

# Modular solutions for a circular economy



## ESGS Report 2023

Modulaire Group “Modulaire” is a leading provider of modular infrastructure and services. We offer high quality, cost-effective, flexible, and timely solutions for operational space and accommodation. We work where our customers need us, from hospitals to schools, and from municipal offices to remote sites.

Modulaire has over 330,000 modular space and portable storage units and 4,400 remote accommodation rooms. Our 4,877 employees serve around 52,000 customers, through an extensive network of 180 customer service centres (including 15 assembly facilities), across 23 countries in Europe and Asia-Pacific. Modulaire operates as Algeco, its largest brand, across much of Europe and the United Kingdom. Other operating brands include Advanté in the United Kingdom, Altempo in France, Algeco Chengdong in China, Ausco and NET Modular in Australia, and Portacom in New Zealand.



This is our fourth annual Environment, Social, Governance and Sustainability (ESGS) report, which shares our ESGS themes, actions, and progress from 1 January 2023 to 31 December 2023, unless otherwise stated. The focus areas are informed by our double materiality process and meet 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.

Front cover: Algeco Progress 20 school project (France), art competition on UN World Environment Day, UN Day for the Elimination of Racism (Spain) and ESGS Awareness Training (Australia).


We continue to integrate the Task Force on Climate-related Financial Disclosures (TCFD) framework within our reporting structure, believing in the fundamental importance of its principles of effective disclosure. We include distinct sections for each of the four TCFD pillars: Governance, Strategy, Risk Management, and Metrics and Targets. By adhering to these principles and staying abreast of latest reporting developments, Modulaire will ensure our reporting practices remain aligned with best practice international sustainability standards.

[www.modulairegroup.com](http://www.modulairegroup.com)

**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                                    |
| LTAFR   | Lost Time Accident Frequency 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                       |
| VAP   | Value added product                                 |
| 5R  | Refuse, Reduce, Reuse, Repair and Recycle           |
|  | Environment   |
|  | Social  |
|  | Governance  |

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# Our 2023 performance

“Welcome to Modulaire’s latest ESGs report, sharing the commitments, actions and progress we have made on our pathway to Zero Harm and Net Zero.

Safety and ESG are the number one pillar in our business strategy, because of their importance to our people and our planet. We continue to action our five year plan for world class safety performance and our Lost Time Accident rate now stands at 0.44, a reduction of 33% since 2022.

We have opened our first low-emissions customer service centre this year, in the UK. It sets a new benchmark across the Group, clearly demonstrating our commitment to act on climate change through electrification, switching over to renewable energy, protecting biodiversity and reusing materials. It is also an exciting time for innovation, as we launch a series of value added products, such as solar-powered lighting and satellite broadband to improve customer connectivity in remote areas.

We continue to reduce risk across our supply chain with ongoing programmes around cybersecurity, responsible sourcing and ESGs

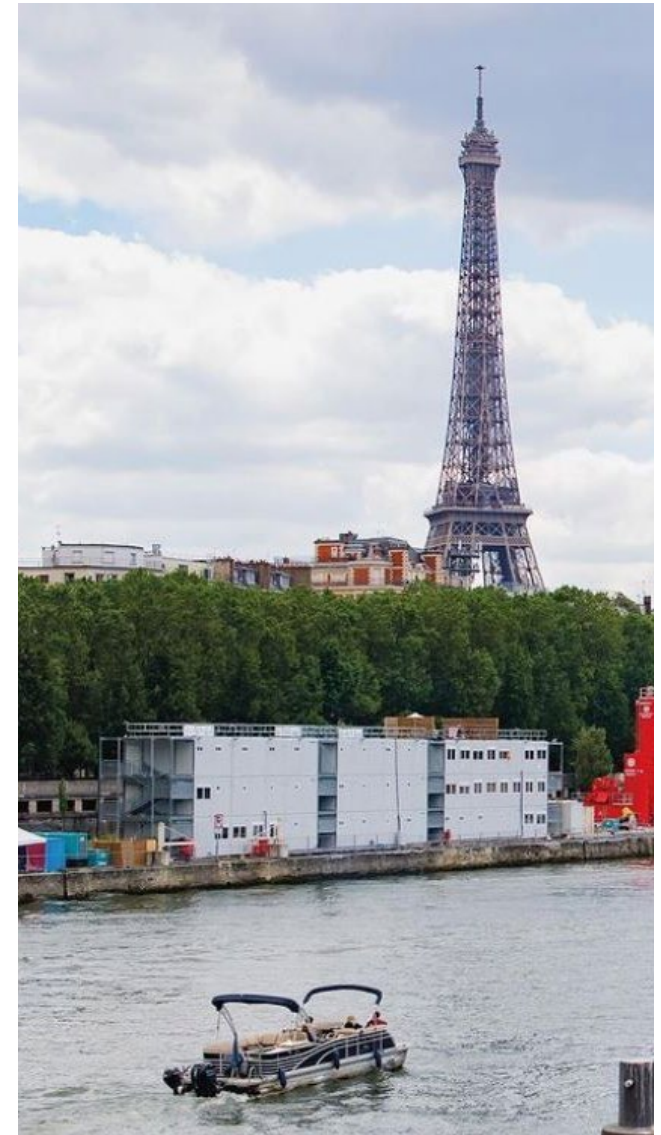
awareness. Most recently, we have measured Modulaire’s Scope 3 emissions, creating new opportunities to integrate our circular **Loops within Loops** strategy across the value chain.

I remain more convinced than ever, after our recent climate risk assessments (TCFD), that Modulaire is making a valuable contribution to building a circular economy. We deliver adaptable and recyclable modular solutions that help our customers respond to changing population and climate needs.

We hope you find the report useful and welcome your feedback.”

**Mark Higson**  
Group Chief Executive Officer

**“I remain more convinced than ever that Modulaire is making a valuable contribution to building a circular economy.”**



# Performance highlights 2023

“We absolutely support the need for consistent, comparable and transparent ESG reporting. Our teams are already working to ensure we are CSRD-ready, ahead of reporting on FY2025. We have conducted a double materiality assessment and thank our stakeholders for participating in this important process, which is used to inform our strategy and targets. In 2023, we also introduced a new ESG Responsible Sourcing Policy and supplier assessment process, which continues to embed ESG at all stages of our supply chain”

**James Odom**  
Group General Counsel



## 30.7% reduction vs 2020

Scope 1 & 2 market-based emissions

## SBTi Net Zero commitment

Scope 3 CO<sub>2</sub>e assessed, targets to be submitted

## 67% Renewable energy

## 55% less water used vs 2020

## 75% less waste to landfill vs 2020



## 33% lower LTAFR vs 2022

## 2% increase

Overall proportion of female employees

## 5,145 hours Volunteering Participated in 3 UN days

International Day for the Elimination of Racial Discrimination, World Environment Day, Human Rights Day



## 459 hours

Cybersecurity training

## 1,373 hours

Code of Ethics training, including ABC

## Responsible Sourcing

New policy and supplier assessments

## Double Materiality assessment

CSRD-ready

## EcoVadis medals

3 Gold, 1 Silver

“Investors are seeking out assets that are future-proofed against tightening regulations and the changing climate. We have raised approximately €3 billion in sustainability-linked financing, which incentivises our business to achieve ambitious emissions reduction targets on our path to Net Zero by 2050. We recognise it's a powerful enabler, helping us to invest in new low-carbon technology at a faster pace. Modulaire is on track to meeting its first milestone in 2025, where we are expecting to achieve a 10% absolute reduction in Scope 1 and 2 emissions.”

**Emma Mercer**  
Group Chief Financial Officer



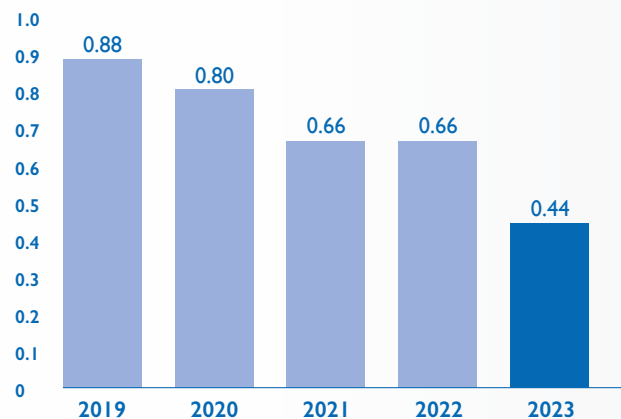


# Advancing our Safety culture

Modulaire empowers and engages all our people to put safety first. We provide the appropriate safety knowledge, competence, and confidence for people to perform their roles effectively.

Across the Group, we are implementing our 5 Year Safety Plan with targeted actions to improve safety performance to world class levels. Safety observations have been increased, with Safety Champions across the business delivering internal training. All leaders, managers and supervisors engage in weekly safety conversations to reinforce positive behaviours and discuss areas of improvement. We are working to prevent high risks, with all injuries investigated and reviewed by members of the Executive Committee. This has resulted in the number of potential injuries now being higher than the number of actual injuries across the Group. Our Lost Time Accident Frequency Rate (LTAFR) stands at the lowest level in five years; this includes the number of employees, temporary workers and contractors that have been injured and needed a medical leave, or an adapted working station, during the past year (i.e. # LTA x 100,000/Total hours worked).

## Five Year reduction in Lost Time Accidents Frequency Rate (LTAFR)



33% reduction in LTAFR vs 2022  
Lowest LTAFR since 2019  
51,636 safety observations in 2023  
656 employees trained by safety champions



“It gives me great pride to see how safety is at the core of everything that we do. From achieving thousands of safety observations each month through to brilliant best practices shared across the business. Our safety journey is evolving, it’s a shared commitment to protecting ourselves, our loved ones and all of our colleagues, every day.”

**Caterina Iannazzo**  
Group HSE Director



## Celebrating Safety success

We recognise safety success across our business and continue to celebrate it together. In France this year, awards were given out to customer service centres reaching 1,000 days without LTAs and for the highest number of cumulative days without LTAs. This outstanding team performance was celebrated with a shared meal for employees and gift vouchers given to the best performers.



Visible, felt leadership



Organisation & safety skills development



Standards & processes



Best practices & innovation

# Our ESGS purpose



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

## Our Group strategy and performance pillars

Modulaire Group works across five key strategy and performance pillars, including Safety and ESGS. We work as one team to achieve Zero Harm and lead on Sustainability. These two headline performance objectives run side by side throughout our business processes and activities.

| STRATEGY AND PERFORMANCE PILLARS |                        |   |
|----------------------------------|------------------------|---|
| Pillar 1: (SP1)                  | Safety & ESG           | Achieving Zero Harm and leading on Sustainability                   |
| Pillar 2: (SP2)                  | Growth                 | Growing organically by providing great customer solutions           |
| Pillar 3: (SP3)                  | Operational Excellence | Creating value through excellence in everything we do               |
| Pillar 4: (SP4)                  | M&A                    | Acquiring and integrating great companies that enhance our business |
| Pillar 5: (SP5)                  | People                 | Enabling highly skilled colleagues to perform at their best         |

## Our ESGS purpose

We seek to reduce or mitigate our environmental and social impacts and to improve governance and our sustainable practices. To achieve our ESGS purpose we maintain a Group policy and objectives that shape our decisions and actions at all levels. 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.

