials remain in use for as long as possible at their highest value (page 6). We share our ESGS progress publicly in this annual report.

ESGS objectives:

Measure and deliver social value

1. Place safety at the top of our agenda, supported by wellbeing programmes and training
2. Create smart places for people to work, learn and live
3. Ensure diversity and inclusion remain key values in every aspect of our business

Target Net Zero by 2050 using our Loops within Loops model

1. Be part of the circular economy by leasing, redeploying and end of life reuse
2. Drive sustainable design and manufacturing
3. Act on climate-related risks and opportunities

Continuously improve governance

1. Maintain our strong compliance focus around: ethics, anti-bribery and corruption, suppliers, data protection, cybersecurity and speaking up
2. Active oversight by the Board and Executive Committee of ESGS
3. Achieve best practice EMS certification

c.73%

c.73% less carbon emissions vs traditional construction[1.]

Our circular business model delivers modular builds with a lower carbon footprint than traditional construction.

20x

Units can be reused up to 20x or more during their average lifecycle[1.]

Our units provide flexibility, because they are reconfigurable and reusable, they are helping customers adapt to changing climate demands and shifting demographics.

96%

Units are up to 96% recyclable[1.]

By leasing out assets, they remain under our control for their full lifecycle, enabling us to minimise their impacts and manage their recycling.

1. 2020 Product footprint analysis of a typical Modulaire unit based on:
   - Stage A1-A5 (sourcing, manufacturing and transporting to site) approximately 200 ($kgCO_2e/m^2$) v 700-800 ($kgCO_2e/m^2$) for a traditional build. This equates to approximately 73% less carbon emissions compared to a traditional build.
   - In use (B1-B6) and end of life (C1-C4) emissions total 210 $kgCO_2e/m^2$. This equates to approximately 65% less carbon emissions compared to a traditional build
   - For the whole life footprint (410 $kgCO_2e/m^2$), details for an equivalent traditional build are difficult to ascertain due to the lack of benchmarks which include B6 data
   - Product footprint calculated in accordance with EN 15978:2011. Modulaire typical unit based on Advance 8000 two classroom unit assembled in France. Typical benchmarks for education buildings based on Whole Life-Cycle Carbon Assessments Guidance (Mayor of London, October 2020). Whole life figure provided in this guidance exclude any allowance for energy consumed during the in-use phase

Global frameworks and standards

We are delivering for social good, contributing to the global community and taking action on climate change. We align our ESGS strategy with a number of best practice frameworks and standards, including the United Nations Sustainable Development Goals, the United Nations Global Compact Principles and the Task Force on Climate-related Financial Disclosures. We do this so our investors, customers, suppliers and society at large can understand our approach to sustainability and assess our progress. We communicate our ESGS performance transparently through these external organisations, on our website and in this report.

"Standards and frameworks offer a structured approach and guidance for all our ESGS topics. Their interoperability helps mitigate risk and highlights opportunities. Working on their delivery across the business has equipped me with valuable knowledge and skills to inform stakeholders effectively."

Auriel Franklin
Group ESGS Intern

We act on six UN SDGs that complement our business purpose, vision and operations. We have integrated the goals into our everyday activities through our services, projects and customer portfolio.

To achieve long-term success, we are transitioning to a sustainability strategy with circularity at its core, providing modular space for people to work, learn and live.

We work in collaboration with our stakeholders to create and develop shared value for people and the planet. We create products that make a positive difference to society while contributing to our ongoing success.

We conduct business with a focus on ethical, environmental and community goals, whilst being a good employer and fostering a diverse and inclusive culture.

We became signatories to the UNGC in April 2021. We report annually on our progress against its ten Principles through a Communication on Progress report.

A number of our SBUs are participating in the independent sustainability rating system, EcoVadis. It makes an independent assessment of our ESG performance in four key areas: Environment, Ethics, Labour & Human Rights, and Sustainable Procurement (page 38).

We became signatories to TCFD in May 2021 and based our roadmap to Net Zero on their recommendations. We share our progress in this report, a non-financial declaration that combines aspects and reporting on key issues including: stakeholder concerns in the materiality matrix, environmental, social and governance factors, including business ethics and compliance, anti-corruption and bribery.

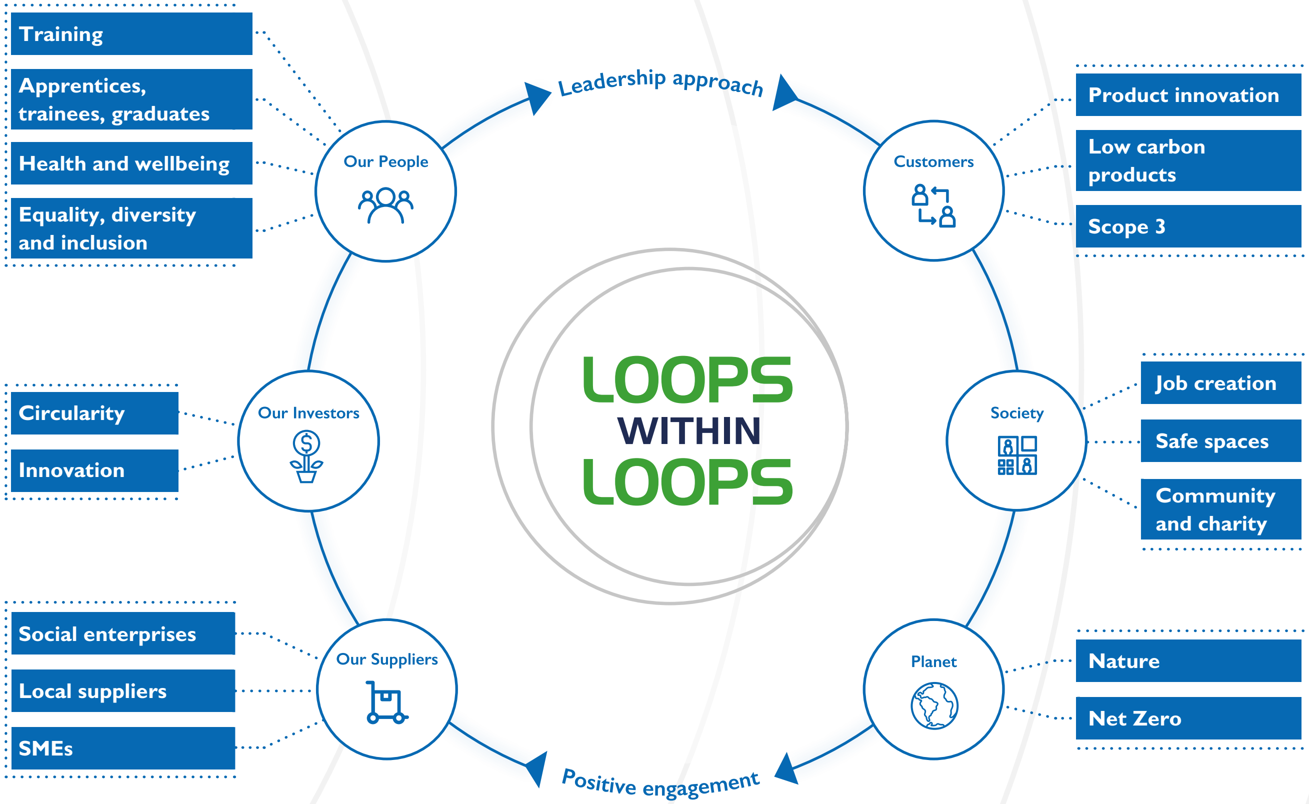
Modulaire became a signatory to SBTi in January 2023 and has committed to using SBTi criteria when setting our absolute CO_2e reduction targets, including for Scope 3. We have submitted our science-based targets to SBTi for validation.

Our approach to social value

Social Value is the contribution that an organisation makes to society by delivering economic prosperity, social good and environmental responsibility. It forms a part of our *Loops within Loops* business strategy and can be measured by proxy or actuals, through quantitative and qualitative approaches (page 34).

At Modulaire, we are in the process of listening, engaging and collaborating with our stakeholders to learn more about the social value our activities can deliver. Our key social focus areas are to deliver modular solutions by providing smart spaces that benefit the communities where we operate, to provide a safe and healthy working environment for our employees worldwide, and to foster a diverse and inclusive culture.

We amplify our social value by aligning our actions with those of international change-makers like the United Nations Sustainable Development Goals and the United Nations Global Compact. By doing so, we can make a positive contribution to the social infrastructure meeting society's changing needs.



Setting our Climate Transition Plan

Since 2020, we have been actively reducing our climate-related impacts and transitioning to a sustainable business model with progress reported annually. We are currently preparing our first Climate Transition Plan, aligned with the UK Transition Plan Taskforce framework. It builds on the validation of our 1.5° aligned climate targets, currently underway, and will be approved and managed through our ESG governance structure (page 8). This year, we achieved a 41% reduction of GHG emissions (vs 2020) after implementing planned actions for electrification and purchasing renewables.

Our strategic plan is fully aligned with the Paris Agreement goal of limiting global warming to 1.5°C, with a comprehensive Climate Transition Plan/Net Zero Plan addressing Scope 1, 2, and 3 emissions. At the core of our approach is the Loops within Loops circular business model, designed to drive sustainability and innovation, enabling us to develop environmentally responsible solutions that support our customers in their transition to a low-carbon future. We consider climate-related risks and opportunities and embed these impacts into our strategy.

- 1.5°C aligned targets: Modulaire's GHG reduction targets for 2030 and 2050 have been developed following the Science Based Targets initiative (SBTi) and Corporate Net Zero Standard. They are aligned with the 1.5°C Paris Agreement goal and are currently under validation by the SBTi.
- Mitigation actions: key actions to reduce our emissions include the ongoing implementation of Modulaire's Loops within Loops circular business strategy model, sourcing and generating 100% renewable electricity, and collaboration with value chain partners to reduce embodied emissions.
- Decarbonisation levers: our decarbonisation levers include electrification, purchase of renewable energy certificates and renewable energy initiatives onsite (page 14)

Financial alignment and investments

We have allocated a dedicated financial budget for both CAPEX and OPEX to implement our Climate Transition Plan, which we expect to lead to additional business opportunities. In 2021, we took the opportunity to raise finance through a sustainability-linked finance arrangement, which includes emissions reduction criteria (page 24).

- OPEX: allocated to energy efficiency improvements, renewable energy, and electrification
- CAPEX: supports electrification and low carbon innovation technologies

Embedding climate-related impact assessment in our strategy:

Our Loops within Loops business model and sustainability-linked financing demonstrate how climate and sustainability criteria are integral to our business strategy

Managing locked-in emissions

No locked-in emissions.

Sustainable product portfolio

Focuses on reducing emissions, energy efficient and advancing clean technologies for the built environment. (page 17)

Reducing carbon reduction

- Governance and oversight
- CEO and Executive Leadership Team drive implementation.
- Board & ESGS Committee oversee alignment with sustainability goals.
- Regular reviews ensure strategic consistency with external commitments.

GHG emission reduction targets

2024 emissions data:

	2024 tCO_2e
Scope 1	**16,965**
Scope 2 (market-based)	**2,851**
Scope 3	**1,045,509**
Total	**1,065,234**

- Progress on our Climate Transition Plan: in 2024, we achieved a 41% reduction of GHG emissions following the implementation of planned actions including electrification and renewable energy
- Approval of our climate transition plan: Our plans and climate targets have been approved by our ESGS Committee and board, in line with our ESGS governance structure (page 8)

Policies on climate change

Context	Content	Scope	Accountability
ESGS Policy	Enable progress towards emissions reduction targets for 2030 and 2050	Group	ESGS Committee/Board/SBUs
Policy on Electrification of Machinery, Forklifts and Vehicles	Strategy to minimise the impacts of fossil fuel use in our activities and for the environment	Group	ESGS Committee/Board/SBUs/OBUs
Reduction and transition plans	Country plans to localise GHG emissions reduction	SBUs/OBUs	SBU
SBTI	Target to reduce Scope 1 and 2	Group	ESGS Committee/Board
SDG 9, 12, 13	Reduction in carbon, produce low carbon products and part of the circular economy	Group	ESGS Committee/Board

Action on climate transition

We are dedicated to achieving Net Zero and have been developing our Climate Transition Plan and carbon reduction targets to decarbonise our operations.