## Environmental

- Provide customers with sustainable and circular solutions using our *Loops within Loops* approach
- 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 (energy, carbon, water and waste) impacts on-site and off-site, and work on climate adaption and biodiversity

## Social value

- For employees, contractors and visitors, provide a safe, inclusive, diverse and motivating environment
- 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

## Governance

- Strict compliance with applicable local legislation relating to ESGS
- All Group functions and business units to 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 commitments to the UN Sustainable Development Goals (4, 5, 9, 11, 12, 13), the UN Global Compact Principles (Human Rights, Labour, Environment and Anti-Corruption) and the Task Force on Climate-related Financial Disclosures framework to establish the Net Zero and Climate Adaptation plans

## See our strategy in action below:

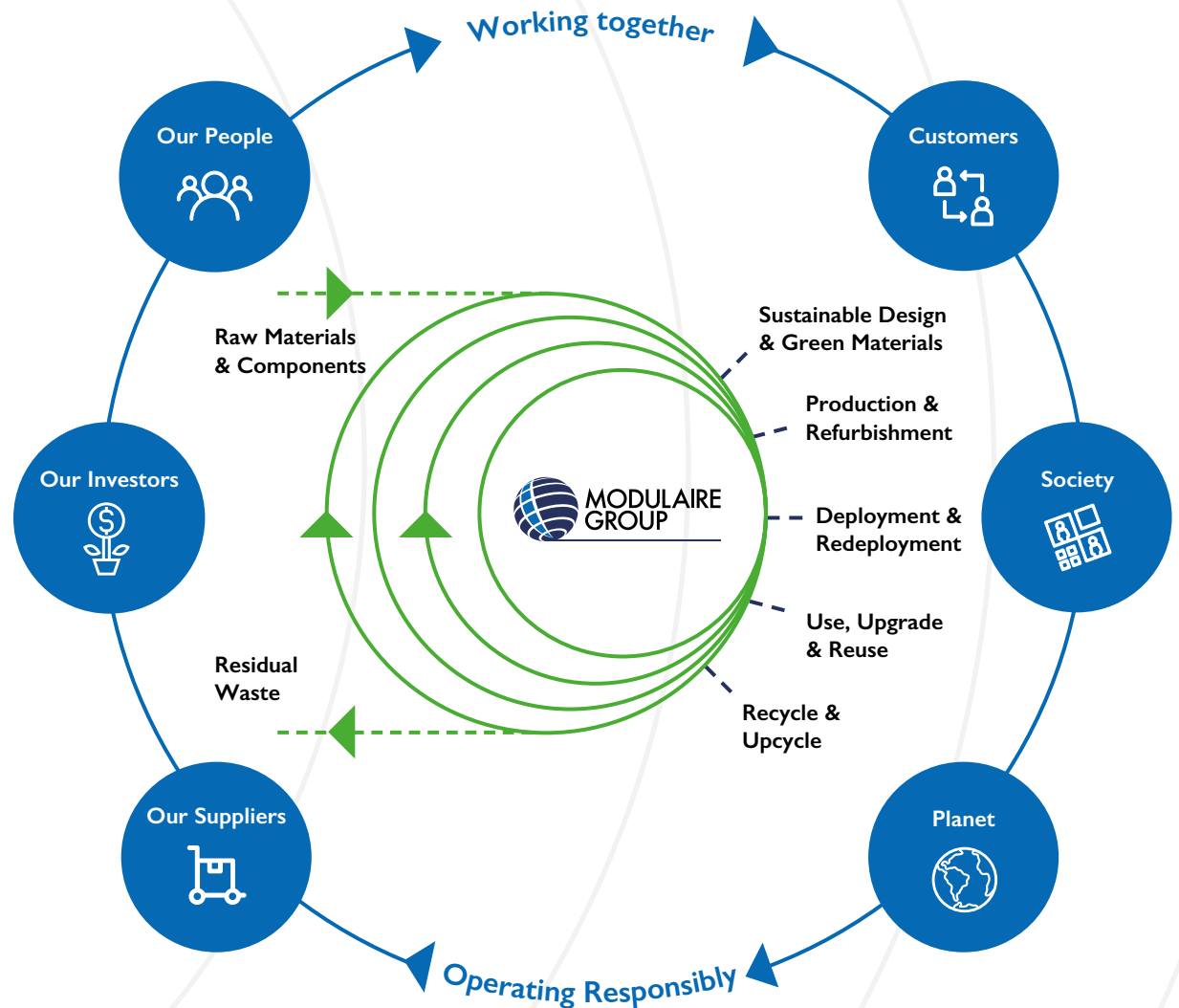
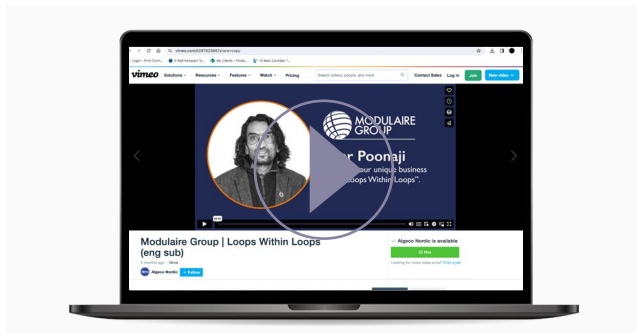


# Loops within Loops

*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:





# Focus on Operational Excellence

Operational Excellence is a way of working that gives focus to finding and eliminating waste in our daily operations. It helps to improve process flow, safety and customer service, whilst reducing our environmental impacts. To achieve it, we bring together our people in continuous improvement activities.

## Our 2023 approach

We use the 5R hierarchy to manage materials efficiently on-site; it encourages everyone to consider five alternative steps before sending materials to landfill, to Refuse; Reduce; Reuse; Repair and Recycle.

This year, we focused on four themes:

1. Production planning and productivity tracking;
2. Materials management;
3. Production workflow; and
4. Standard work.

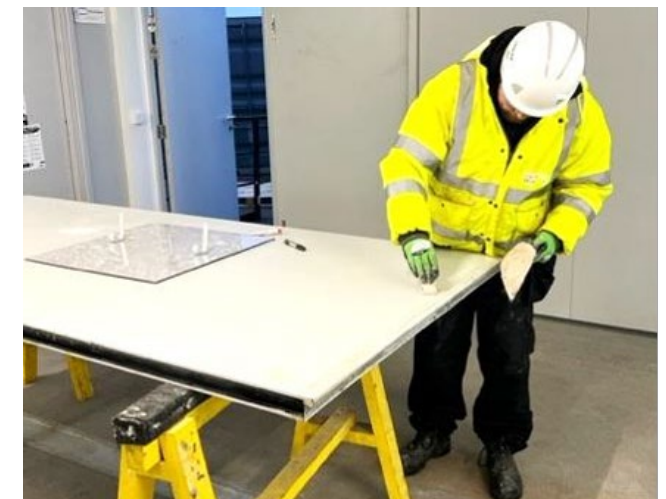
In 2023, we trained over 100 employees and implemented 91 Kaizen process improvement events. Employees valued the collaborative approach, with opportunities for input and teamwork. We saw particular success around improvements to materials management, which resulted in less materials, transport and obsolescence.

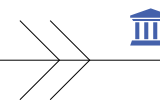


| Opportunities                 | Benefits   | Achievements   |
|-------------------------------|--|--|
| <b>Inventory reduction</b>    | Holding less stock increases efficiency, requires less space and less energy e.g. lighting.  | 30-50% stock reduction when aligned with demand      |
| <b>Recover, Repair, Reuse</b> | Recover, repair and reuse materials required for unit preparation. Less raw materials, energy to manufacture and transport to deliver. | Minimum of 30 items per unit can be regularly reused |
| <b>Point of use materials</b> | Place what is needed close to point of use. Hold only items required and eliminate obsolete items. Reduced waste disposal.             | 35% reduction in wasted time due to walking          |

## Kaizen events for improvement

Our Kaizen events begin by mapping the current process flow on-site, so the team can identify improvement opportunities. Each operation and task is considered, both inside and outside of the main production building. The logical flow of a building through the complete operation is plotted over the site layout. Together, the Kaizen team build a plan that allows placement of workstations, materials, equipment and units in a position that is safe, has clear access and removes waste. The team divide into smaller groups to implement the countermeasures identified. A journal is kept throughout to capture data, issues, and ideas. Follow-up actions with improvement targets are shared with the whole team, including training activities to sustain the benefits.





# Managing our approach

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

## Our responsibilities

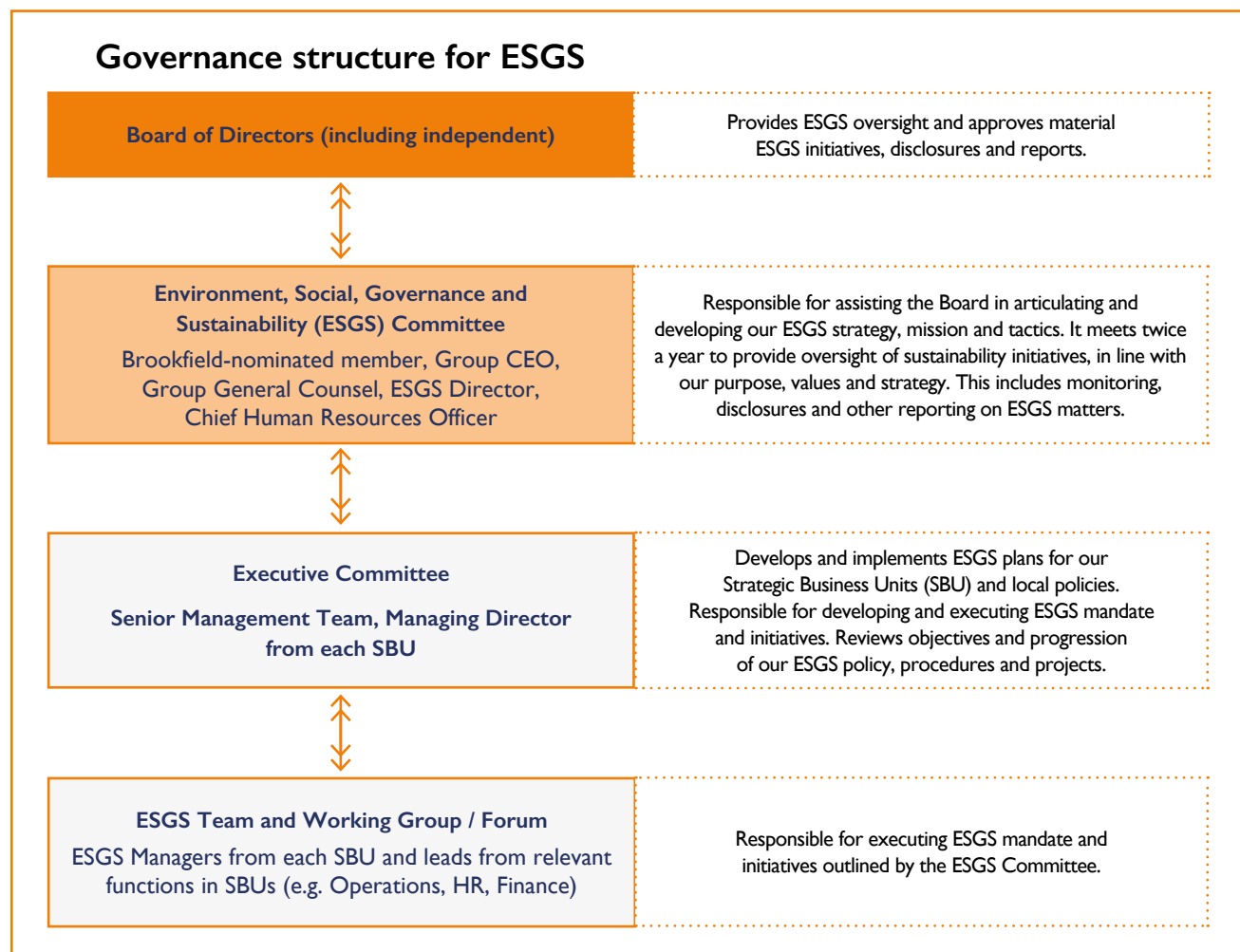
It is our responsibility to conduct our business ethically, making consideration for our ESG purpose and being a good employer, as we grow and succeed together. We have a strong governance structure in place. The Modulaire executive team and Board of Directors take our commitments seriously and seek to deliver our strategy and targets in a way that our employees, customers, shareholders and suppliers can be proud of.

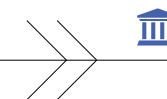
## Delivering on our commitments

Our commitments to ESG 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 business performance reviews, assurance audits and risk management. It enables us to assess risks and opportunities and to assign the appropriate level of accountability to meet our objectives and KPIs.

In line with best practice, we update our ESG-related policies and documentation, or generate new documentation, on an ongoing basis to ensure compliance and for continuous improvement. In 2023, we created or updated the following policies to align with new strategy and frameworks:

- Responsible Sourcing Policy;
- Policy on Sustainable Use of Water; and
- Policy on Waste Management.





# Respecting Human Rights

## Our commitments

Modulaire is committed to protecting human rights across our operations and supply chain, including for our employees, on-site contractors, suppliers, customers and consumers and in the communities around our operations. 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 27).

Read our Modern Slavery and Human Trafficking Compliance Statement here: [www.modulairegroup.com/modern-slavery-act](http://www.modulairegroup.com/modern-slavery-act)

## Assessing our risks

Our double materiality process is outlined in this report and has raised salient human rights issues, which are addressed through our ESGS strategy (see page 18, ref: S1-S5, G1-G5).

Our modern slavery risk assessment considers the three key modern slavery risk factors of vulnerable populations; high-risk sectors; and high-risk geographies.

Based on the risk factors we have identified, there are varying levels of modern slavery risk exposure across our business:

**Our suppliers:** we can potentially be exposed to modern slavery risk if it is present in our supply chain. For example, 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.



**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.

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

## Risk mitigation

Where risk is identified during our ESGS due diligence assessment, our people will identify lessons or opportunities for improvements to be shared with our Procurement team, ESGS Committee and the Board as necessary. Where issues are identified during our due diligence process, we will agree corrective actions between the relevant parties, documenting the process and outcomes.

## Supplier Code of Conduct

The Supplier Code of Conduct reflects our 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, with 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 and measurement

We are committed to continuously improve our supplier governance framework and process controls. This year, Algeco UK received a score of 90% on the Modern Slavery Statement and Modern Slavery Assessment Tool, a 32% increase from 2022, and achieving the UK Government's green category for public sector organisation suppliers.



# Our ESGS strategy

The Modulaire ESGS strategy represents our intent to establish ESGS commitments uniformly across the Group. It is built on our stakeholder engagement process and double materiality assessment, addressing the material topics, risks and opportunities identified for our business.

Our ESGS strategy features three key sustainability areas: Environment, Social and Governance (ESG), with circularity, adaptability and leasing at the core. For each area, we set out ambitious ESGS objectives and targets (KPIs). Central to delivery of our ESGS strategy, is Modulaire’s circular business model – *Loops within Loops* – designed to ensure our materials are retained in use for as long as possible at their highest value. We share our progress transparently in this report.

42% employees have received ESGS Awareness Training to date

## ESGS strategic objectives: our call to action



**Target Net Zero by 2050 using our *Loops within Loops* model**

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



**Measure and deliver on 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



**Continue to strengthen our approach to governance**

1. Maintain our strong compliance focus:
  - code of ethics, anti-bribery and corruption policy
  - policies for suppliers, data protection and cybersecurity
  - whistleblowing hotline
2. Active oversight by the Board and Executive Committee of ESGS
3. Achieve ISO certifications for Environment





# Aligning with positive frameworks

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 own website and in this report.

“External accreditations allow us to benchmark against internationally recognised standards and to improve our processes. My work on EcoVadis has given me a great insight into the holistic nature of ESG.”

**Mihir Badhwa**  
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 growing 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 (see page 33).



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.



SBTi is a partnership between CDP, the UNGC, World Resources Institute and the World Wide Fund for Nature. Modulaire became a signatory to SBTi in January 2023 and has committed to using SBTi criteria when setting our CO<sub>2</sub>e reduction targets, including for Scope 3. We are in the process of submitting science-based targets to SBTi.

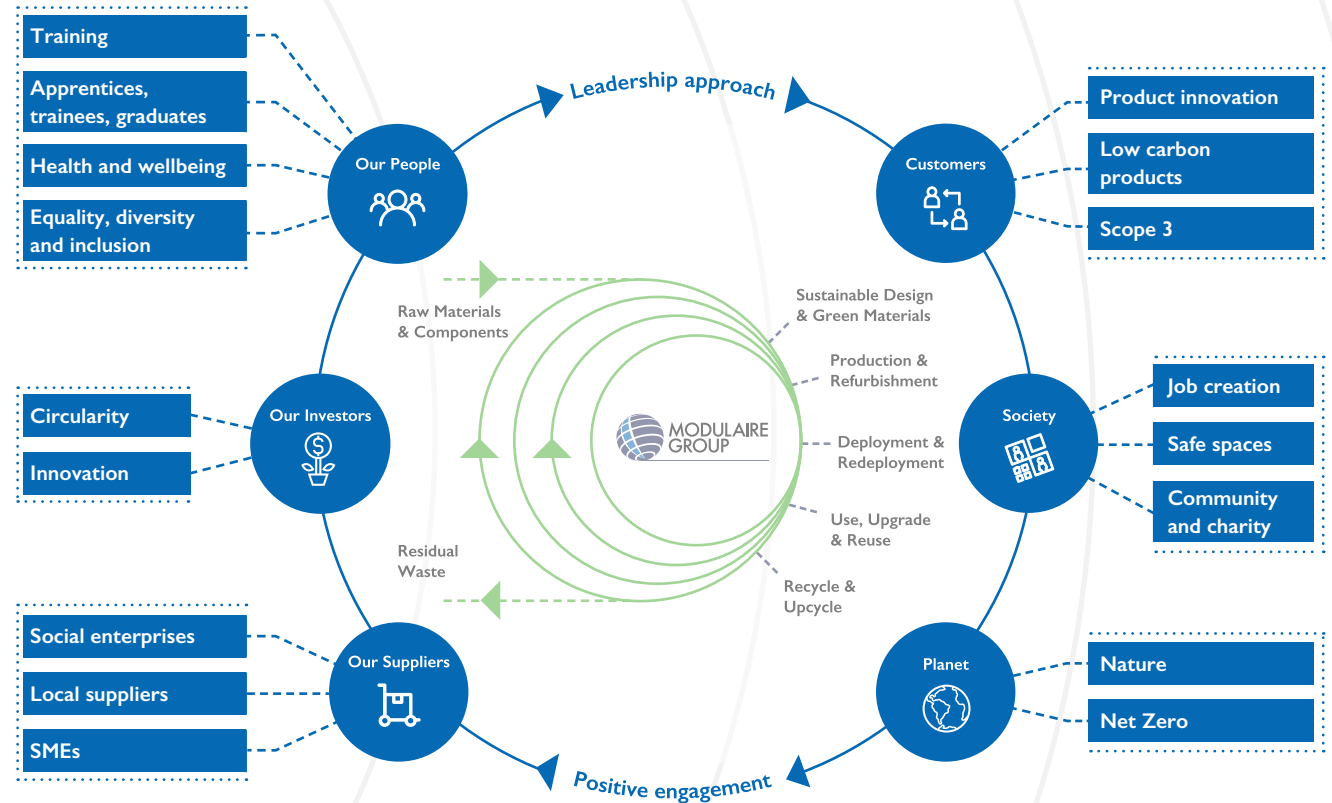


# Understanding our social value

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.

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.







# Pathway to Net Zero

We are decoupling fossil fuels from our operations with the aim of reaching Net Zero emissions by 2050. We are submitting ambitious science-based interval targets to SBTi, backed by credible actions and c.€3 billion in sustainability-linked financing.

At Modulaire, we recognise climate change is a critical global priority, with significant impacts that include more frequent and severe rainfall, droughts and heatwaves. We support the Paris Agreement to achieve Net Zero emissions by 2050 and contribute through our ESGS strategy with interval targets. They are inspiring our people to deliver robust results with purpose, on our pathway to Net Zero.

Modulaire depends on materials and energy to make our units. Key to delivering our targets, are our programmes for resource efficiency, safety, electrification, renewable energy, operational excellence and sustainability awareness. We are confident that when we have completed the actions outlined in our 2028 Climate Action Plan, we may be able to bring our Net Zero target date forward.

## Measuring our Scope 3 emissions

Modulaire has disclosed its Scope 1 and 2 emissions since 2020. These emissions have been calculated in line with our Reporting Criteria (page 22). In January 2023, we committed to SBTi, forwarding our commitment letter.

In 2023, we measured our Scope 3 emissions using the best practice GHG Protocol Corporate Value Chain (Scope 3) Standard. This extensive programme of work expanded our knowledge of the ESG value generated by our units during the ‘use phase’ of their lifecycle. The resulting data increases our ability to model, understand, and implement emission reduction opportunities going forwards in a value chain.

Our Scope 3 emissions represent 98% of Modulaire’s total value chain emissions in 2022. We are in the process of submitting science-based targets to SBTi.

**c.73%**

c.73% less carbon emissions vs traditional construction<sup>1</sup>

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<sup>1</sup>

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

**96%**

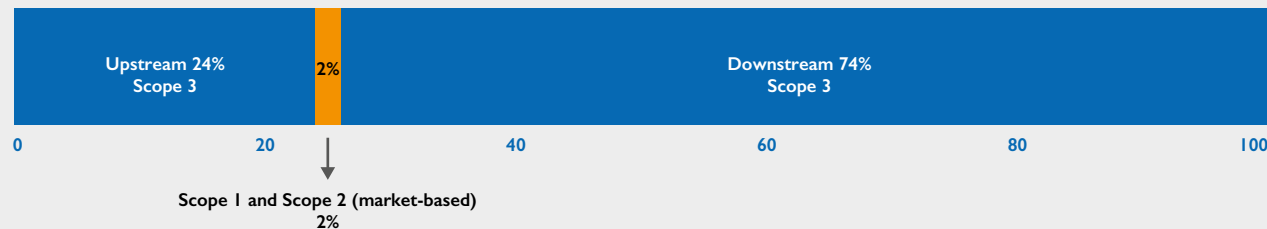
Units are up to 96% recyclable<sup>1</sup>