Setting our carbon reduction targets

We have submitted near term and Net Zero carbon reduction targets to the SBTi for validation. These targets have been developed in line with the latest SBTi guidance and follow the latest available climate science.

Base year and target ambition

Our Scope 1 and 2 emissions reduction target covers 100% of Modulaire Group's emissions and follows a 1.5°C pathway. By 2030, we aim to reduce Scope 1 and 2 emissions by 55.5% from a 2020 base year. Our Scope 3 emissions reduction target covers 99% of Modulaire's emissions and follows a well-below 2°C pathway. Business travel, employee commuting and upstream leased asset emissions have been excluded on the basis that Modulaire has limited control in reducing associated emissions. However, we will review these regularly to ensure these emissions do not become material in future. By 2030, we aim to reduce Scope 3 emissions by 25% from a 2022 base year. A base year of 2022 is used for Scope 3 as data availability and quality is too low to support target-setting.

Preparing for the Net Zero economy

The target-setting exercise has helped to inform our business strategy and assisted us in detecting relevant environmental, societal, technological, market and policy related developments. We will continue to monitor them and adapt our business strategy as necessary.

Investment for emissions reduction

Scope	Key actions	Decarbonisation lever	Investment type (CAPEX/ OPEX)	Timeframe	Reduction targets
Scope 1&2	Electrification policy	Forklifts and on-site machinery	CAPEX/OPEX	2030	55.5% emissions reduction vs 2020
	Electrification	Electrification/Substitutes of Fleet Fossil Fuel for Cars/ Vans and HGs	CAPEX OPEX	2030	
Scope 3	Lower carbon solutions	Innovation and LCA tools Low carbon value added products	CAPEX	2030	25% emissions reduction vs 2022

Decarbonisation levers for Scope 1 and 2 to reach 55.5% target by 2030

Opportunity lever	Priority	By	Comment
Electrification of transport	High	2030	Switch to EV for cars/vans and forklifts
Renewable electricity (RE)	High	2030	Increase renewable certificates/onsite coverage
Energy efficiency (EE)	Medium	2030	Onsite efficiency strategy
HVO switch (HVO)	Low	2030	HVO where appropriate and available

Decarbonisation levers for Scope 3 to reach 25% target by 2030

Opportunity lever	Priority	By	Comment
Energy efficiency	High	2030	Increase energy efficiency of unit/build e.g. insulation, LED, VAPs
Unit embodied emissions reduction	High	2030	Procure low carbon and materials and lightweighting
Reduction in downstream transport emissions	Medium	2030	Partnership with suppliers/3rd party providers
Waste reduction	Low	2030	Reduce waste e.g. less packaging, increased recycling

Net Zero: our pathway and progress

2023

ACHIEVED

Low Carbon Solutions

- 5% absolute reduction in Scope 1 and 2 emissions (vs 2020)
- Source 100% Renewable Energy for the Group where available and applicable
- Initiate Group Operational Carbon baseline tonnes of annual Scope 3 for 2022

2024

ACHIEVED

- 7.5% absolute reduction in Scope 1 and 2 emissions (vs 2020)
- Roll out our strategy to reduce or mitigate Scope 3 emissions
- Continuous innovation of low carbon solutions for customers

2025

IN PROGRESS

- 10% absolute reduction in Scope 1 and 2 emissions (vs 2020) and progress 2030 SBTs
- Reduce the embedded carbon footprint (Stage A1-A5) of a typical Modular Space Unit (vs 2020)*
- Reduce waste to landfill by 50% per typical unit (vs 2020)
- Reduce our water use by 10% per typical unit (vs 2020)
- Life Cycle Analysis of typical manufactured Modular Space Units

2028

Sustainability-Linked Finance

15.8% reduction in Scope 1 and 2 emissions (vs 2020)

2030

Innovation & Scale

- Reduce Scope 1 & 2 GHG emissions by 55.5%
- Reduce Scope 3 emissions by 25%
- Progress towards total circularity of units
- Technology for carbon removal
- 100% renewable energy where available and applicable
- Transform new product portfolio to Net Zero carbon

2050

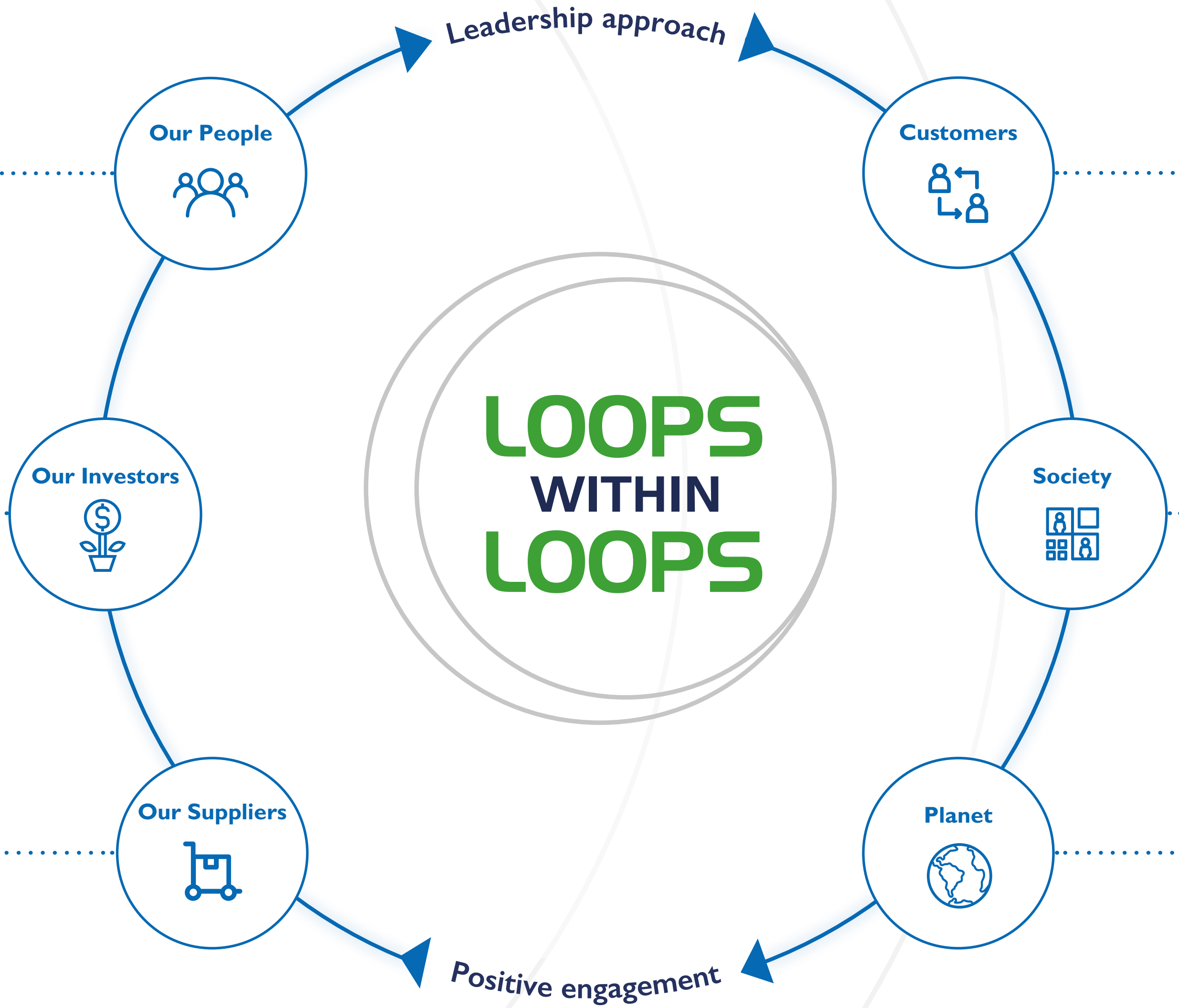
NET ZERO 2050

Net Zero

Net Zero carbon of our end-to-end supply chain by 2050 to meet the Paris Agreement goal of 1.5°C.

Our commitment for environmental responsibility and climate action is to minimise carbon emissions for our company and customers and manage our material risks and opportunities.

Net Zero: stakeholder benefits



Our People: Innovation, resilience and positive engagement

Our Investors: Reducing risk and increasing opportunities for capital investment

Our Suppliers: Resilience, support and partnerships for emerging technologies

Customers: Innovative low carbon products, services and solutions

Society: Safe spaces for people to work, learn and live

Planet: Environmental responsibility and climate action for 1.5°C goal

Sustainable product portfolio

Our sustainable product portfolio is central to the implementation of our Loops in Loops Strategy, driving sustainability across our operations. Its expansion is powered by research and development-based innovation, ensuring continuous improvement and adaptability. We focus on developing products that contribute to the Sustainable Development Goals, circular economy principles, and a low-carbon future, reinforcing our commitment to responsible growth. For our clients, this translates into access to cutting-edge, low carbon solutions that align with global sustainability standards, helping them achieve their environmental and business objectives.

Impacts, Risks, and Opportunities

Type	**Sustainable solutions**
IRO	Positive
Strategy	ESGS
Policy	Design guidelines ESGS Policy
Action	Increasing the resource efficiency, recyclability of our materials; market design for circular products
Target	25% reduction Scope 3 by 2030

Sustainability assessment of products

- Evaluate existing and new products with a focus on sustainability.
- Align the product portfolio with circular economy Net Zero goals.
- Benefits for clients: ensures products meet high sustainability standards, providing confidence in their environmental impact.

Approach

Identify changes in market, innovation, and regulatory environments.

- Integrate into product portfolio decisions and corporate governance.
- Pilot test internally with external expert review.
- Focus on AI and digitalisation.
- Benefits for Clients: Proactive adaptation to market trends and regulatory requirements, ensuring reliable and compliant product offerings.

Loops within Loops

- Offers low carbon products aligned with circular economy principles.
- Based on alternative low carbon raw materials, energy sources and recycling.
- Target at least 25% recycled or alternative materials.
- Benefits for clients: reduced carbon footprint and support for circular economy initiatives, enhancing their sustainability credentials.

Product Stewardship & Safety

- Certification and LCA approach.
- Integrated into Quality, Safety, Health, and Environment management systems for compliance with standards.
- Benefits for Clients: assurance of product safety and compliance, reducing risks and enhancing brand reputation.

FireX, the latest addition to our fleet, illustrates this approach.

"Our approach has the potential to support clients in managing their emissions footprint."

Kristian Grimsbo
Marketing & ESG Director, Nordics

Our value proposition

Industrial
We understand the unique challenges faced by industrial projects and our high quality modular units and services can deliver turnkey solutions for the largest and smallest of spaces.

Construction and off-grid solutions
From a simple construction site cabin container or storage space, to multiple office containers with cafeteria and sanitary facilities, our team of experts support construction sites every day.

Healthcare
Our modular units deliver significant benefits for medical teams and patients, ensuring service continuity and minimal disruption. The high-quality environments are tailored to meet patient needs, from heating and lighting controls, to security and privacy measures.

Education
We build and supply modular classrooms, enabling schools, educational institutions and childcare facilities to create additional space quickly and flexibly for growing student populations and during renovations.

Defence
From furnished military barracks to lifesaving shelters, we provide tailored modular solutions, including fire-resistant units and outer staircases.

Data Centres
Our modules support the construction of data centres, providing versatile and functional spaces, with comprehensive furnishings.

Shops and businesses
We provide modular shops and business solutions, enabling a faster response in local markets and helping business to capitalise on supply and demand trends.

Accommodation
Our versatile modular housing units are fully customisable and used for many purposes, including temporary and permanent accommodation, dormitories, workforce housing, stayover villages and emergency shelters.

Innovating value added products

Our Value Added Products team develop the sustainable low carbon products and services our customers want and need in a circular economy. Our quality management system assures safety across our product range. In 2024, we have continued to integrate smart and sustainable technologies that add value; including our Building Technical Management system (see right), Hydrogen generator which offers an alternative energy source to diesel, CO_2 reduction calculators, real-time energy consumption testing to help customers with their decision-making, and recycling bins to encourage reuse.

We have launched specialist solutions in the railway sector (page 21), such as autonomous modular toilets which do not require water or waste connections. Our new Digital Guardians are providing security support for remote areas with cameras, microphones, loudspeakers and smoke fog. We introduced a new patented solar over-roof solution which can be adapted for every type of modular container. It meets customer demand for a fast installation, minimal business interruption, safe access and more energy from solar panels. We are also using our sustainable design skills and experience to help government meet growing demand for quality affordable social housing. Our modern construction methods are winning praise and repeat business.

"Our value added products are well received because they're designed from the get-go as low carbon customer solutions. We're innovating right now for new sectors and expanding our range."

Sébastien Denis
Group 360 Marketing & Innovation Manager

Climate control

Digital heater

Electric vehicle charger

Solar motion sensor

PV panels

Solar lighting

Lighting tower

Electric door closer

Recycling bins

Satellite broadband

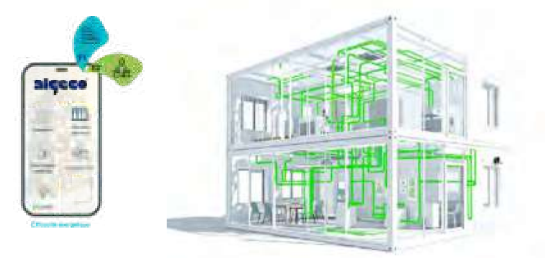
Fire extinguishers

Water dispensers

Lower carbon use

Better health & safety

Improving connectivity



Building Technical Manager

Our BTM smart system offers a simple solution to help manage the technical aspects of a building. It helps our customers to improve the energy efficiency of their building and contribute to reduced operating costs. They remain better informed and can choose options to reduce environmental impacts and/or achieve measurable energy savings.

Bio-based housing, Australia

The Bio-Based Housing project is a groundbreaking initiative that showcases the potential of sustainable, locally-sourced materials in modern construction. It not only represents innovation in environmentally sustainable design but also emphasises social and economic benefits for local communities. Ausco Modular are supporting the project with our expertise in sustainable design and supplied over 200+ volunteer hours to build and showcase a prototype. Over 100 visitors, including the NSW Emergency Services Minister, praised the prototype's appearance, solidity and innovative use of materials.

Innovating off-grid solutions

Our Advanté brand is a market leader in sustainable off-grid welfare solutions, pioneering the Oasis range to transform essential site welfare across the UK. The solar-hybrid powered units provide customers with self-contained welfare, office, and toilet facilities from the moment they arrive on site – eliminating delays and reducing running costs. The units do not require connection to power, water or waste disposal and can be placed in the remotest locations, where space may be premium. The Oasis welfare range removes the need for traditional diesel/ HVO generators and promotes renewable energy use. They produce less noise and air pollution, improving life onsite for workers and the surrounding community.

"We're reducing emissions onsite significantly – and not just in the summer, as solar gain can be achieved all year round. As our solar fleet increases, we support more projects to meet their sustainability goals."

Stan Chapman
R&D Director, Advanté

"Sustainability has always been at the centre of everything we do, and our clients have been the driving force behind our carbon reduction and social value innovations in this ever-changing environment."

Mandy Messenger
Managing Director, Advanté

"Advanté launched the Vision Solar project in May 2023 with the aim of revolutionising toilets for construction sites with solar-hybrid powered toilet blocks. Since then, they have successfully reduced carbon emissions with an impressive 98.7% carbon-free power usage through solar energy and telemetry."

Judges,
Green World Awards 2024

Green World Award

This year, Advanté received the prestigious Global Bronze Award from the Green World Awards for the Vision Solar range which provides self-contained toilet facilities equipped with Oasis solar-hybrid technology. The large solar array and intelligent telemetry generate renewable energy that silently powers all electrical loads. Intelligent monitoring facilitates better water and effluent management.

In June 2024, Advanté extended the range by launching accessible toilet facilities (the first of its kind) and wheelchair accessible ramps that meet disability equality guidance.

* Data taken from Advanté telemetery across all solar units on hire 1/1/21 - 1/1/25. Renewable energy only for electrical use excludes heating.

Designing low carbon customer solutions

Railway sector solutions

Altempo are railway sector specialists and continue to innovate new solutions for the industry, including their first of its kind patented autonomous toilets. The toilets do not require water or wastewater evacuation, being fully automated and use multiple sensors. They are being used for SNCF drivers on platforms where space is particularly constrained. In the newly opened Paris station in 2024, ahead of the Olympics, the Altempo team patented and supplied a new type of fencing to separate worksite and passenger areas. Later in the year, they also introduced a Digital Guardian solution that supports the construction of new train lines near Paris. It enables remote digital security with microphones, speakers, smoke fogs and lighting.

Design for social housing

Ausco Modular has introduced a new design of social housing for essential workers, as part of the Queensland Government's MMC housing programme. Like many parts of Australia, the state is experiencing a housing crisis with a 22% increase in homelessness. Ausco's design offers a fast and attractive solution that is built in Brisbane using our sustainable circular business model. Local materials such as timber cladding and battening help to reduce the unit's carbon footprint and enable it to blend in with surroundings. Other features include indoor-outdoor living spaces to support health and wellbeing, with room layouts designed to deliver passive cooling and maximise cross-through ventilation. The design includes deep verandas, window hoods and uses light-coloured materials to prevent heat gain. Ausco has already manufactured, delivered, installed and handed over the first eight single-storey government employee houses, with more on the way in 2025.

Solar over-roof patent

Guided by two issues, the need for increasing power from solar panels and the safety for maintaining solar power on module rooftops, Altempo designed and patented a new solar over-roof. It includes guardrails, solar canopies to maximise the power installed, and it can be adapted to every kind of modules and containers. The design enables customers to continue using roof surface for technical equipment such as air conditioning and is easy to maintain and remove. This year Altempo and Algeco France launched the new modular rooftop solution and recently demonstrated the ease of installation by commissioning over an active area of 130m² in less than one day including:

- 5 solar modules
- 65 PV panels
- 30kWp capacity

See our over-roof solution in action:

Double materiality assessment

We believe in open dialogue with our stakeholders and meet them regularly to listen and learn more. Modulaire has carried out a double materiality assessment (DMA) to identify topics that our stakeholders share as being material to the Group. They are asked to prioritise associated financial and business impacts, so we can determine our level of exposure to both opportunities and risks. We use these results to inform our ESGS strategy: helping to prioritise resources, develop customer solutions, mitigate risk and continuously improve governance (page 10).

Our process

Modulaire Group carried out a DMA in 2023 using European Sustainability Reporting Standards guidance. Where key ESGS topics were found to have a business impact and to influence our financial performance, they were identified as material and prioritised. Questionnaires were sent to stakeholders and interviews carried out to obtain their feedback. To assess business impact (C), we engaged and interviewed 66 participants including our employees (30%), customers (20%), community (11%), environmental experts (12%), suppliers (15%), and employees from our finance, sales and procurement teams (12%). To assess financial impact (E), questionnaires were completed by 11 investors or experts. We continue to refine this process and expect it to evolve over time.

DMA process stage	Stakeholder participants	Frequency
(A) Identification		
(B) Methodology	Community,	Assessed every 3
(C) Business impact interviews	Customers,	years, dependent
(D) Review	Employees,	on context
(E) Financial impact interviews	Investors,	and situation.
(F) Review and approval	Shareholders,	Review in all other
(G) Double materiality matrix	and Suppliers.	years.
(H) Action identification		

In accordance with our DMA, we also report on the following topics: climate change (page 13), resource use in a circular economy (page 6), our environmental certifications (page 41), our workforce (page 32) and business conduct (page 8-9).

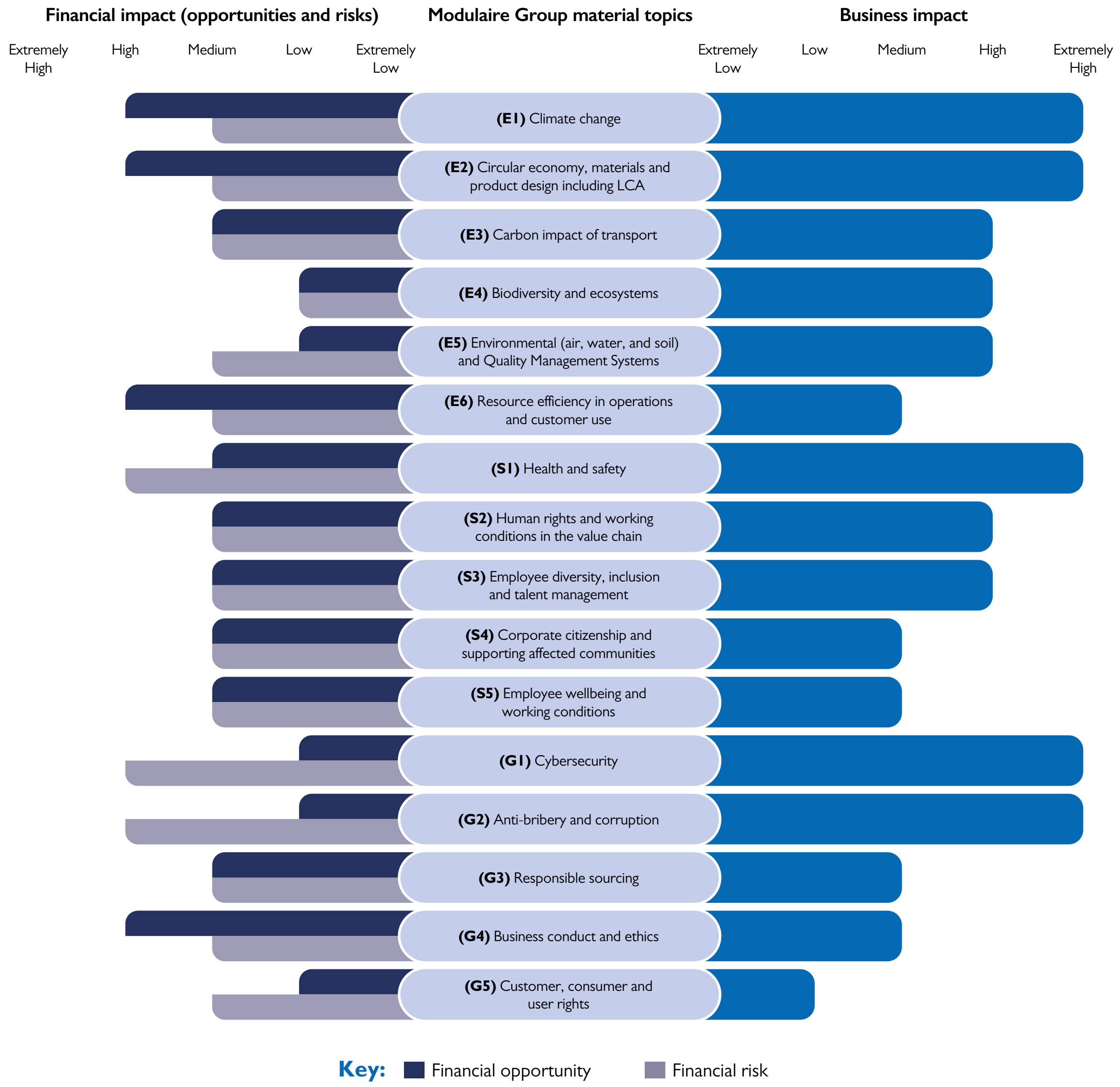
Our actions

In 2024, we reviewed the material topics included in our DMA and believe that Modulaire remains well positioned to respond through our circular business strategy – Loops within Loops – which delivers modular solutions with lower embodied carbon and requiring less energy to operate than traditional buildings (see page 10).

Environment material topics: our commitment to Net Zero carbon emissions (E1) and to circularity (E2) allows us to minimise the potential impact of carbon pricing, reducing climate-related risk and increasing transition opportunity (page 23). Our approach to Resource efficiency (E6), including electrification, yields significant opportunities along the supply chain with a focus on the transition to low carbon products and reducing fossil fuels. Operational Excellence is increasing raw material efficiency and combating waste (page 28).