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

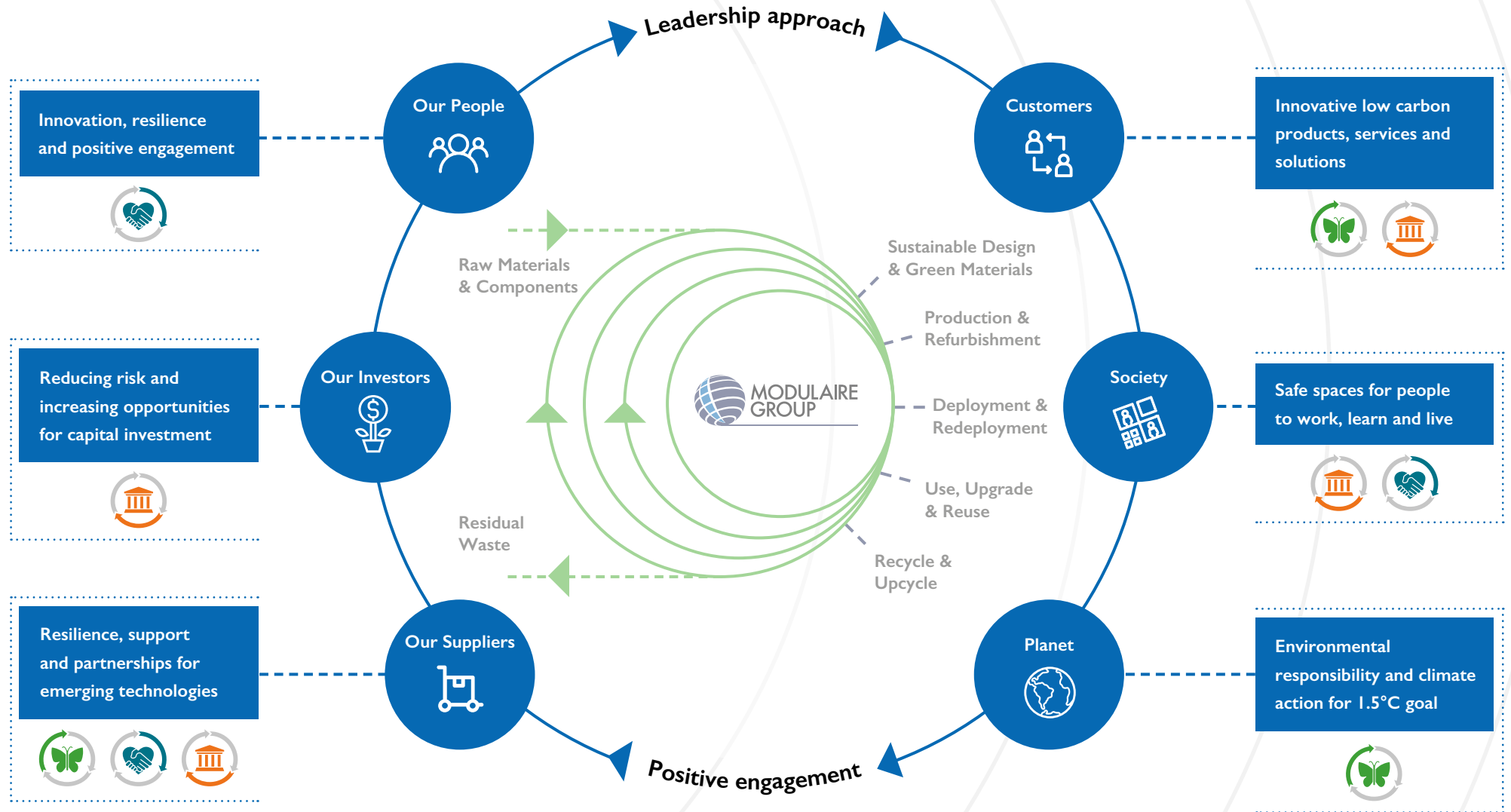
1. 2020 Product footprint analysis of a typical Modulaire unit based on:

- Stage A1-A5 (sourcing, manufacturing and transporting to site) approximately 200 (kgCO<sub>2</sub>e/m<sup>2</sup>) v 700-800 (kgCO<sub>2</sub>e/m<sup>2</sup>) 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<sub>2</sub>e/m<sup>2</sup>. This equates to approximately 65% less carbon emissions compared to a traditional build
- For the whole life footprint (410 kgCO<sub>2</sub>e/m<sup>2</sup>), 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.

## Modulaire Group GHG emissions



# Targeting Net Zero: benefits to our stakeholders



# Progress on our Net Zero pathway

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

ON TRACK

- 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

- 10% absolute reduction in Scope 1 and 2 emissions (vs 2020)
- 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

## Climate Action Plan

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

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.

2030

## Innovation & Scale

- Reduce Scope 1 & 2 GHG emissions by 40%
- 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





\* See page 14





# Value creation through innovation

Our VAPs team develops the sustainable low carbon products and services our customers want and need for a circular economy. Using our quality management system, we have established project design and development activities to deliver quality standards that assure safety across our work processes and products. Last year, we significantly boosted our research and development efforts, initiating a series of value added products that reflect the interconnected energy transition and digital transformation. We are collaborating with suppliers at the forefront of innovation, to deliver quality engineering and scale production. Together, we are developing products for our modular units that can help our customers to reduce their ESG impacts. Product launches will take place over the coming year, in appropriate regions.

|   |   |   |
|---|---|---|
| <br>Climate control      | <br>Digital heater           | <br>Electric vehicle charger |
| <br>Solar motion sensor  | <br>PV panels                | <br>Solar lighting           |
| <br>Lighting tower       | <br>Electric door closer     | <br>Recycling bins           |
| <br>Satellite broadband | <br>Fire extinguishers      | <br>Water dispensers        |
| <br>Lower carbon use   | <br>Better health & safety | <br>Improving connectivity |



## 'Plug and Play' PV solar panels

We introduced a new customer solution, supplying solar panels on a fixed rooftop frame for our modular units. The panels are helping to build climate resilience and reduce energy costs, by reducing reliance on the local electricity grid. Each system is adjustable and programmable according to energy usage needs, with a design that facilitates rainwater flow.



103 kgCO<sub>2</sub>e approx. savings per month  
Modulaire assessment: average data, per month and per panel

"More and more customers are asking for low carbon solutions. We are in a strong position to provide them."



**Angélique**  
Commercial Sales, Algeco

"Our proactive position in the ESG area takes our partnerships with our key accounts to a new level. We actively support the reduction of our customers' emissions through product innovations, like PV panels."



**Oliver Appel**  
Head of Key Account Management,  
Algeco Germany



# Double materiality – managing our ESG Risks and Opportunities

We believe in open dialogue with our stakeholders and meet them regularly to listen to feedback. We assess the ESG risks, issues and trends for our business and this year, for the first time we introduced a new double materiality process, broadening the scope of our assessment. It follows European Sustainability Reporting Standards guidance (issued by EFRAG), combining both ESG business and financial impacts, including risks and opportunities. ESG issues that are found to have a business impact and that influence our financial performance are identified as material and prioritised. We sent a questionnaire to stakeholders and carried out interviews to obtain their feedback. We will refine this process and expect it to evolve over time.

| Double materiality process  | Stakeholder participants   | Frequency   |
|---|--|---|
| A. Identification<br>B. Methodology<br>C. Business Impact Interviews<br>D. Review<br>E. Financial Impact Interviews<br>F. Review and Approval<br>G. Double Materiality Matrix<br>H. Action Identification | Community groups<br>Customers<br>Employees<br>Investors<br>Shareholders<br>Suppliers | Assessed every 3 years, dependent on context and situation.<br>Review in all other years. |

## Assessment and validation

We engaged and interviewed 66 participants for the Impact phase of our double materiality process (C), including: employees (30%), customers (20%), local community members (11%), environmental experts (12%), suppliers (15%), and our finance, sales and procurement teams (12%). For the Financial impact phase (E), questionnaires were completed by 11 investors and experts, to help us prioritise financial risk and opportunities.

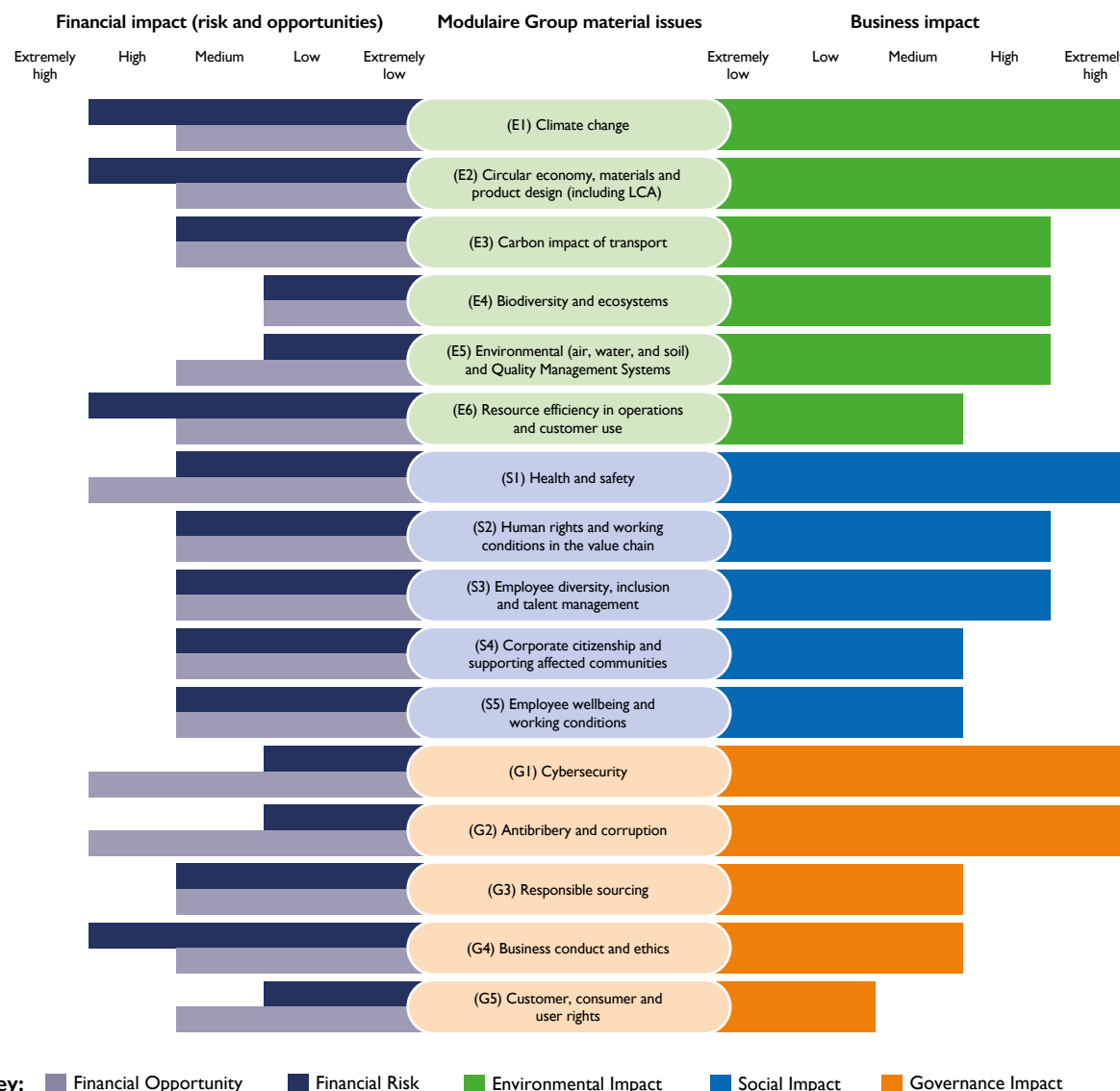
## Results and actions

Our double materiality assessment is used to inform the Group's ESG strategy, which prioritises our actions, mitigation measures and governance (see page 11). The results indicate areas of risk and opportunities that can deliver increased revenue from low-carbon and resilient building solutions. Modulaire is well positioned to fulfil these demands; using our circular business strategy – *Loops within Loops* – we offer modular solutions with lower embodied carbon and requiring less energy to operate than traditional buildings (see page 7).

**Environment material issues:** our commitment to Net Zero carbon emissions (E1) and to circularity (E2) allows us to minimise the potential impact of carbon pricing, reducing both our transition and physical risk and increasing the transition opportunity (page 19). Our approach to Resource efficiency (E6), in particular our electrification strategy, yields significant opportunities along the supply chain with our focus on the transition to low carbon products and reducing fossil fuel. Operational Excellence is also combating waste, both in terms of materials, time and resources (page 8).