Social material topics: our focus on Health & safety (S1) is clear, it is the number one priority in our 5 Pillar strategy across all functions (page 33). We are committed to protecting human rights, with robust controls to mitigate risk (page 9).

Governance material topics: for Cybersecurity (G1) and Anti-bribery and corruption (G2), our controls and training programme ensure awareness and continuous process improvement (page 41).



Climate-related risks and opportunities

We have reviewed our climate-related risks and opportunities using the best practice TCFD framework (Task Force on Climate-related Financial Disclosures) and share the process and results here.

The process

The TCFD process delivers a strategic assessment of the risks and opportunities from climate change to our assets, operations and supply chain. It makes detailed consideration of both the physical and transition impacts of climate change on our path to Net Zero, including changing demand patterns for our goods and services, and carbon pricing impacts to our operating costs. Each aspect is analysed under two potential warming scenarios: higher (3.2 to 5.4°C) and lower (1.6 to 3.2°C). We are using the resulting data to consolidate business resilience in the short, medium and long term to 2050.

Growing our knowledge base

For each country in which Modulaire operates, we collated information around climate-related hazards and biodiversity concerns. The sources we used include, Climate Adapt, The World Bank Group, the Integrated Biodiversity Assessment Tool, and government disclosures to the United Nations Convention on Climate Change and the Convention on Biological Diversity.

Key findings

Results show there are significant opportunities for Modulaire Group and reinforce the importance of our circular business strategy – *Loops within Loops* – to thrive in a low carbon transition. Our modular solutions will make an important contribution to GHG reduction and climate resilience strategies of our customers and communities. While we face transition and physical risks, scenario analysis suggests revenue opportunities could meaningfully exceed the operating and capital risks of all scenarios assessed. We are confident our carbon reduction strategy will enable us to minimise carbon pricing risks.

Overview of results

Risk / Opportunity	Assessment results (TCFD framework)	Current policy / Higher warming scenario	Net Zero / Lower warming scenario
Transition opportunity: Increased revenue from demand for low carbon resilient building solutions	Customers will need infrastructure and building services that are resilient to climate impacts and that help to meet emissions reduction targets. Our modular services provide options promoting circular design, with lower embodied carbon and they require less energy to operate than traditional buildings – increased demand will generate significant revenue opportunities.	Opportunity	High opportunity
Transition risk: Carbon pricing	Carbon pricing may impact the cost of fuel, heating and cooling at our facilities. It may also increase the price of raw materials with potential high embodied carbon. Based on Modulaire's circular business model and climate transition plans, the risk level is deemed low. Our commitment to circularity and Net Zero carbon emissions should allow us to minimise the potential impact of carbon pricing.	Low risk	Low risk
Physical risk: Operating impacts from high heat, carbon pricing, extreme rainfall	Our facilities may experience operational impacts from increasing exposure to extreme heat and rainfall. Extreme heat can increase health and safety risks and decrease worker productivity. Extreme rainfall can lead to localised flooding and impact the ability of facilities to operate. Locations most at risk for Modulaire are located in Asia Pacific and Southern Europe. The level of risk was deemed low to moderate as, while some facilities may be highly exposed to extreme heat and rainfall, our operations have the ability to adapt their activities, for example, during periods of high heat our facilities can shift operating hours to avoid peak temperatures.	Low/Moderate risk	Low/Moderate risk

Sustainability-linked finance

By linking finance to our sustainability performance, we are delivering meaningful change in partnership with our investors.

We have put in place sustainability-linked finance GHG emissions reduction targets, with a robust set of actions to drive continuous improvement. The targets are set at intervals to 2028 (vs 2020) and are publicly shared for transparency with our stakeholders.

The key metric we use to measure our CO_2 impacts is total absolute market-based GHG emissions. We measure progress against Key Performance Indicators (KPIs) every month at a Group and SBU levels. We use these results to determine where to best employ our resources and the training our people may need to succeed.

Achieved

7.5%
reduction
Scope 1 & 2
absolute market-based emissions

By 2025

10%
reduction
Scope 1 & 2
absolute market-based emissions

By 2028

15.8%
reduction
Scope 1 & 2
absolute market-based emissions

"ESG reporting forges trust and transparency, highlighting Modulaire Group's unwavering commitment to sustainable and ethical practices. This alignment not only elevates the company's reputation with investors but also solidifies long-term confidence."

Rosie Jones
Corporate Treasurer

Environment

We see firsthand how our customers are responding to climate change and population growth; they want agile and low-carbon solutions faster than ever before. We meet these demands using our circular business model, Loops within Loops, which delivers modular builds with a 73% lower carbon footprint than traditional construction. We continue to improve our energy, water and waste efficiency; understanding their contribution to wider sustainable growth.

A modern and sustainable temporary solution by Algeco for students and teachers in Oslo, Norway, while their new permanent school is under construction.

Action on climate change

We understand the risks and opportunities that Climate Change brings to our business. We take action on climate-related impacts with programmes to reduce our emissions, increase our operational efficiency, promote biodiversity and deliver low carbon customer solutions.

Reducing our impacts

We are committed to reducing our environmental impacts and to improving biodiversity, recognising the importance of natural resources and the urgency of climate change.

The decarbonisation roadmap requires action through multiple levers and electrification forms a significant part of our toolkit. We use renewable electricity where accessible and appropriate, currently securing 78%. Our electrification policy is supporting the transition of our fleet to electric, helping to reduce emissions and deliver a cleaner and safer environment by minimising noise, air pollutants, and diesel storage.

We believe it is vital for stakeholders to understand and trust emissions reduction targets and achievements. It is why our interval targets on the path to Net Zero by 2050 are science-based, our performance is independently audited and we do not offset emissions to achieve our results. We report the absolute reduction of our market-based GHG emissions.

We continue to mitigate climate-related risk. Where sites have been assessed as high priority for climate adaptation, our SBUs are investigating mitigation opportunities. At some sites, mitigation is already in place, such as sustainable drainage and rainwater harvesting in Germany, UK, Spain, Italy and Australia.

Electrification

Our Electrification policy is now embedded across the Group, enabling SBUs to replace existing technologies and processes with resource efficient equivalents where appropriate (page 29). Significant progress has been made in transitioning to electric transport, with 35% of our forklift fleet now electric and 22% of our cars and vans following suit (page 14).

Progress on our environmental KPIs

We have achieved three of our environmental 2024 KPIs, with one ongoing.

KPI	Progress	Status
Reduce Group total gross Scope 1 and 2 market-based emissions in metric tonnes CO_2e by 7.5% (vs baseline 2020)	Achieved	●
Rollout a group-wide strategy to reduce or mitigate Scope 3 emissions	Achieved	●
Establish carbon emissions reduction plans for transport	Achieved	●
Design and build new Frankfurt branch using Best Available Technology for outstanding accreditation	Ongoing	●

Key ● Achieved ● Ongoing ● Not achieved

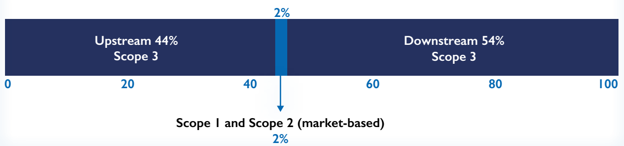
Emissions reduction

In 2024, Modulaire is pleased to report a 41% absolute reduction of our Scope 1 & Scope 2 market-based emissions (vs 2020). This year, we have also developed a Group strategy to reduce or mitigate our Scope 3 emissions. Recognising that 44% of our carbon emissions are upstream and 54% downstream. The reduction strategy focuses on key areas:

- Providing more low carbon and circular customer solutions
- Supplier engagement
- Reducing our environmental impacts on and off-site
- Electrification across SBUs

We are continuing to develop this strategy as part of our wider Climate Transition Plan (page 13).

Modulaire Group GHG emissions



Reducing waste and water use

Working with operations teams across our SBUs, we have achieved substantial waste reduction. Our efforts have primarily focused on minimising waste to landfill. Consequently, we now send significantly less waste to landfill compared to 2020 (2024: 3,089 tonnes vs. 2020: 13,458 tonnes, including both hazardous and non-hazardous waste) – see page 28.

Our Policy on Sustainable Use of Water encourages initiatives that raise awareness about sustainable water management. As a result, we have significantly reduced our water usage, using over two times less water for our operations compared to 2020 (2024: 101,175m³ vs. 2020: 224,674m³).

Promoting biodiversity

Our ESGS Committee leads on integrating Modulaire's Biodiversity Policy across our group decision-making. We focus on legal compliance, biodiversity management, awareness raising, stakeholder partnerships and communication of the policy to employees, contractors, and suppliers, whilst influencing our value chain to adopt best practices.

Measuring our carbon footprint

We measure the carbon footprint of our operations and a typical product to identify our impacts. It helps determine opportunities for cost and carbon savings on our path to Net Zero emissions.

We engaged PricewaterhouseCoopers LLP ('PwC') to provide Independent Limited Assurance over our 2024 greenhouse gas emissions data, in accordance with the ISAE3410 standards.

The numbers subject to assurance are shown by the symbol Ⓐ in the table, 2020, 2022 and 2023 figures are included for comparison. The PwC Independent Limited Assurance Report and our detailed reporting criteria can be viewed on the Modulaire website.

GHG emissions data for the reporting period of 1st January 2024 to 31st December 2024

As the Directors of BCP V Modular Services Holdings III Limited we confirm that we are solely responsible for the preparation of the ESGS Report including this Directors' Statement and for reporting the specified ESG performance metrics in accordance with the specific reporting criteria set out within this document.

We confirm, to the best of our knowledge and belief, that we have:

- designed, implemented and maintained internal controls and processes over information relevant to the measurement, evaluation and preparation of specified ESG performance metrics that is free from material misstatement, whether due to fraud or error;
- established objective reporting criteria for preparing and presenting the specified ESG performance metrics, including clear definition of the entity's organisational boundaries, and applied them consistently;
- presented information, including the reporting criteria, in a manner that provides relevant, complete, reliable, unbiased/ neutral, comparable and understandable information;
- reported the specified ESG performance metrics in accordance with the reporting criteria.

For and on behalf of the Board of Directors of BCP V Modular Services Holdings III Limited

James Odom
Group General Counsel

	2020 Restated**	2022 Restated**	2023	2024
Scope 1 Greenhouse Gas Emissions (TCO_2e)*	19,529	19,443	18,865	Ⓐ16,965
Scope 2 Greenhouse Gas Emissions – location based method (TCO_2e)	11,834	12,533	10,151	Ⓐ 9,722
Scope 2 Greenhouse Gas Emissions – market based method (TCO_2e)	13,995	7,132	4,360	Ⓐ 2,851
Total (Market Based)	**33,524**	**26,575**	**23,225**	**19,816**

* Scope 1 emissions reported excludes fugitive emissions, due to a lack of available data and methodology.
** Figures updated as a result of an acquisition, in line with our restatement policy within our methodology statement – see our website.
The Corporate GHG footprint calculated is based on the principles outlined in the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard.
2020 has been presented as this is Modulaire's baseline.

Resource use for a circular economy

Our Loops in Loops business model embraces circular economy principles, focusing on efficient resource use, recycling, and sustainability. By integrating these values into decision-making, the company reduces reliance on virgin materials and fosters innovation. Waste management is a key priority, with strict handling procedures for hazardous and non-hazardous substances to minimise environmental risks. Sites follow a prevention, reduction, reuse, and recycling approach, ensuring compliance with regulations. Through continuous improvement, we increase resource efficiency and reduce environmental impacts.

Policies and actions

- Focus on circular economy and electrification driving actions.
- Compliance with local and EU waste regulations.

Investment and cost considerations

- Investment in operational excellence, sustainable products and waste reduction methods.

Use of alternative raw materials

- Developing innovative processes for sustainable production.
- Procurement of circular raw materials.
- Assessing nature-based solutions.

Enhancing recyclability

- Life Cycle Analysis (LCA) to measure and track sustainability impacts.

Market design and strategic collaborations

- Partnerships with reuse companies (page 42).
- Promoting design for recycling across upcoming product development.

Waste management and efficiency

- Implementing safe disposal methods for hazardous and non-hazardous waste.
- Maximising efficiency in material use and reducing waste through internal reuse.

Impacts, Risks, and Opportunities

Type	**Resource use and Circular economy**	
IRO	Opportunity	
Strategy	Loops within Loops	LCA
Policy	ESGS Policy	Electrification Policy
	Waste and Water Policy	Local compliance
Action	Operation Excellence	Electrification
	Waste management	
Target	Reduce waste to landfill by 50% by 2025 vs 2020	
	Establish targets for 2025	

Resource inflows

- Prioritising procurement of alternative raw materials.
- Develop methodologies to utilise LCA in our supply chain.

Resource outflows (products and waste)

- Generated mainly from production processes e.g. TDI, BPA residue.
- Waste from assembly sites
- Hazardous waste (see below)

Future targets

- Expand sustainability goals to further integrate circular economy principles.
- Implement climate change mitigation strategies that support circular economy.
- We continue to improve data around waste and processes to refine accuracy.

Waste Generation 2024

	kt
Total amount of waste generated	15.0
Total amount diverted from disposal	**6.5**
Preparation for reuse	0.0
Hazardous waste	0.0
Non-hazardous waste	0.0
Recycling	6.5
Hazardous waste	0.1
Non-hazardous waste	6.4
Other recovery operations	0.0
Total amount directed to disposal	**8.6**
Incineration (energy recovery)	5.5
Hazardous waste	0.1
Non-hazardous waste	5.4
Landfill	3.1
Hazardous waste	0.5
Non-hazardous waste	2.6
Other disposal method	0.0

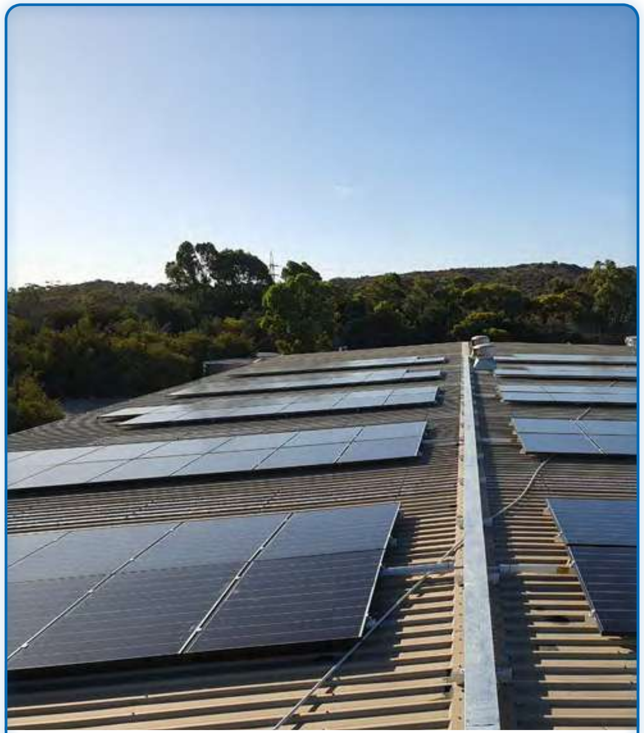
"We support the integration of Environmental, Social and Governance criteria in manufacturing through the choices we make, building awareness and taking even the smallest opportunity for marginal gains"

Lara Cassim
National Manufacturing Operations Manager, Ausco

Materials management, Australia

In Melbourne, Ausco achieved a materials management reduction of 30% at the 44,000m^2 service centre, tracking inventory by value and quantity. The team visualised process problems, analysed root causes and instigated counter measures. Site improvements include Kanban cards, bin and racking labels, shadow boards and mobile 'supermarkets' for ease of movement.

Case studies



Electrification onsite

Guided by our Electrification Policy, our SBU teams continue to install solar panels at appropriate sites. It increases our renewable energy supplies, reduces energy costs and enables us to supply electricity back to the local grid when available. Our service centre in Perth is Ausco's largest PV installation to date with a 75KW system now fitted on the warehouse roof. It delivered a 25% reduction in energy used from the local grid. In Italy, PV panels were added at service centres in Dolianova and Marcignago, enabling the sites to generate around 85 kWh renewable electricity from the sun each year.

Expanding a wildflower walkway

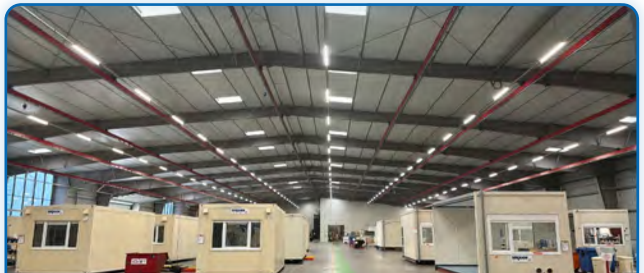
In 2024, Ausco Modular volunteers once again helped to maintain and expand a pollinator walkway at the Mt Gravatt Showgrounds in Brisbane. The teams have cleared an additional 300m^2 of ground, including planting, weeding and mulching with local native species to create a wildflower walk. The project is supported by Habitat Brisbane and the Brisbane City Council and provides a link to a local stream for pollinators.

Resource recovery, Spain

In Madrid, Algeco ran a Kaizen programme which has resulted in resource savings equating to around €11k. The service centre was reorganised and the Operational Excellence team carried out local materials triage training for employees. New warehouse opening hours have also been introduced across the region to maximise efficiency.

Big clean day

Our Strasbourg team joined a community Big Clean Day, organised by Brumath city. Working together with 26 associations, schools and individuals, our 29 employees dedicated three hours to cleaning up the local lake area. A large amount of waste was collected, helping to protect the environment and water quality.



Energy efficient lighting

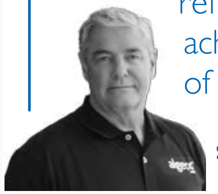
In March, Beverwijk Service Centre carried out a switchover to LED lighting, enhancing visibility and safety for workers, whilst reducing energy consumption and maintenance requirements. All 312 fluorescent light tubes were replaced with energy-efficient LED equivalents, resulting in an annual reduction of 40 MWh electricity.

Case studies

Rainwater harvesting in Spain

We believe everyone can contribute to reducing environmental impacts and make a difference in their own area of work. In Bilbao, a rainwater harvesting project was initiated by team members after attending ESGS awareness training and noticing the significant amount of rainfall collected by the roof near the washing area. Leveraging their own expertise, staff implemented a small-scale rainwater harvesting system, designing a simple piping system to guide the rainwater from the roof to two water tanks. A pump was then installed to facilitate the transfer of water from the tanks to the washing area where it is now used to wash our units.

"We've used our skills and knowledge to deliver a new service centre with a carbon footprint that is 60% less than a reference building. It's a great achievement and I'm proud of all of our team"



Steinar Aasland
Managing Director, Nordics

Building sustainable solutions

On our pathway to Net Zero, Algeco has opened its first service centre in northern Sweden, with a carbon footprint that is 60% less than a reference building*. The 11,000 m^2 site features a large wooden workshop, minimising the use of steel and concrete. Nine restored modules from Denmark are reused to form a 300m^2 office space solution. The site design and its achievements opened to positive media recognition.

* Reference for a similar build workshop and office using traditional material (reference building) achieved 60% less with a climate effect of 149 kg CO_2/m^2

Community tree planting

Community tree planting remains a popular activity for Ausco employees in Australia. As part of our paid volunteering programme and with the City of Kwinana, 680 trees were planted by nine staff at a local park in Wandi. In Mt Coot-tha Forest Park the manufacturing team enjoyed a day planting trees with the Hut Environmental & Community Association. They also helped to remove the weed 'Mother of Millions', which Brisbane City Council ranked among the top 30 most invasive plants in the region. In Adelaide, a team from manufacturing helped with trail maintenance at a local recreation park, planting indigenous species to promote biodiversity.

Delivering for social good

Our modular solutions are designed with a social purpose – we create smart spaces where people work, learn and live. They are frequently used for schools, healthcare facilities, housing and other vital social infrastructure. To do this effectively, we seek to understand the difference we are making to people's lives and the changes we are making to the planet. We call this social value.

Module Tech employees participating in a public forest planting day organised by the State Forest Management Centre.

Social purpose and actions

We are committed to driving positive change through dedicated local programs that support our people, protect our planet, and strengthen the communities where we operate.

Fair treatment, work and pay

We are committed to the fair treatment of our employees to provide meaningful work and pay fair compensation – meeting our compliance obligations and international frameworks such as the UNGC and ILO. The Group monitors social and economic topics, engaging Unions and Work Councils on business performance and employee matters. Unions remain a key stakeholder group, with forums established to ensure we follow local requirements and practices when discussing matters relating to employees. The local regions and leadership teams maintain positive relations amidst challenging economic and labour market trends.

Action for Equality, Diversity & Inclusion (EDI)

The Group fosters an inclusive and collaborative working environment by focusing on well-being and support, empowering colleagues to perform at their best and recognising their contributions. We promote EDI throughout our supply chain and seek to eliminate unlawful discrimination. Our commitment to increasing female representation is demonstrated through Diversity and Inclusion forums, unbiased recruitment practices and inclusive policies. Our performance data shows that Modulaire Group is above the industry average and has successfully increased gender diversity at the leadership level. We track gender pay gap data and collaborate with regional teams to promote diversity and inclusion in line with our ESGS Social KPI targets (page 46).

Stakeholder engagement

In 2024 the Group prioritised engagement, including the Global Leadership Call with 140 leaders, quarterly CEO messages, and local forums like Town Hall meetings and newsletters. Regional visits took place by the CEO and members of our Executive Committee.

Talent and development

The Group invests in training and development with programmes for graduates, apprentices, and trainees. Efforts in 2024 focused on collaboration with unions to promote an inclusive culture. A revised Equality and Diversity policy will be relaunched in 2025.

Progress on our Social KPIs

We have achieved all six of our Social 2024 KPIs.

KPI	Progress	Status
Zero fatalities	Achieved	●
Increase overall female participation at board and senior management level	Achieved	●
Increase overall proportion of female employees	Achieved	●
Paid voluntary time of 5,000 hours pa	Achieved	●
Reduce Lost Time Incident Frequency Rate per 100,000 by 20% vs 2022	Achieved	●
Participate and undertake three UN Days: March 8th – International Women's Day; April 28th – World Day for Safety and Health at Work; June 5th – World Environment Day	Achieved	●

Key ● Achieved ● Ongoing ● Not achieved

Paid volunteer programme

We encourage our people to be engaged community citizens through our paid volunteer programme. We offer a paid day each year for employees to participate in non-profit community and environmental projects. It's a great opportunity to share knowledge, skills and experiences. Our people carried out 5,442 of volunteering hours in 2024, including raising awareness for charities, stewarding local events, repurposing materials and protecting biodiversity. We are very proud of all of their efforts.

Delivering for social good

This year, we participated in three UN International Days, raising awareness and discussion around these important societal issues:

- On March 8th, International Women's Day with forums, videos, external speakers, a questionnaire and attendance at associated stakeholder events.
- On April 28th, World Day for Safety and Health at Work with the introduction of climate-related Safety and Health guidance.
- On June 5th, World Environment Day, workshops and digital presentations took place including an independent biodiversity expert. Practical activities helped to reduce waste, increase environmental awareness and promote biodiversity such as planting, community clean ups and a quiz to win waste collecting equipment.

		2024				2023			
Level	Definition	**Female**	**%**	**Male**	**%**	Female	%	Male	%
Executive Committee	Board and Executive Committee	**3**	**17%**	**15**	**73%**	2	15%	11	85%
Senior Leadership Team	Employees reporting to Executive Committee	**26**	**27%**	**72**	**73%**	23	24%	73	76%
Employees	All employees (excluding above)	**1,341**	**28%**	**3,513**	**72%**	1,316	27%	3,561	73%

Safety progress

Modulaire is committed to fostering a culture where health and safety are the top priorities for all employees and contractors. We actively empower and engage our workforce, ensuring they have the knowledge, skills, and confidence needed to uphold the highest safety standards. Through continuous learning and development, we equip individuals with the necessary competencies to perform their roles effectively, maintaining a secure and responsible working environment across all operations.