**Social material issues:** Our focus on Health & safety (S1) is clear, it is the number one priority in our 5 Pillar strategy across all functions (page 5). We are committed to protect human rights, with robust controls to mitigate risks (page 10).

**Governance material issues:** For Cybersecurity (G1) and Anti-bribery and corruption (G2), our controls and ongoing training programmes ensure we are aware and working to continuously improve our process.



**Key:** ■ Financial Opportunity ■ Financial Risk ■ Environmental Impact ■ Social Impact ■ Governance Impact

### Index: Actions to address material issues

(E1) pages 16, 19, 21-25 (E2) pages 7, 14 (E3) pages 21, 23, 25 (E4) page 21 (E5) page 21 (E6) pages 8, 14, 17, 21  
 (S1) page 5 (S2) page 10 (S3) page 27 (S4) pages 27-32 (S5) pages 27-28  
 (G1) page 23 (G2) page 23 (G3) page 10, 23 (G4) page 9, 10, 23 (G5) page 17



# Assessing our climate-related risks

We conducted a review of climate-related risks and opportunities using the Task Force on Climate-related Financial Disclosures (TCFD) best practice framework.

## The process

The process delivers a detailed strategic assessment of the physical risks from climate change to our assets, operations and supply chain. It also assesses our transition risks and opportunities, on the path to Net Zero, such as changing demand patterns for our goods and services, and carbon pricing impacts to our operating costs. Each aspect is analysed under higher (3.2°C – 5.4°C) and lower (1.6°C – 3.2°C) warming scenarios, producing information we are using to consolidate business resilience in the short term (2020-30), medium term (2030-40) and long term (2040-50).

## 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.

## Taking action

We have used the findings to inform our Biodiversity and Climate Change Adaptation Plan, which was launched in late 2023 to address climate-related risks and opportunities. A focus on interventions has been given to nature-based solutions to promote biodiversity.

## Key findings

The analysis shows us there are immense opportunities for Modulaire Group. It reinforces the importance of our business strategy, *Loops within Loops*, to thrive in a low carbon transition. Our modular solutions will be a key part in the emissions reduction and climate resilience strategies of our customers and communities.

While we face transition and physical risks, the scenario analysis suggests revenue opportunities could meaningfully exceed the operating and capital risks of all scenarios assessed. Further, we are confident our carbon reduction strategy will enable us to minimize carbon pricing risks.

## Our Climate risks and opportunities (TCFD approach)

| Risk/Opportunity   | Description   | Current policy / Higher warming scenario | Net Zero / Lower warming scenario |
|--|---|--|-----------------------------------|
| <b>Transition opportunity:</b> Increased revenue from demand for low carbon and 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                  |
| <b>Transition risk:</b> Carbon pricing   | Carbon pricing may impact the cost of fuel, as well as the cost of heating and cooling at our facilities. It may also increase the price of raw materials that may have high embodied carbon. The risk is deemed low, based on our business model and our climate transition planning. Our commitment to circularity and Net Zero carbon emissions should allow us to minimize the potential impact of carbon pricing.  | Low Risk                                 | Low Risk                          |
| <b>Physical risk:</b> Operating impacts from high heat, carbon pricing, extreme rainfall                     | Our facilities globally may experience operational impacts from increasing exposure to extreme heat and extreme rainfall. Extreme heat in particular can lead to increased health and safety risks associated with heat stress, and potentially decreased worker productivity. Extreme rainfall can lead to localised flooding, which can impact the ability of our facilities to operate. The risks are highest in our Asia Pacific locations and in Southern Europe. The 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 to minimize the risk to workers and productivity. For example, during periods of high heat, our facilities can shift operating hours to earlier in the day to avoid work during peak temperatures. | Low/Moderate Risk                        | Low/Moderate Risk                 |



# Measuring our performance against sustainability-linked finance targets

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 clear 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 ESG metric we use across our operations is total market-based GHG emissions. We measure our progress against reduction targets using Key Performance Indicators (KPIs) and review performance each month at a Group and local level. We learn from the results, understanding more about where to best employ our resources and the training our people may need to succeed.

Achieved

5%

reduction

Scope 1 & 2  
absolute emissions

By 2025

10%

reduction

Scope 1 & 2  
absolute emissions

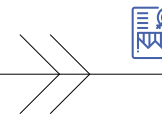
By 2028

15.8%

reduction

Scope 1 & 2  
absolute emissions





# Protecting the environment

The environmental impact of the construction industry is significant, but there are large opportunities to reduce it. Our circular *Loops within Loops* strategy maximises the lifecycle of the materials we use, helping our customers to reduce impacts and producing opportunities for much needed nature recovery.

## Switching to renewable energy

We want to power our business using 100% renewable energy wherever it's available and applicable. We have concluded the purchase of renewables for all SBUs and the Group has secured 67% renewable electricity.

As demand increases for renewable energy, we continue to invest in self-sufficient electricity generation. We have identified sites that can benefit from solar power and are installing Photovoltaic panels (PV) to generate and supply our own energy needs. Where panels produce more renewable electricity than we need, we sell the excess back to the grid for use in our local communities.

In 2023, in the SBU ENSE region, we installed solar panels on the roof at three key locations: Madrid in Spain, Castanheira in Portugal, and Warsaw in Poland. They yield an annual production of 170 megawatt-hours, providing 20-40% of the electricity necessary to power the three customer service centres. PV panel installations have made significant reductions in energy at Adelaide (33%) and Melbourne (28%). Moreover, approx. 70% of ENSE's electricity consumption is via Renewable Energy Certificates, another approach to integrating clean energy into our operations.



## Progress on our environmental KPIs

Of our four environmental 2023 KPIs, we have achieved three. One further KPI is ongoing in 2024.

| KPI   | Progress | Status |
|---|----------|--------|
| Reduce Group total gross Scope 1 and 2 market-based emissions in metric tonnes CO <sub>2</sub> e by 5% (vs baseline 2020) | Achieved | ●      |
| Initiate Group Operational Carbon baseline tonnes of annual Scope 3   | Achieved | ●      |
| Source 100% Renewable Electricity for the Group where available and applicable  | Achieved | ●      |
| Design and build new Frankfurt branch using Best Available Technology for outstanding accreditation                       | Ongoing  | ●      |

Key ● Achieved ● Ongoing ● Not achieved

## Climate adaptation and biodiversity

This year, we implemented Group Protocols for Biodiversity and Climate Change Adaptation Plans at all SBUs. They signpost key considerations for decision-making to reduce our impacts, enhance biodiversity and build climate change resilience. Where sites have been assessed as high priority for climate adaptation, SBUs are investigating adaptation opportunities. At some sites, mitigation measures are already in place, such as sustainable drainage in Germany and rainwater harvesting in the UK, Spain and Australia.

## Emissions reduction

Modulaire is pleased to report a 30.7% absolute reduction of our Scope 1 & Scope 2 market-based emissions (vs 2020). In January 2023, we completed the preliminary measurement of our Scope 3 CO<sub>2</sub> emissions (1.3 million tCO<sub>2</sub>e). It shows that 74% of our CO<sub>2</sub> emissions take place during the Scope 3 downstream phase of our modular solutions. We are in the process of submitting our science-based Net Zero target to SBTi for their independent validation.

## Electrification

Our Electrification policy is now embedded across the Group, enabling SBUs to replace existing technologies and processes with electric-powered equivalents where appropriate. Significant progress has been made in switching our diesel forklifts to electric; approx. 33% (SBU/Total) are now electric, as we replace old vehicles or change lease agreements.

## Reducing waste and water

Today, we send over four times less waste to landfill than in 2020 (2023: 3,318 tonnes waste vs 2020: 13,458 tonnes waste incl. both hazardous and non-hazardous). We issued our Policy on Waste Management, and are working with Operational Excellence across our SBUs to continue reducing waste. Over 90 Kaizen process improvement events were implemented.

We are now using over two times less water for our operations than in 2020 (2023: 101,175 m<sup>3</sup> water vs 2020: 224,674 m<sup>3</sup> water). Our newly issued Policy on Sustainable Use of Water promotes initiatives that raise awareness of sustainable water management.

# 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 2023 greenhouse gas emissions data and our 2020 restated greenhouse gas emissions data, in accordance with the ISAE3000 and ISAE3410 standards. The numbers subject to assurance are shown by the symbol  $\text{\textcircled{A}}$  in the table, 2020 and 2022 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 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023

As the Directors of BCP V Modular Services Holdings III Limited we confirm that we are solely responsible for the preparation of the ESG Report including this Directors’ Statement and for reporting the ESG performance metrics in accordance with the 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 ESG performance metrics that is free from material misstatement, whether due to fraud or error;
- established objective reporting criteria for preparing and presenting the 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 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          | 2020 Restated**                 | 2022          | 2022 Restated** | 2023                            |
|---|---------------|---------------------------------|---------------|-----------------|---------------------------------|
| Scope 1 Greenhouse Gas Emissions (TCO <sub>2</sub> e)*                        | 15,345        | $\text{\textcircled{A}}$ 19,529 | 15,559        | 19,443          | $\text{\textcircled{A}}$ 18,865 |
| Scope 2 Greenhouse Gas Emissions – location based method (TCO <sub>2</sub> e) | 10,927        | $\text{\textcircled{A}}$ 11,834 | 10,844        | 12,533          | $\text{\textcircled{A}}$ 10,151 |
| Scope 2 Greenhouse Gas Emissions – market based method (TCO <sub>2</sub> e)   | 12,801        | $\text{\textcircled{A}}$ 13,995 | 5,193         | 7,132           | $\text{\textcircled{A}}$ 4,360  |
| <b>Total (Market Based)</b>   | <b>28,146</b> | <b>33,524</b>                   | <b>20,752</b> | <b>26,575</b>   | <b>23,225</b>                   |

\* 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 in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard. 2020 has been presented as this is Modulaire’s baseline.







## Reducing our environmental impacts

### Safety with Biodiversity

In Unterschleissheim, South Germany, our site coordinator received a safety requirement to install physical barriers to separate the walkway and road. He decided to use raised planters as the barriers, with repurposed foundation plates as weights to prevent tipping. Together, the local team have planted the raised beds with salad, berries, and insect-friendly flowers and shrubs to promote biodiversity. It's a great initiative, that is enjoyed and maintained by everyone in the team.



### Switchover to electric forklifts

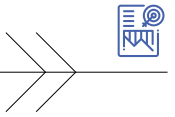
We're making the switch to electric forklifts, replacing old vehicles or changing lease agreements to go electric. It reduces diesel emissions, along with noise and pollution, which is especially beneficial when working in enclosed spaces. In the UK, Algeco has switched over 25% of diesel-powered counterbalance trucks to electric vehicles, saving around 543t of CO<sub>2</sub>e per year. Across Spain, the team are replacing nine diesel forklifts and instead leasing reconditioned electric vehicles, saving 12k litres of diesel and 30t CO<sub>2</sub>e each year.



### European Waste Reduction Week

At Algeco France, during European Waste Reduction Week, the team launched awareness-raising activities to reduce waste and optimise sorting. Working with their supplier Paprec, Algeco employees in Rouen, Nantes and Paris Est were offered the opportunity to visit a waste sorting centre. Over in Vitrolles, employees participated in a practical workshop to prevent waste at source and 10 ideas were selected for action. In La Défense, the team expanded waste sorting at their office and attended workshops with tips for a zero-waste life.