We continue to implement Modulaire's 5 Year Safety Plan with targeted actions to improve safety performance to world class levels. All leaders, managers and supervisors engage in weekly safety conversations with employees, including agency workers and contractors, reinforcing positive behaviors and discussing unsafe behaviours. Over 100 Safety Champions have delivered our "Take care of each other" module to all employees, with a participation rate of over 90%. The module provides insight around risk perception and introduces the concept of looking after each other as a way of working. We also carried out initiatives around Hand Safety hazards and Injury prevention to refresh basic rules, promote safe practices, ensure preventative measures are put in place should injuries occur and to reduce the number of related incidents.

	2019	2020	2021	2022	2023	**2024**
Lost Time Injury Frequency Rate (LTAFR) per 100,000 hrs	0.88	0.8	0.66	0.66	0.43	**0.31**
Recordable Incident Rate (RIR) per 200,000 hrs	2.74	2.22	1.94	1.69	1.48	**1.16**
Safety Observations	-	-	-	-	51,636	**102,616**

Safety Progress and Continuous Improvement

- Achieved a 30% reduction in LTAFR compared to 2022, marking the lowest LTAFR since 2019.
- Completed 102,616 safety observations in 2024.
- Calculation for LTAFR in 2024 has changed from per 100,000 hours worked to RIR per 200,000 hours worked. The table shows both rates.

Looking Ahead: 2025 Enhancements Metric Update:

- Transitioning from Lost Time Injury Frequency Rate (LTIFR) to the Recordable Incident Rate (RIR).
- This metric calculates the number of OSHA-recordable injuries or illnesses per 100 full-time employees annually and allows for benchmarking against industry standards.
- RIR Formula: Total OSHA-recordable incidents times 200,000/ Total hours worked
- Understanding Recordable Incidents: These include workplace injuries or illnesses that meet criteria such as: medical treatment beyond first aid, days away from work, restricted duties or job transfers, loss of consciousness due to workplace events. Diagnosed work-related illnesses, include chronic conditions like hearing loss or respiratory issues.

Enhanced Safety Observations:

The focus will shift to improving the quality of safety observations by removing entries that do not meet defined quality criteria.

2025 Safety Goals

- Reduce Recordable Incident Rate (RIR) by 40% compared to 2024, setting a target of 0.42.
- Achieve 36,000 quality safety observations, focusing on meaningful and impactful entries.

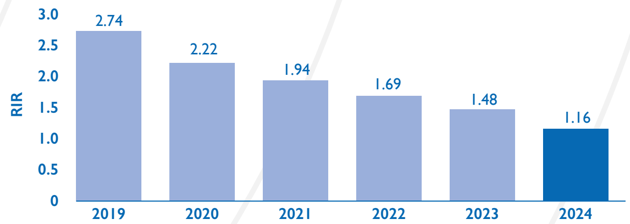
	Employees
Workers covered by H&S management system based on legal requirements and/or recognised standards or guidelines	100%
Fatalities as a result of work-related injuries and work-related ill health	0
Total recordable work-related accidents	62
Rate of recordable work-related accidents	1.34
Total recordable work-related ill health	41
Total lost time work-related accidents	35
Rate of lost time work-related accidents	0.76
Total cases of lost time work-related ill health	47

"Excellence in safety is a shared commitment; together, we build a culture where every effort counts, protecting our most valuable resource – each other."

George Petrohilos
APAC Managing Director

Impacts, Risks, and Opportunities

Type	**Safety**
IRO	Negative
Strategy	Safety
Policy	Safety Policy Local Compliance
Action	5 Year Safety Plan
Target	40% reduction RIR by 2025 vs 2024 36,00 quality safety observations



Our social value

Social value is the positive impact Modulaire has on people and communities beyond financial gain. It involves supporting local economies, promoting diversity and inclusion, expanding education and job opportunities, and enhancing environmental sustainability. By focusing on social value, we help build a more equitable society, creating lasting benefits for individuals and the broader community. We measure the social value generated by our business and financial impacts. It is a new focus area, and we will advance it over time.

Our approach is to:

- Embed social value in our processes and ESGS policies, as an added lens to our Loops within Loops business model
- Work with our stakeholders to improve understanding of social value
- Capture data and intelligence, including qualitative, quantitative, comparative and environmental changes
- Collect information to express the amount of value created or preserved using collected or proxy data
- Communicate the social value generated through our activities

Our Social Value 2024

Stakeholders		Theme	Output	Measure	Quantitative/page	Coverage
Our people	EP	Employees	Provides employment	No of employees	4,970	Group
	EP	Apprentices, trainees, graduates	Provides education, experience, income & future leaders	No of apprentices, trainees, graduates employed	83	Group
	EP	Employees	Promotes employment	Total turnover (involuntary and voluntary)	834	Group
	EP	Employees	Promotes education & fair opportunities	Annual performance review	Yes	Group
	SG	Employees	Freedom of association	Percentage of total employees in a union	65% approx	Group
	SG	Health & wellbeing	Supports a healthier & happier workforce	Employee assistance programme	Available to all employees	Group
	SG	Equality, diversity & inclusion	Promotes education & fair opportunities	Gender pay publication	4 page 46	Aus, FR, SP, UK
	SG	Equality, diversity & inclusion	Promotes education & fair opportunities	Females at Board & ExCom (CEO-1)	17%	Group
	SG	Equality, diversity & inclusion	Promotes education & fair opportunities	Overall proportion of female employees	28%	Group
Our investors	EP	Innovation	Promotes circular economy	New low carbon products	page 19-21	Group
Our suppliers	SG	Social enterprises	Promotes social prosperity	No. of social enterprises	17	UK, DE, FR, NORD
Customers	EP	Low carbon products	Promotes social innovation	Low carbon products	pages 21	Group
	EP	ESG rating	Performance benchmark	No. of EcoVadis ratings	11	Group
Society	SG	Job creation	Promotes skills & employment opportunities	No. of net jobs created	70	Group
	SG	Safe spaces	Supports safe, healthier & more resilient communities	Projects for safe spaces	page 39	Group
	SG	Community & charity	Supports & builds resilient communities & environment	Paid volunteering hours	5,442 hours	Group
Planet	ER	Net Zero	Helps decarbonisation, safeguarding planet & improves resource efficiency	Pathway to Net Zero	pages 13-14	Group
	ER	Management system	Reduces risks of environmental impacts	ISO 14001: sites ISO 14001: design & assembly	62% 100%	Group Group
	ER	Nature	Promotes biodiversity & increases environment responsibility	Biodiversity projects	pages: 26, 29, 30, 35, 37, 39	Group

EP: Economic Prosperity, SG: Social Good, ER: Environmental Responsibility

Case studies

Community apple harvest in Reutlingen

Algeco supports the maintenance of the orchard of the city of Reutlingen, situated close to the company's service centre. The nature conservation project brings together employees and local supporters every year to pick the apples. This year, on a sunny day in September, the fruit was collected from over 40 trees and taken to a local press, where apple juice is extracted. It was distributed to local schools, kindergartens and our employees.

International Women's Day

On March 8th, Modulaire celebrated International Women's Day across the Group, an opportunity to reflect and learn from one another. Over 130 colleagues joined a 'Spill the Tea' session in the UK, with a digital panel discussion around women breaking boundaries in the workplace and in construction. An interactive webinar was held in Germany and Austria with guest speakers sharing perspectives on the benefits of gender balance and in Italy, employees participated in a short film. Across the APAC region, the UN's address was live-streamed with morning teas, whilst some staff volunteered at women's shelters and attended stakeholder events. In France, over a third of employees took up a voluntary three-week fitness challenge to raise funds for Toutes à l'école, an NGO supporting high quality education for girls in Cambodia. They achieved 27,810 km, which resulted in Algeco donating €3,500.

Advancing gender equality

In preparation for International Women's Day 2024, Algeco Nordics carried out an anonymous survey to assess employee satisfaction and identify key areas for improvement. It set the stage for an informed digital meeting on the UN day itself with all female employees. The session evaluated current practices, solicited feedback and defined actionable steps toward enhancing gender equality and inclusion. Working together, employees identified three key areas that will serve as a foundation for ongoing initiatives:

1. Highlighting female employees' contributions;
2. Increasing internal training opportunities; and
3. Organising more team-building activities.

Watch the video below:

Case studies

Mountain Medicine Research

Getting injured or sick in the mountains carries a risk of hypothermia, which can be life-threatening. It's why the Mountain Medicine Research Group launched a study to learn how more people can survive it. They needed a refrigerated modular unit that could maintain a consistent temperature for a medical trial with healthy volunteers. Algeco Nordics were happy to help this important work, especially as members of the team had previously been involved in mountain rescue. A container of around 2.5 by 5 metres was supplied free-of-charge and tested to ensure the equipment's signal could pass through the walls. It worked well and maintained the even temperature the group needed for their volunteers.

Application training for students

At the end of January, Algeco trainees conducted a job application training session at a school in Germany for around 20 students in Years 9 and 10. Supported by HR managers and our HR students, students spent the first day talking about application procedures and processes, CV design and cover letter writing. On day two, they took part in exercises to learn how to perform in a job interview.

Wellbeing through MATES

in Auckland, Portacom is a member of MATES in Construction, an organisation working to reduce the number of lives lost to suicide in the construction industry. The MATES programme delivers on-site training for staff and provides those at risk with case management support and connects them to suitable professional support. After MATES "Connector" training this year, Portacom now has 16 employees and labour hire workers in three main sites that have the skillset to identify when one of their workmates mental wellbeing needs support.

Celebrating UN World Environment Day

By addressing global challenges at a local level, we deliver focused and measured actions to create shared values and strengthen our brand and culture. On World Environment Day, our SBUs highlighted the importance of protecting the environment in everyday life. By sharing their actions, we aim to inspire others and increase awareness. In advance of the day, we promoted the campaign "One Good Act For Nature" across our Group. It highlighted the message that, every act matters - whether it's using a reusable water bottle, biking to work, collecting litter, helping a community group, planting a tree or using their voluntary day for an environmental project.

→ See more about World Environment Day 2024

Angèle Brucker, ENSE (living in France)
"Creation of a vegetable garden at home, using rainwater collection to sprinkle."

Kristian Grimsbo, Sweden
"At home we have a water tank to collect rainwater for dry summer days."

Pawel Lenkiewicz, Poland
"Gdańsk branch employees planted some flowers and trees in front of the office."

Jani Olbromski, Poland
"Looking after our bees."

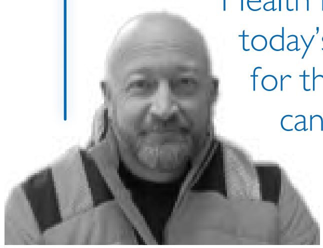
Romario Balaban, Romania
"A volunteer action, to collect garbage from the Baneasa forest."

Case studies

Mental health first-aiders

Suicide in UK construction workers is 3.7 times higher than the national average, according to the ONS (2020). In response, Algeco started a Mental Health First Aiders (MHFAs) programme in 2021, with employees volunteering to receive MHFA training and achieve a qualification. At the end of 2024, Algeco has trained 37 MHFAs. In April, the team promoted Stress Awareness Month on social media channels and in the quarterly ESGS newsletter, signposting help and resources.

"During 2024, as a Mental Health First Aider (MHFA), I had the opportunity to assist a colleague who was struggling with a personal issue. By using the tools provided through the MHFA training, along with support from helplines, I was able to help them get the professional assistance they needed. I am still in regular contact with them, checking on their progress. I truly believe the role of Mental Health First Aider is vital in today's society, and I'm grateful for the positive impact it can have."



Paul Carey
Service Centre Manager, Algeco UK

Giving blood, saving lives

With every blood donation saving up to 3 lives and our volunteering programme providing staff with the opportunity to participate during work hours, many employees again chose to participate in local blood drives including our teams in Melbourne, Brisbane, Perth and Adelaide. At our offices in Macon, France, 11 members of the team gave blood and plasma. We are very proud of all their efforts.

Volunteering for Ronald McDonald House Charities UK

As a key partner to McDonald's for 15 years, Algeco UK has grown to be a long-standing supporter of the Ronald McDonald House (RMH) charity. This year, the marketing team attended RMH in Birmingham, helping to keep the 65 bedrooms, communal kitchens and living room spaces clean. The HR team also visited to help put up Christmas decorations. In July, Algeco UK entered eight teams of staff, partners and suppliers into the RMCH Manchester Golf fundraising day. As head sponsor in 2024, they were delighted to learn the event raised £55,000, the equivalent of 1,571 nights of accommodation for families with children in hospital.

"We would like to extend our heartfelt thanks to Algeco UK. Their hard work greatly eased the workload for our House team and created a more comfortable and welcoming environment for our families."

Laura Bennett
Corporate Marketing Manager, RMCH

Case studies

World Safety Day

On April 28th, we celebrated UN World Day for Safety and Health at Work as a Group-wide opportunity to reaffirm our dedication to working safely and sustainability. Through proactive measures like pre-task planning, timely safety alerts and promoting driving principles, we strive to create a culture where safety and environmental consciousness go hand in hand. Our SHEQ and ESGS teams jointly developed and introduced materials on the day around “How climate change impacts safety at work”. The information was shared through Safety Moments; a living content library that helps our people to promote and deliver best practice.

Paid volunteering programme

Our people donated over 5,000 paid volunteering hours this year to help community organisations. For example, in the Netherlands, staff supported a care home for people with dementia by planting flowers and trees and cleaning floors. In Belgium, volunteers served food and welcomed guests at the Community Center of Beringen’s "Moving Restaurant", working to break the loneliness of elderly and low-income people. Operations team members in Poland installed a football goal for the local family support centre and in the south of Germany, volunteers helped a school and kindergarten with garden groundworks and repairs to their tool shed. Some of our employees used this time to raise awareness and funds for good causes, often in memory of friends or loved ones. Their efforts included running a marathon, participating in a boxing match and a sleepout to combat homelessness. We are proud of all of their contributions to support local communities.

Helping people without homes

Algeco once again donated and installed a cold weather shelter in central Kehl. It provided warm shelter for up to 15 people needing help and protection at the coldest time of the year.

“Our customers want to understand the difference Modulaire can make to the social value of their projects and buildings. The knowledge, data and insights we capture helps us to provide them with sustainable solutions.”

Richard Leigh
Digital Marketing Director

Governance

Modulaire Group is committed to doing business responsibly to maintain trust and respect. We seek to continuously improve our governance approach and procedures, listening to stakeholder feedback and acting on it. We raise awareness of our ESGS policies, strategy and disclosure frameworks to help deliver them. Our performance is audited and shared with the wider community to offer insight, contribute to best practice and help inspire others.

ESG awareness training with the NET Modular team on World Environment Day 2024

Demonstrating responsible governance

Modulaire Group fosters an inclusive and collaborative working environment by focusing on well-being and support, empowering colleagues to perform at their best and recognising their contributions.

Sourcing responsibly

We depend on our suppliers and the goods they produce to make our own. To understand more about the ESG impacts of their work, we have introduced the Modulaire Group ESGS Responsible Sourcing Policy and programme. Its purpose is to ensure collaboration with suppliers, embed ESGS at all stages, review ESGS performance, improve our knowledge, drive continuous ESGS improvement and provide a safe, inclusive, diverse and motivating environment across our value chain. In addition, we have implemented a new Responsible Sourcing screening process to help us conduct due diligence for new and existing suppliers.

Modern Slavery Assessment

Algeco UK achieved a score of 91% on the Modern Slavery Statement and MSAT (Modern Slavery Assessment Tool), achieving the UK Government's green category for public sector organisations' suppliers.

Impacts, Risks, and Opportunities

Type	Cybersecurity, Business conduct and ethics	
IRO	Negative	
Strategy	Governance	
Policy	Ethics ESGS ABC	Code of Conduct IT Policies
Action	Training Ratings	Certification of 14001
Target	ISO 14001 Service Centres 100% by 2026	12 EcoVadis

Progress on our Governance KPIs

We have achieved all four of our Governance 2024 KPIs.

KPI	Progress	Status
CSRD-ready	Achieved	●
Progress Cybersecurity and ABC training	Achieved	●
Implementation of Biodiversity Policy	Achieved	●
Increase EcoVadis ratings to 10	Achieved	●

Key ● Achieved ● Ongoing ● Not achieved

Inspiring our people

We operate programmes for safety, resource efficiency, renewable energy and ESGS awareness, which are vital to delivering our ESG strategy. They raise discussion around our shared goals and the reasons behind them. We encourage active participation to support continuous improvement. Our ESGS team runs a regular online ESGS Forum, open to all employees, to learn and share more about our priorities, activities and best practice.

Stakeholder Engagement

We maintain an ongoing commitment to transparent and effective stakeholder engagement, ensuring that all relevant groups are actively involved in shaping our business activities. By integrating stakeholder feedback into our daily operations and decision-making processes, we align our strategies with their evolving needs and interests.

Our stakeholder groups include:

- Public and social stakeholders: Local communities, media, general public, federations, NGOs, and academic institutions
- Operating and business environment: employees, suppliers, producers, government and public authorities, customers and consumers.
- Financial stakeholders: Shareholders and investors

This approach strengthens collaboration, fosters trust, and supports sustainable business growth.

Training

Anti-Bribery and Corruption training is a requirement for all of Modulaire's workers and in 2024, the following was delivered:

Cybersecurity training	117 hours
Code of Ethics training incl. Anti-Bribery & Corruption	2,070 hour

ESG management systems

We achieved ISO 14001 certification of our Environmental Management System at all design and assembly facilities and are working to achieve coverage at all sites (2024: 62% sites).

Policy updates

We update our policies and documentation to ensure compliance and for continuous improvement. In 2024, Modulaire Group updated:

- Biodiversity and Climate Change Adaptation Protocols
- Electrification policy

Sustainability ratings

We have achieved 11 EcoVadis sustainability ratings this year (6 gold medals and 5 silver medals). The evaluation involves a review of ESG performance in four key areas: Environment, Ethics, Labour & Human Rights, and Sustainable Procurement. A gold rating means EcoVadis has rated the business in the top 5% of 100,000+ companies in 175+ countries and 200+ industries.

Responsible sourcing in action

Our Procurement team ensures the goods we buy are safe, efficient, high-quality, and fairly priced. We also promote environmental and social responsibility by encouraging suppliers to adopt sustainable practices and develop greener products.

We expect our suppliers to operate fairly and with integrity, following ethical business standards. Our Responsible Sourcing Policy is helping us to strengthen relationships with our direct suppliers.

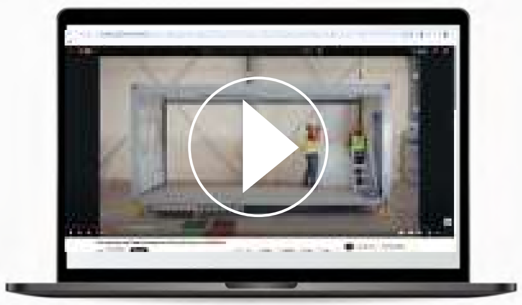
Responsible sourcing, or Sustainable procurement, means considering environmental, social, and economic factors when choosing goods and services. The goal is to reduce negative impacts while making positive contributions in the short, medium, and long term through ethical and sustainable sourcing.

Modulaire Group's Responsible Procurement Policy focuses on working with suppliers across the value chain to embed Environmental, Social, Governance, and Sustainability (ESGS) at all stages. We review ESGS performance regularly, improve our understanding of the supply chain, and drive continuous improvement. While our approach does not cover every possible situation, it defines key expectations for suppliers and partners to uphold our high standards.

Repurposing flooring

We want to continue enhancing the circularity of our modular units. Our teams work hard to reuse materials, finding new ways to maximise their value through supplier partnerships. For the past three years, Algeco in Poland has participated in the Tarkett ReStart® flooring take-back and recycling program. It has proven an effective way to repurpose flooring that is returned to us during the refurbishment cycle of our modules. Since 2022, 55 tonnes of flooring has been collected by the Algeco team and recycled by Tarkett at their factory in Sweden, saving 236.5 tonnes of CO_2 emissions. New flooring is then installed inside our modular units. In 2024, the process was documented on video by Tarkett to demonstrate the key stages of the circular process: removal and sorting of old PVC flooring; its preparation for recycling; and the application of new flooring inside Algeco's modular units.

Watch the video below:



Impacts, Risks, and Opportunities

Type	**Procurement**
IRO	Negative
Strategy	Responsible sourcing
Policy	Responsible Sourcing Anti-Bribery and Corruption Policy Code of Ethics EDI Policy ESGS Policy Gift and Entertainment Policy Health and Safety Policy Modern Slavery and Human Trafficking Compliance Statement
Action	5 year procurement plan
Target	Assessment of T1 High spend by 2027

Our value chain (see page 7)

Case studies

Taking a virtual break

In March 2024, Algeco ENSE introduced a voluntary "Virtual Break" initiative, bringing together approx. 100 employees each month for informal one-to-one virtual meetings. The 20-minute sessions offer an opportunity to share experiences and opinions about work, engage in cross-cultural exchanges, and foster stronger connections. The initiative encourages open dialogue, knowledge-sharing and enhances collaboration and inclusivity across the diverse workforce.

Meeting customer ESG needs

Now more than ever, customers want to learn more about our sustainable circular business model. To meet these needs and during European Environment Weeks in France, Algeco's ESG team introduced 15-minute bitesize training sessions. Each event was based on one frequently asked question from customers. It offered a summary of the science behind the question, the actions we are taking and our current performance. Around 100 employees attended each of the six sessions, with excellent feedback.

New Spacemaker design tool

Our new digital Spacemaker tool has been piloted in the Nordics this year. It enables users to draw up their next modular build with just a few clicks, simplifying the design process and saving them time and cost. This self-service solution hosts a simple drag-and-drop system for real-time visualisation of a modular building with furniture and text. It's designed to help architects, consultants, project teams and investors, who can arrive at optimal build solutions faster. They are able to print or share drawings, including 3D visuals. Spacemaker will also provide us with deeper insight into our customers' needs.

Innovation challenge partnership

Modulaire Group is one of eight businesses taking part in the Mayor of London's Better Futures Net Zero Innovation Challenge, an open opportunity for SMEs to generate new partnerships that explore the application of cutting-edge solutions and services. It is led by the GLA and funded by the UK Government through the UK Shared Prosperity Fund. From a group of 2,000 startups, 18 climate tech innovators were chosen to pitch their ideas in October to secure one of ten partnerships. Modulaire Group was delighted to announce we are paired with SOLIVUS, the lightweight commercial solar pioneer. Engagement workshops have taken place and in 2025, a showcase event is being held to share the impact of collaborations.

"The Better Futures Net Zero Innovation Challenge – backed by the Mayor of London and the UK Government – is more than just a programme. It's a bold movement, bridging visionary innovators with forward-thinking companies like Modulaire that are driving real solutions for a sustainable future."

Simon Brown
Partner, Corporate Innovation

Future actions and intent for 2025

In 2025, we are resolute in driving forward our environmental, social and governance initiatives with a bold and comprehensive set of actions.

Action Plan for 2025

To maintain a complete picture of our risks and opportunities and ensure conformity with TCFD recommendations and SBTi criteria, Modulaire commits to these important actions:

- The provision of good quality, verifiable ESGS data for climate-related focus.
- Resource efficiency across energy consumption (including renewables), logistics, waste, and water use.
- Maintain a full suite of climate-related risks and opportunities, including financial quantification where appropriate and detailed Climate Adaptation Plans. Modulaire Group will be able to justify why climate-related risk management decisions are made.

Watch the video below:

In 2025, Modulaire Group will be an official partner for UNESCO World Engineering Day for Sustainable Development. Throughout a year-long campaign, we will highlight the critical role engineers play in achieving the UN's Sustainable Development Goals and inspire the next generation of engineers.