## Repurposing solar panels

Algeco has demonstrated their commitment to sustainability by repurposing PV panels, originally installed at a modular school in Copenhagen. When the school relocated, Algeco faced the question of what to do with the panels. They disassembled the PV panels and repurposed them at the service centre in Ringsted, where they have been integrated efficiently into the building's energy system. A secure pathway to the roof panels has been put in place to facilitate future inspection and maintenance. The PV panels will generate approximately 26,500 kilowatt-hours of electricity per year for the centre.



## Stronger together on waste

At the entrance of Algeco's Beverwijk customer service centre, in the Netherlands, there's a permanent banner displaying the 17 UN SDGs, reminding every visitor, every day, that we are strongest when acting together. Working with the supplier De Graaf Groep, both teams conducted an action plan to increase the mixed waste recycling rate, improve separation accuracy for wood and introduce a new recycling stream for PVC pipes.



## Going with the flow

In France, Algeco is working with QHSE on the deployment of 5 Sorting Flow. Together with supplier Paprec, they optimised skips and at the end of September, it resulted in a 25% reduction of waste tonnage and sorting rate increases of up to 45% (year on year).



## Reusable unit covers

In Sweden, Algeco Nordics introduced looping cover technology for our rental units. The covers are reusable and durable, with a design that reduces assembly times by 75%, compared to alternatives. Around 300 modules have been equipped with Modulcover for transport and storage, saving thousands of kilos of single-use plastic, wood and nails. The covers are also tagged with RFID technology to assist with maintenance routines. They are being rolled out to the entire Nordic market.

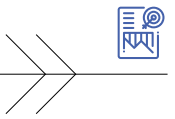


## Containers for Change

After attending ESG awareness training, our Perth team implemented a successful containers for change initiative. It means that over 1,200 bottles and cans are saved from landfill each month. The money raised from the recycling is donated to a charity of staff choice, voted for at a monthly meeting.

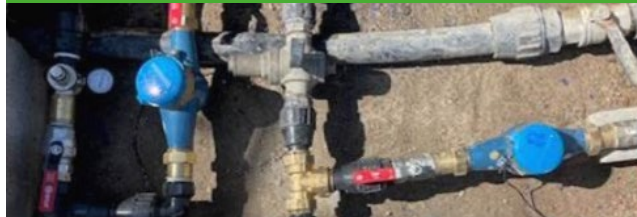






## Thinking smart, saving water

We measure our water use and work to reduce it wherever possible. In Spain, the team installed smart water meters to monitor consumption patterns with high water usage. In Madrid, leaks were identified and rectified, reducing cost and saving water. In France, the local team implemented water supplier alerts for every site to enable immediate action in case of unusual water consumption. They detected and fixed leaks, including at our customer service centre in Paris, resulting in 13% less water consumed in 2023.



## Water reuse in Italy

In response to our TCFD assessment of climate-related risks and opportunities last year, we are implementing climate adaptation projects in high priority locations. In Italy, to help address local water scarcity, a two-phase installation is taking place at San Gemini from 2023 to 2024. It will enable the reuse of tap water for unit washing and the harvest of rainwater for sanitary use.



## Biodiversity in action

Algeco UK is working with sustainability specialists, to help develop the new four-acre customer service centre in Wigan. In April, enhancements were made to around 4,400m<sup>2</sup> land and 220m of hedge to protect biodiversity. Planting took place of low-maintenance trees, plants and shrubs, providing habitat areas and improving shade and shelter, pollination, flood prevention, water quality protection and carbon storage. Visitors to the centre include pupils from a local school, who learned more about the importance of nature.



“The pupils were really inspired by what they saw – it really is a haven for wildlife – and we were very impressed by the enthusiasm and knowledge of the Algeco team. We hope that the visit will inspire some of our pupils to take up a career in the natural environment.”

**Mrs Latham**  
Teacher

## Transitioning our car fleet

In France, Algeco has surveyed employee drivers to understand company car use and enable a smooth transition to electric. Over 75% responded, with 40% Algeco drivers indicating they are open to an electric vehicle (EV) and now, all new fleet vehicles are electric. In the UK, Algeco and Advanté are replacing 83 cars with EVs upon their hire contract renewal. Employees gave positive feedback to the move, citing benefits such as less emissions, reduced fuel costs and less tax. Algeco Norway is working to electrify their vehicle fleet by the end of 2024, currently at 80%. To support the switchover to electric, vehicle chargers have also been installed in Portugal and Belgium.





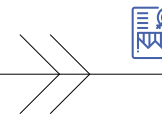
# Delivering for social good

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.



Modulaire Group paid volunteer programme in action. Our employees planting native trees, hedgerows and bluebell bulbs, to provide food and shelter for hundreds of different types of insects, birds, and mammals in the UK.





# Social purpose and actions

We want to inspire positive action with focused local programmes to help our people, our planet and the communities where we work. On our sites, we work to provide a safe, inclusive, diverse and motivating environment for everyone.

We are committed to the fair treatment of our employees to provide meaningful work and pay fair compensation – meeting our obligations for both national and local compliance requirements and international frameworks such as the United Nations Global Compact and International Labour Organisation. We want to enable a culture where our colleagues can perform at their best.

We ensure Unions and Work Councils are engaged on business performance and employee matters. Unions remain a key stakeholder group, with forums established to ensure we follow local obligation and practices when discussing matters relating to employees. The local regions and leadership teams manage positive relations amidst challenging economic and labour market trends. During 2023, the Group continued to review and monitor trends and take appropriate action as a result.

“We believe strongly in equality and recognise there is important work to do in the global building sector to increase opportunities for women. In the UK, for example, women make up 71.8% of the overall workforce, but construction sits at only 15.8%<sup>1</sup>. We have increased female participation at management level and the overall proportion of female employees within Modulaire and will continue these efforts.”

**Darren Littleboy**  
Chief Human Resources Officer



## Progress on our Social KPIs

We have achieved all seven of our Social 2023 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 | ●      |
| Map gender wage gap for all SBUs where legislated  | Achieved | ●      |
| Paid voluntary time of 5,000 hours pa  | Achieved | ●      |
| Reduce Lost Time Incident Frequency Rate per 100,000 by 15% vs 2022  | Achieved | ●      |
| Participate and undertake three UN Days: March 21 <sup>st</sup> – International Day for the Elimination of Racial Discrimination; June 5 <sup>th</sup> – World Environment Day; December 10 <sup>th</sup> – Human Rights Day | Achieved | ●      |

**Key** ● Achieved ● Ongoing ● Not achieved

### Action for Equality, Diversity & Inclusion (EDI)

We promote EDI throughout our supply chain and seek to eliminate unlawful discrimination. We have increased overall female participation at the Board and Senior Management level by 4% (vs. 2020) and the total number of female employees now stands at 27%, an increase of 2%. This remains higher than the overall construction industry workforce of 15.8% female<sup>1</sup>. Our SBUs will focus on further improvement in 2024 and develop local plans.

<sup>1</sup> April to June 2023, Office for National Statistics (ONS)

### Paid volunteer programme

We encourage our people to be engaged community citizens through our paid volunteer programme. We offer one paid day each year to 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 5,145 of volunteering hours in 2023, including supporting school traffic safety, raising awareness for charities, stewarding local events, repurposing materials and protecting biodiversity. We are very proud of all of their efforts.

### Increasing ESGs awareness

Our ESGs Awareness Training programme continues to generate excellent engagement, with robust discussion and producing ideas to reduce energy, water and waste. To date, 42% employees have taken part. In the APAC region, over 70% of Ausco Modular employees have attended sessions, with a new 'Interested and Influencers' group established to share ESGs updates and opportunities.

### Delivering for social good

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

- On March 21<sup>st</sup>, Elimination of Racial Discrimination with workshops, videos and presentations.
- On June 5<sup>th</sup>, World Environment Day with an art competition, voluntary interactive talks and local events at all SBUs
- On December 10<sup>th</sup>, Human Rights Day, workshops and presentations were given by UNGC representatives.

# Measuring Social Value

Different people are affected by different aspects of our business every day. We want to understand the worth and importance they place on these aspects and impacts. It enables us to deliver for social good, providing solutions that create social value for our people and our stakeholders.

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

We have put in place a method to measure the social value created or preserved from our actions and activities. It is a new focus for our business and we will advance it over time. We have set a baseline and a platform to measure our efforts and highlight areas for improvement.

“We’re increasing representation by providing greater clarity and context around our roles, removing barriers and supporting skills development.”

**Maruschka Baumert-Mougel**  
HR Director Algeco Germany



## Our Social Value 2023

| Stakeholders  | Theme | Output                           | Measure   | Quantitative/page                                  | Coverage                   |                 |
|---------------|-------|----------------------------------|---|--|----------------------------|-----------------|
| Our people    | EP    | Employees                        | Provides employment   | No of employees                                    | 4,877                      | Group           |
|               | EP    | Apprentices, trainees, graduates | Provides education, experience, income & future leaders                   | No of apprentices, trainees, graduates employed    | 169                        | Group           |
|               | EP    | Employees                        | Promotes Employment   | Total turnover (involuntary and voluntary)         | 295                        | Group           |
|               | EP    | Employees                        | Promotes education & fair opportunities                                   | Annual Performance Review                          | Yes                        | Group           |
|               | SG    | Employees                        | Freedom of association  | Percentage of total employees in a union           | 60% 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<br>See page 37           | Aus, FR, SP, UK |
|               | SG    | Equality, diversity & inclusion  | Promotes education & fair opportunities                                   | Females at Board & senior management level (CEO-1) | 17%                        | Group           |
|               | SG    | Equality, diversity & inclusion  | Promotes education & fair opportunities                                   | Overall proportion of female employees             | 27%                        | Group           |
| Our investors | EP    | Innovation                       | Promotes circular economy   | New low carbon products                            | See page 17                | Group           |
| Our suppliers | SG    | Social enterprises               | Promotes social prosperity  | No. of Social Enterprises                          | 6                          | UK, DE          |
| Customers     | EP    | Low carbon products              | Promotes social innovation  | Low carbon products                                | See pages 14, 17           | Group           |
|               | EP    | ESG rating                       | Performance benchmark   | No. of EcoVadis ratings                            | 4                          | Group           |
| Society       | SG    | Job creation                     | Promotes skills & employment opportunities                                | No. of net jobs created                            | 344                        | Group           |
|               | SG    | Safe spaces                      | Supports safer, healthier & more resilient communities                    | Projects for safe spaces                           | See pages 29-32            | Group           |
|               | SG    | Community & charity              | Supports & builds resilient communities & environment                     | Paid volunteering days                             | 5,145 days                 | Group           |
| Planet        | ER    | Net Zero                         | Helps decarbonisation, safeguarding planet & improves resource efficiency | Pathway to Net Zero                                | See pages 16, 21-25        | Group           |
|               | ER    | Management system                | Reduces risks of environmental impacts                                    | ISO 14001 All Sites:<br>Design and assembly:       | 56%<br>100%                | Group<br>Group  |
|               | ER    | Nature                           | Promotes biodiversity & increases environment responsibility              | Biodiversity projects                              | See pages: 23,25, 26       | Group           |

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



# Social initiatives

## Rapid deployment for sport

After devastating floods in October 2022, Ausco installed changeroom facilities at the Shepparton Swans Football Netball Club in just a 16 week turnaround. Flood damage rendered their existing clubhouse unusable and with the approaching 2023 season, facilities were urgently needed to ensure athletes and umpires were at their best. The Rapid Deployment Changeroom Partnership was formed between Ausco and the AFL, delivering five portable modules that also provide adaptability for multiple clubs going forwards.



“We’re ready to support climate adaptation measures, in a rapidly changing world.”