- Reduce SBU/OBU Scope 1 and 2 emissions by 10% vs 2020 by end of 2025 (as part of sustainability linked financing)
- Source 100% renewable electricity for the Group, where available and appropriate
- Implement SBTi Net Zero Reduction Plan
- Reduce Scope 3 emissions by 3% vs 2022 baseline by end of 2025
- Electrification of forklifts and stationary equipment (40%) and cars/vans (30%) vs 2020 baseline
- Onsite photovoltaics installation where available and appropriate
- Reduce waste to landfill by 50% per typical unit vs 2020 baseline (83 kg/unit) by end of 2025
- Reduce water consumption by 10% per typical unit vs 2020 baseline (0.83m^3/Unit) by end of 2025

- Zero fatalities
- Reduce Recordable Incident Rate (RIR) by 40% compared to 2024, setting a target of 0.42
- Achieve 36,000 quality safety observations, focusing on meaningful and impactful entries
- Increase overall female participation at board and Senior Management level
- Increase overall proportion of female employees
- Paid voluntary time - 5,000 hrs pa
- Group participate and undertake four UN Days: March 4^{th} – UNESCO World Engineering Day, March 8^{th}– International Women's Day, April 28^{th} - World Day for Safety and Health at Work, June 5^{th} – World Environment Day

- Continue to monitor and comply with the latest ESGS legislation
- Rollout of Cybersecurity training and Anti-bribery and Corruption training
- Implementation of Biodiversity Policy
- Increase EcoVadis ratings for the Group to a total of 12
- Carry out supply chain assessment

KPIs status and future targets

Environment KPIs

2024

	Target	Dept.	Materiality index	Baseline		2023	2024	SDG	UNGC	TCFD	Status
7.5% absolute reduction in Scope 1 and 2 emissions vs 2020* (tonnes CO_2e)	by 2024	SBU	E1-3, E5-6	2020	19,529	30.7%	41%	9,11,12,13	7-9	G,S,RM,M	Achieved
Rollout a Group strategy to reduce or mitigate Scope 3 emissions	by 2024	ESGS	E1-6	New		n/a	yes	9,11, 12,13	12	S,M	Achieved
Establish carbon emissions reduction plans for transport	by 2024	ESGS	E3	New		n/a	yes	9,11,12,13	12	S,M	Achieved
Frankfurt Branch assessment for BREEAM	by 2022	SBU-DE	E1-6	2021		ongoing	ongoing	9,11, 12,13	7-9	S,G	Ongoing

2025

	Target	Dept.	Materiality index	Baseline		2024	2025	SDG	UNGC	TCFD	Status
10% absolute reduction in Scope 1 and 2 emissions vs 2020* (tonnes CO_2e)	by 2025	SBU	E1-3, E5-6	2020	19,529	19,816		9,11,12,13	7-9	G,S,RM,M	
Reduce Scope 1 and 2 market-based emissions intensity ratio tonnes vs 2020 (kg CO_2e per unit)	by 2025	ESGS	E1-3, E5-6	2020	91	60		13	7-9	S,M	
Reduce embedded carbon footprint (A1-A5) by 20% per typical unit vs 2020 (kg CO_2e/m^2)	by 2025	SBU	E2	2020	200	n/a		9,11,12,13	7-9	G,S,RM,M	
Reduce Group waste to landfill by 50% per typical unit vs 2020 (kg)	by 2025	SBU	E5	2020	63.31	8.42		9,11,12,13	7-9	S,M	
Reduce Group water use by 10% per typical unit vs 2020 (m^3)	by 2025	SBU	E5	2020	1.06	0.37		9,11,12,13	7-9	S,M	

Key ● Achieved ● Ongoing ● Not achieved

* Targets amended to provide better clarification based on priorities
** Rebaselined in 2021

Key:
E1: Climate change
E2: Circular economy, materials & product design (incl. LCA)
E3: Carbon impact of transport
E4: Biodiversity and ecosystems
E5: Environmental (air, water, and soil) and Quality Management System
E6: Resource efficiency in operations and customer use
ESGS: Environment, Social, Governance and Sustainability
SBU: Strategic Business Unit
SBU-DE: Strategic Business Unit – Germany
SDG: United Nations Sustainable Development Goals
TCFD: Task Force on Climate-related Financial Disclosures
UNGC: United Nations Global Compact

Disclosure statement for TCFD

For the current reporting period, disclosures are consistent with the TCFD recommendation. Where disclosures do not apply to Modulaire Group or where a complete disclosure is still under development, an explanation is provided here:

- Risk assessment timeframes: Climate-related risks and opportunities for our business are included in this report.
- Climate scenarios: To plan for transition to a zero carbon economy, we are building on quantified outcomes of TCFD Strategy a) disclosure. This report includes our results analysis.
- Scope 3 emissions: This report includes our Scope 3 figures, meeting the recommended guidelines of the TCFD Metrics & Target b) disclosures.
- We publish further information on ESGS financial matters on our website, including our sustainability-linked financing and related limited assurance of data in accordance with the recommendations of the TCFD and initiated by the Financial Stability Board.

Social KPIs

2024

	Target	Dept.	Materiality index	Baseline		2023	2024	SDG	UNGC	TCFD	Status
Increase overall female participation at Board and Senior Management level (CEO -1)	by 2024	HR	S3	2020	12.6%	15%	17%	4,5,11	1-6	SM	●
Increase overall proportion of female employees (CEO -3)	by 2024	HR	S3	2020	25.2%	27%	28%	4,5,11	1-6	SM	●
Paid Voluntary Time – 5,000 hrs pa.*	by 2024		S4,S5	2022	4,616	5,145	5,442	4,5,11	1-6	SM	●
Group participate and undertake three UN Days: March 8th – International Women's Day; April 28th – World Day for Safety and Health at Work; June 5th – World Environment Day	by 2024	HR	S2,S4	2021	yes	yes	yes	4,5,9,11,13	1-6	SM	●
Zero Fatalities	ongoing	HR	S1	2020	0	0	0	4,9,11	1-6	RM	●
Reduce Lost Time Incident Frequency Rate (LTIFR) per 100,000 by 20% vs 2022	by 2024	HR	S1	2023	0.44	0.66	0.43	4,9,11	1-6	RM	●
Social value measurement	by 2024	HR, ESGS	S1-5	2024	yes	yes	yes	4,5,11,9,13	1-6	SRM	●

2025

	Target	Dept.	Materiality index	Baseline		2024	2025	SDG	UNGC	TCFD	Status
Increase overall female participation at Board and Senior Management level (CEO-1)	by 2025	HR	S3	2020	12.6%	17%		4,5,11	1-6	SM	
Increase overall proportion of female employees	by 2025	HR	S3	2020	25.2%	28%		4,5,11	1-6	SM	
Paid Voluntary Time – 5,000 hrs pa.*	by 2025	HR	S4,S5	2022	4,616	5,442		1,6	1-6	SM	
Group participate and undertake three UN Days: March 8th – International Women's Day; April 28th – World Day for Safety and Health at Work; 5th June – World Environment Day	by 2025	HR	S2,S4	2025	yes	yes		4,5,9,11,13	1-6	SM	
Zero Fatalities	ongoing	Safety	S1	2020	0	0		4,9,11	1-6	RM	
Reduce Recordable Incident Rate (RIR) by 40% vs 2024	by 2025	Safety	S1	2024	0.42	0.42		4,9,11	1-6	RM	

Key ● Achieved ● Ongoing ● Not achieved

* Targets have been amended to provide better clarification based on priorities
** **Links to Gender Pay publications:**
Australia: https://www.wgea.gov.au/data-statistics/data-explorer
France: https://www.algeco.fr/notre-vision-du-progres/nos-indicateurs
Spain: https://www.algeco.es/sites/default/files/media/ienf_algeco-b07_v4_1.pdf
UK: https://www.algeco.co.uk/sites/default/files/2023-12/Gender%20Pay%20Gap%20Report%202022.pdf

Key
S1: Health and safety
S2: Human rights & working conditions in the value chain
S3: Employee diversity, inclusion & talent management
S4: Corporate citizenship & supporting affected communities
S5: Employee wellbeing and working conditions

Governance KPIs

2024

	Target	Dept.	Materiality index	Baseline		2023	2024	SDG	UNGC	TCFD	Status
CSRD-ready	by 2024	ESGS & Finance	G1-5	New		-	yes	4,5,9,11-13	1-10	G,S,RM,M	Achieved
Progress Cybersecurity and ABC training (hours)	by 2024	Legal	G1	2022	362	459	117	4,5,9,11,13	1-10	RM	Achieved
Implementation of Biodiversity Policy	by 2024	ESGS	G4/E4	New		-	ongoing	11,13	1-10	G,S,RM,M	Ongoing
Increase EcoVadis accreditations to 10	by 2024	SBU	G1-G5	2023	4	4	11	4,5,9,11-13	1-10	G,S,RM,M	Achieved

2025

	Target	Dept.	Materiality index	Baseline		2024	2025	SDG	UNGC	TCFD	Status
Progress Cybersecurity and ABC training (hours)	by 2025	Legal	G1	2022	362 hours	2,070		4,5,9,11,13	1-10	RM	
Report on customer and user feedback	by 2025	Sales	G5	2025	new	n/a		4,5,9,11-13	1-10	G,S,RM,M	
Progress business conduct and ethics training (hours)	by 2025	Legal	G4	2023	1,373	2,070		4,5,9,11,13	1-10	RM	
Increase EcoVadis accreditations to 12	by 2025	SBU	G1-G5	2024	11	11		4,5,9,11,13	1-10	G,S,RM,M	

Key ● Achieved ● Ongoing ● Not achieved

Key

G1: Cybersecurity
G2: Antibribery and corruption
G3: Responsible sourcing
G4: Business conduct and ethics
G5: Customer, consumer and user rights

Glossary

Abbreviations:

ABC	Anti-bribery and corruption
CSRD	Corporate Sustainability Reporting Directive
ESG	Environment, Social and Governance
ESGS	Environment, Social, Governance and Sustainability
EV	Electric vehicle
Group	Modulaire Group or Modulaire
ILO	International Labor Organization
LTAFR	Lost Time Accident Frequency Rate
LTIFR	Lost Time Incident Frequency Rate
OBU	Operational Business Unit
RIR	Recordable Incident Rate
SBTi	Science Based Targets initiative
SBU	Strategic business unit
SDG	Sustainable Development Goal
TCFD	Task Force on Climate-related Financial Disclosures
UNGC	United Nations Global Compact
VAPs	Value Added Products and services
5R	Refuse, Reduce, Reuse, Repair and Recycle
	Environment
	Social
	Governance

Modular construction, also known as offsite construction, is a building method where structures are built in a factory-controlled environment and then transported to the site for assembly. These buildings can be temporary or permanent and are designed to meet quality, safety, and environmental regulations. This approach enhances efficiency, minimises waste, and accelerates project completion compared to traditional onsite construction. Modular buildings are fully customised to suit the client's project requirements, including tailored interiors that align with their specific needs.

Faster, smarter, modular.

We are Europe and Asia Pacific's leading specialist in modular services and infrastructure.

At Modulaire Group, we are committed to creating smart spaces for people to work, learn and live, with circularity and sustainability driving our approach. The spaces we create meet the needs of customers across a number of sectors including construction, public administration, energy and natural resources, as well as industry, business services and infrastructure.

With operations in 23 countries, and over 330,000 units, we can design and deliver unique spaces wherever and whenever our customers need them. As the drive increases for companies to be more accountable for their footprint, we can provide sustainable and circular solutions, which deliver social value.

UK

Corporate Office

Nordics

Denmark
Estonia
Finland
Norway
Sweden

Western Europe

Austria
Belgium
France
Germany
Italy
Luxembourg
Netherlands
Portugal
Spain

Eastern Europe

Czech Republic
Hungary
Poland
Romania
Slovakia

China

Chengdong

Australasia

Australia
New Zealand

Units can be reused, on average,

20x

or more during their lifecycle

Units are up to

96%

recyclable

c.73%

less carbon emissions vs traditional construction

Our ESGS team

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