**Adrian Moffatt**  
Exec General Mgr, Legal & Corporate APAC, Ausco Modular

## Planting for pollinators

As part of our volunteering programme, Ausco Modular are helping to establish a pollinator walkway at the Mt Gravatt Showgrounds in Brisbane. They have cleared approx. 400m<sup>2</sup> of weeds and planted and mulched it with local native species to create a wildflower walk. The project, supported by Habitat Brisbane and the Brisbane City Council, will link the natural Mt Gravatt habitat and a local stream, for pollinators to flourish.



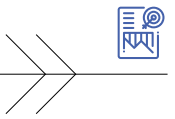
## International Women’s Day

On International Women’s Day, we reflected on progress for gender equality and discussed opportunities for change. In Italy, the team held a #breakthestereotypes activity week, with a Gender Equality webinar hosted by activists Andrea Colamedici and Maura Gancitano. Employees analysed the impacts of gender stereotyping and ways of working for a more equitable and inclusive society. Their events also featured on local television, TGR Umbria. In Germany, the team made a video with employees sharing the most inspiring women in their lives and what motivated them to join an industry that is male-dominated.

Watch the video below







## Fighting racism together

We believe everyone has a part to play in combating racism. To mark UN Day for the Elimination of Racism, events were held across the Group, including employee videos produced in the Nordics, Austria and Germany and a campaign around #standup4humanrights. Staff uploaded photos of support to the UNGC campaign celebrating diversity. The APAC region held lunches and a quiz highlighting how easily we can discriminate based on language and accent. In Spain and Portugal, employees shared their thoughts on the meaning of racial discrimination and ways to eliminate it. Algeco hosted a family event, where colourful paper pigeons were painted for a 'flight of inclusion' on 21 March.



## Team building and trekking

In September, a department from Algeco Norway spent the day volunteering with the Norwegian Trekking Association, in Gjelleråsen. They built boardwalks across wetlands, to enhance accessibility for hikers and cyclists, carrying equipment and helping construction. The initiative helped the organisation, many of whose members are elderly, to improve conditions for forest activities. It also provided our people with a great opportunity for team-building and community service.

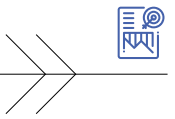


## Promoting community safety

Safety is a priority for our business and Algeco employees in Norway volunteered to help improve local school safety on the first day of the academic year. Dressed in high visibility vests, they helped secure the commute route to school, providing traffic management and distributing vests to first graders. The school staff enthusiastically welcomed the initiative, traffic flowed smoothly and most students demonstrated excellent pedestrian safety practices.







## Enabling multi-use green space

With the increasing scarcity of green space for sports facilities, innovative solutions are needed to bridge the gap. In Melbourne, Ausco Modular has delivered a dual-purpose space for the partnership between Narre Warren South P-12 College and the City of Casey. It caters to school requirements during the day and seamlessly transitions to serve the Council's local community and sporting groups after hours. The partnership approach optimises use of space and strengthens community bonds.



## Volunteering for men's welfare

In March, volunteers from Algeco gave support to a men's welfare institution in South Germany that helps people suffering from addiction. Activities included clearing storage, changing curtains, help with food distribution, garden maintenance, social interaction with residents and support for staff.

"It gave us a different view of what is sometimes taken for granted."

**Danilo Menezes**  
Foreman "Preparation", Algeco Germany



## Giving back, giving blood

In Eastern Europe, our teams continue to organise blood donations, showing support for each other and our local communities. This year, blood donations took place across five different countries and 14 locations. In the first two months of 2023, we are proud to report that 17 colleagues donated blood and plasma. Two colleagues from the Stare Mesto production team have also received a Golden Cross Medal, where Roman Procházka has donated over 40 times and Michal Navrátil has donated blood more than 120 times since he joined Algeco in 2009, an amazing achievement.



## Making space for schools

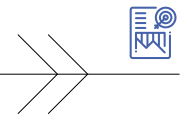
Haugesund International School took over a community school in Tovastad, where many generations have attended. One of the buildings from 1925 was no longer approved for use and they needed a new space that was light, with good ventilation and toilet facilities and on one level for accessibility. Algeco provided a modular solution, where 80% of units were finished at our factories, minimising disturbance. It was handed over in just 6 months, with positive feedback all round. It's also great to hear that on most weekends, the local community uses the school playground for birthday parties, picnics and barbecues.



"I really feel like it shifted the whole learning environment for both our teachers and students, they feel they can concentrate and focus, and they're excited to be in this space."

**Julie Osteig**  
Head of School





## Doing good, feeling good

The Algeco team in Bro, Sweden, volunteered at the Järvaloppet race this year. It's an event held for school pupils, as part of the annual Järvaveckan, where representatives from political parties, interest groups and companies come together to discuss social issues and politics. Our people enjoyed the team work, acting as flag guards, race starters and helping with practical work, as well as the awarding of medals.

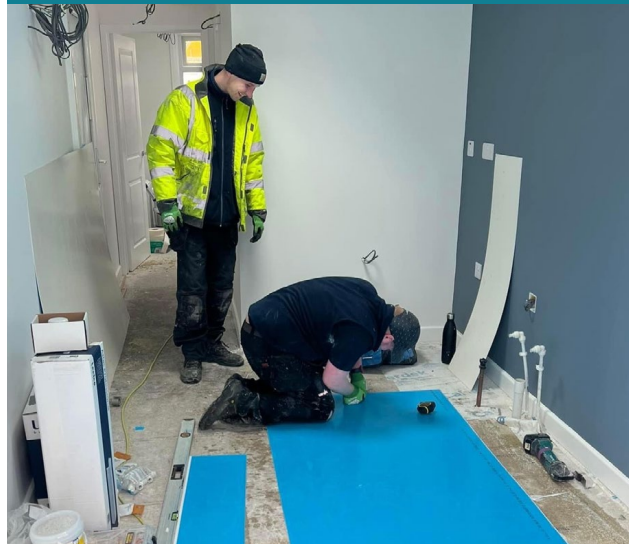


See the video below:



## Making a difference, day by day

Through Modulaire's paid volunteer programme, our employees can pursue their own passions and interests to make a difference in local communities. In the UK, Karen (HR Project Manager) supports the Bird Tree Café, which helps young staff members with Down's Syndrome to develop workplace skills to realise their ambitions. Matt (System Support Analyst) volunteered with the 8:56 Foundation on Time to Talk Day. He helped in a pop-up shop to raise awareness on men's mental health, self-care and ways to seek professional support. Alex and Matthew from Algeco's production team used their skills to help convert containers into new homes for Help Bristol's Homeless. These are just a few examples, amongst many others, and we are delighted with the ongoing success of the programme.



## UN World Environment Day

On 5<sup>th</sup> of June, our people celebrated UN World Environment Day, reminding us all of the importance of protecting our planet for future generations. We launched an art competition across our Group around the theme, "the environment and what it means to you". We were honoured to receive beautiful submissions including photography, collage, painting and drawings, all expressing personal associations with the environment. We also hosted a voluntary interactive talk with Aruna Narayan, the founder of Real Impact Solutions, around 'Why Environment matters for Business'. At Algeco France, around 200 employees took time out to care for biodiversity. After a quiz, games and presentations, they increased sanctuary areas for insects with planting and bug hotels, whilst others sorted waste streams to ensure a respectful environment.



Art competition winner: Joris Lacroix



# Demonstrating responsible governance

At Modulaire Group, we are committed to doing business in the right way to maintain trust and respect. We continue raising awareness of ESGs with our people and our suppliers to increase the level of understanding around our commitments, strategy and disclosure frameworks.

“Our Responsible Sourcing process brings people together. Across suppliers and our internal teams, it’s all about collaboration.”



**Elisha McAuliffe Murphy**  
Senior Legal Counsel

## Sourcing responsibly

We depend on our suppliers, and the goods they produce, to make our own. To understand more about the ESG impacts of our suppliers, we have introduced the Modulaire Group ESGS Responsible Sourcing Policy. The purpose is to:

- ensure collaboration with suppliers;
- embed ESGS at all stages;
- review ESGS performance;
- drive continuous ESGS improvement;
- and to provide a safe, inclusive, diverse and motivating environment across our value chain

We have also implemented a Responsible Sourcing screening process to help us conduct due diligence for new and existing suppliers.

## Modern Slavery Assessment standards

Algeco UK achieved a score of 90%, a significant increase of 32% from 2022 on the Modern Slavery Statement and MSAT (Modern Slavery Assessment Tool), achieving the UK Government’s green category for public sector organisations’ suppliers.

## Progress on our Governance KPIs

We have achieved all three of our Governance 2023 KPIs.

| KPI  | Progress | Status |
|--|----------|--------|
| Screen for ESGS criteria in new and renewed supplier contracts | Achieved | ●      |
| All design and assembly facilities to achieve ISO 14001        | Achieved | ●      |
| Progress Cybersecurity training                                | Achieved | ●      |

Key ● Achieved ● Ongoing ● Not achieved

## Effective performance management

Modulaire adopts external ESGS best practice standards and certification, where they will help us maintain or improve effective performance management. ISO 14001 is an internationally agreed standard, which supports the continuous improvement of environmental performance through resource efficiency and waste reduction. This year, we achieved ISO 14001 certification at all of our design and assembly facilities and are now seeking to achieve coverage at all sites (currently at 56%).

## Training

Our Group has completed 458 hours of Cybersecurity training for all computer users, which is ongoing with other initiatives underway. We have also completed 1,373 training hours on Code of Ethics, including anti-bribery and anti-corruption training.

## 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.

## CSRD-ready

Ahead of the upcoming EU Corporate Sustainability Reporting Directive (CSRD), we have completed a gap analysis and developed a double materiality analysis.

## Sustainability ratings

Algeco France, Belgium and the UK have achieved a gold rating in Sustainability from EcoVadis. The evaluation involves a review of ESG performance in four key areas: Environment, Ethics, Labour & Human Rights, and Sustainable Procurement. A gold rating is the second highest grade an organisation can achieve and means EcoVadis has rated them in the top 5% of 100,000+ companies in 175+ countries and 200+ industries, with Algeco Germany also achieving the Silver Medal.



# Working together, learning together

## Community climate action

During Sustainable Development Weeks in France, held from September 18<sup>th</sup> to October 10<sup>th</sup>, the Algeco France Ambassador network runs events to raise awareness on climate change impacts and to support local communities. This year, they organised two climate collages at La Défense, a two-day conference in partnership with International Terra Institute, which was also open to Algeco's partners. They also carried out waste collection at Saint Ouen l'Aumone and held four afternoons for the Senior Residence of Les Charmilles.



## Learning more about nature care

On National Tree Day, 'Australia's largest tree planting and nature care event', our Western Australia team volunteered in the local Wandji Bush Preserve. They received an inspiring briefing from event organisers, who explained more about the impact the day's efforts would have upon the local ecosystem. Our employees worked as part of a team, planting nearly 600 trees, which will provide habitat for wildlife.

## Sharing knowledge together

Modulaire regularly shares its ESG performance and learnings across the Group, recognising the importance of our business moving forwards together on the path to Net Zero. Our digital ESG global forum is a quarterly event, open to all employees, which highlights regional achievements, new focus areas and shares inspiring news. It regularly receives around 200 attendees, with invited guests such as industry experts, customers and suppliers to share their experiences.

Our SBUs also facilitate knowledge sharing and this year, in the UK, an ESG SharePoint page and quarterly newsletter was established in response to local interest. In the APAC region, Ausco Modular shares a quarterly newsletter featuring ESG updates and in Germany, Algeco has started voluntary digital Lunch & Learn events, with motivational tips for health and wellbeing.

## Lunch & Learn

**MOTIVATION**  
Was ich aus meiner Erfahrung bei der IRONMAN Vorbereitung über Motivation gelernt habe.



## Bake off for charity

For the past three years, our apprentices in Kehl have been holding a 'cake campaign' to support charitable organisations. Each trainee bakes a cake and colleagues can make a voluntary donation for a delicious slice! In March, this year, €371.65 was collected and donated to the local animal shelter.



## Giving materials new life

Our IT Service at Algeco France work with Manutan, a program giving a second life to IT devices no longer in use. Manutan tests the goods and supplies them to associations for refurbishment and resale at accessible prices. Manutan's sorting and testing process is handled by disadvantaged people from all backgrounds, helping individuals to gain confidence and build their careers.





# Our focus for the future

We will ensure that transparency and integrity are at the heart of these next steps – prioritising the swift and consistent emissions reductions that our commitments rely upon.

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.

## Action Plan for 2024



- Electrification
- Reduce absolute Scope 1 and 2 emissions in metric tonnes CO<sub>2</sub>e by 7.5% (vs 2020)
- Circular economy with Scope 3 mitigation measures
- Establish carbon emissions reduction plans for Transport
- Resource efficiency



- Safety – Reduce LTIFR by 20% yoy
- Increase total number of female employees and women at senior management level
- Paid voluntary time of 5,000 hrs
- Participate in three UN days across our Group
- Social value measurement



- Progress Cybersecurity and ABC Training
- CSRD-ready
- Implementation of Biodiversity Policy and Plans
- Increase EcoVadis accreditation to 10

### Sustainable build, low emissions



Opening in early 2024, in Rhein, our second low emissions Customer Service Centre, is designed to operate using zero fossil fuels. Solar panels will produce electricity, with chargers for our EV vehicles including forklifts and a

crane, and a wood chip incineration plant will provide additional heating. Planting of native and heat resistant species, will offer nesting sites for wildlife, birds and insects.



# A baseline for reporting progress

## Environment KPIs

### 2023

|  | Target  | Dept. | Materiality index | Baseline |                           | 2022   | 2023  | SDG        | UNGC | TCFD     | Status |
|--|---------|-------|-------------------|----------|---------------------------|--------|-------|------------|------|----------|--------|
| 5% absolute reduction in Scope 1 and 2 emissions vs 2020*                      | by 2023 | SBU   | E1-3, E5-6        | 2020     | 19,529 tco <sub>2</sub> e | 20.73% | 30.7% | 9,11,12,13 | 7-9  | G,S,RM,M | ●      |
| Initiate Group operational carbon baseline tonnes of annual Scope 3            | by 2023 | ESGS  | E1-3, E5-6        | New      |                           | n/a    | Yes   | 13         | 7-9  | S,M      | ●      |
| Source 100% renewable electricity for the Group where available and applicable | by 2023 | SBU   | E1                | 2020     | 0                         | 54%    | 67%   | 9,12,13    | 7-9  | S,M      | ●      |

### 2024

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

### 2025

|   | Target  | Dept. | Materiality index | Baseline |  | 2024 | 2025 | SDG        | UNGC | TCFD     | Status |
|---|---------|-------|-------------------|----------|--|------|------|------------|------|----------|--------|
| 10% absolute reduction in Scope 1 and 2 emissions vs 2020*  | by 2025 | SBU   | E1-3, E5-6        | 2020     | 19,529 tco <sub>2</sub> e              |      |      | 9,11,12,13 | 7-9  | G,S,RM,M |        |
| Reduce Scope 1 and 2 market-based emissions intensity ratio Tonnes (91 kg CO <sub>2</sub> e per unit) vs 2020 | by 2025 | ESGS  | E1-3, E5-6        | 2020     | 91kg                                   |      |      | 13         | 7-9  | S,M      |        |
| 20% reduction of embedded carbon footprint (A1-A5) of a typical modular space unit vs 2020                    | by 2025 | SBU   | E2                | 2020     | 200 kgCO <sub>2</sub> e/m <sup>2</sup> |      |      | 9,11,12,13 | 7-9  | G,S,RM,M |        |
| Reduce waste to landfill by 50% per typical unit vs 2020  | by 2025 | SBU   | E5                | 2020     | 52 kg/unit                             |      |      | 9,11,12,13 | 7-9  | S,M      |        |
| Reduce water use by the Group by 10% per typical unit vs 2020   | by 2025 | SBU   | E5                | 2020     | 0.86 m <sup>3</sup> /unit              |      |      | 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



## Social KPIs

## 2023

|   | Target  | Dept. | Materiality index | Baseline |       | 2022  | 2023  | SDG         | UNGC | TCFD | Status |
|---|---------|-------|-------------------|----------|-------|-------|-------|-------------|------|------|--------|
| Increase overall female participation at Board and Senior Management level (CEO -1)   | by 2023 | HR    | S3                | 2020     | 12.6% | 17%   | 17%   | 4,5,11      | 1-6  | SM   | ●      |
| Increase overall proportion of female employees (CEO -3)  | by 2023 | HR    | S3                | 2020     | 25.2% | 21%   | 27%   | 4,5,11      | 1-6  | SM   | ●      |
| Map gender wage gap for all SBUs where legislated   | by 2023 | HR    | S3                | 2022     | 4     | 4     | 4**   | 4,5,11      | 1-6  | SM   | ●      |
| Paid Voluntary Time – 5,000 hrs pa.*  | by 2023 | HR    | S4, S5            | 2022     | 4,616 | 4,616 | 5,145 | 4,5,11      | 1-6  | SM   | ●      |
| Group participate and undertake three UN Days:<br>March 21 <sup>st</sup> – International Day for the Elimination of Racial Discrimination;<br>June 5 <sup>th</sup> – World Environment Day;<br>December 10 <sup>th</sup> – Human Rights Day | by 2023 | HR    | S2, 4             | 2023     |       | (yes) | yes   | 4,5,11,9,13 | 1-6  | SM   | ●      |
| Zero Fatalities   | Zero    | HR    | S1                | 2020     | 0     | 0     | 0     | 4,9,11      | 1-6  | RM   | ●      |
| Reduce Lost Time Incident Frequency Rate (LTIFR) per 100,000 by 15% vs 2023   | by 2023 | HR    | S1                | 2023     | 0.44  | 0.66  | 0.44  | 4,9,11      | 1-6  | RM   | ●      |

## 2024

|   | Target  | Dept.   | Materiality index | Baseline |       | 2023  | 2024 | SDG         | UNGC | TCFD | Status |
|---|---------|---------|-------------------|----------|-------|-------|------|-------------|------|------|--------|
| Increase overall female participation at Board and Senior Management level (CEO-I)  | by 2024 | HR      | S3                | 2020     | 12.6% | 17%   |      | 4,5,11      | 1-6  | SM   |        |
| Increase overall proportion of female employees   | by 2024 | HR      | S3                | 2020     | 25.2% | 27%   |      | 4,5,11      | 1-6  | SM   |        |
| Paid Voluntary Time – 5,000 hrs pa.*  | by 2024 | HR      | S3                | 2024     | 5000  | 5,145 |      | 1,6         | 1-6  | SM   |        |
| Group participate and undertake three UN Days:<br>March 8 <sup>th</sup> – International Women's Day;<br>April 28 <sup>th</sup> – World Day for Safety and Health at Work;<br>June 5 <sup>th</sup> – World Environment Day | by 2024 | HR      | S2, S4            | 2024     |       | (yes) |      | 4,5,11,9,13 | 1-6  | SM   |        |
| Zero Fatalities   | ongoing | Safety  | S1                | 2020     | 0     | 0     |      | 4,9,11      | 1-6  | RM   |        |
| Reduce Lost Time Incident Frequency Rate (LTIFR) per 100,000 by 20% vs 2023   | by 2024 | Safety  | S1                | 2023     | 0.44  | 0.44  |      | 4,9,11      | 1-6  | RM   |        |
| Social value measurement  | by 2024 | HR/ESGS | S1-5              | 2022     | (yes) | yes   |      | 4,5,11,9,13 | 1-6  | SRM  |        |

\* Targets have been amended to provide better clarification based on priorities

\*\* Links to gender wage gap reports:

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](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

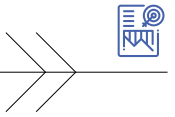
S1: Health and safety

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



## Social KPIs

### 2025

|   | Target  | Dept.  | Materiality index | Baseline | 2024        | 2025 | SDG         | UNGC | TCFD | Status |
|---|---------|--------|-------------------|----------|-------------|------|-------------|------|------|--------|
| Increase overall female participation at Board and Senior Management level (CEO-I)  | by 2025 | HR     | S3                | 2020     | 12.4%       |      | 1,6         | 1-6  |      |        |
| Increase overall proportion of female employees   | by 2025 | HR     | S3                | 2020     | 25.2%       |      |             |      |      |        |
| Paid Voluntary Time – 5,000 hrs pa.*  | by 2025 | HR     | S3                | 2022     | 4,616 hours |      |             |      |      |        |
| Group participate and undertake three UN Days:<br>March 8 <sup>th</sup> – International Women’s Day;<br>April 28 <sup>th</sup> – World Day for Safety and Health at Work;<br>5 <sup>th</sup> June – World Environment Day | by 2025 | HR     | S2, S4            | 2024     | (yes)       |      | 4,5,11,9,13 | 1-6  |      |        |
| Zero Fatalities   | by 2025 | Safety | S1                | 2020     | 0           |      |             |      |      |        |
| Reduce Lost Time Incident Frequency Rate (LTIFR) per 100,000 by 20%   | by 2025 | Safety | S1                | 2024     |             |      | 4,9,11      | 1-6  | R    |        |

\* Targets have been amended to provide better clarification based on priorities

**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

### 2023

|  | Target  | Dept. | Materiality index | Baseline | 2022      | 2023 | SDG         | UNGC | TCFD | Status |
|--|---------|-------|-------------------|----------|-----------|------|-------------|------|------|--------|
| Screen for ESGS criteria in new and renewed Supplier contracts   | by 2023 | Proc  | H(G-2)            | New      |           | yes  | 4,5,9,11    | I-10 | RM   | ●      |
| Progress Cybersecurity training                                  | by 2023 | IT    | H(G-1)            | 2022     | 362 hours | 459  | 4,5,9,11,13 | I-10 | RM   | ●      |
| All design and assembly facilities to achieve ISO 14001/ISO 9001 | by 2023 | SBU   | H(G-2)            | 2022     | –         | 100  | 4,5,9,11,12 | I-10 | RM   | ●      |

### 2024

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

### 2025

|   | Target  | Dept. | Materiality index | Baseline | 2023      | 2024 | SDG         | UNGC | TCFD     | Status |
|---|---------|-------|-------------------|----------|-----------|------|-------------|------|----------|--------|
| Progress Cybersecurity and ABC training       | by 2025 | Legal | G1                | 2022     | 362 hours | 459  | 4,5,9,11,13 | I-10 | RM       |        |
| Report on responsible sourcing dashboard      | by 2025 | Proc  | G3                | 2024     |           |      | 4,5,9,11-13 | I-10 | RM       |        |
| Report on customer and user feedback          | by 2025 | Sales | G5                | 2024     |           |      | 4,5,9,11-13 | I-10 | G,S,RM,M |        |
| Progress business conduct and ethics training | by 2025 | Legal | G4                | 2024     |           |      | 4,5,9,11,13 | I-10 | RM       |        |

#### Key

G1: Cybersecurity  
G2: Antibribery and corruption  
G3: Responsible sourcing

G4: Business conduct and ethics  
G5: Customer, consumer and user rights

# 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.



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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Group General Counsel



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Modulaire Group



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Group HR Business Partner  
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Altempo






### 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 ESG 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.