

Carbon Reduction Plan

Country	UK
Publication Date	06 July 2023

Commitment to achieving Net Zero

Algeco UK Limited is a subsidiary of the Modulaire Group. Modulaire Group is fully dedicated to achieving Net Zero emissions by 2050 as an important environmental Key Performance Indicator (KPI) and in alignment with Science Based Target initiatives (SBTi). As part of this commitment, and as required under Modulaire Group's sustainability-linked financing, the group has set a target to progressively reduce the total gross Scope 1 and 2 market-based emissions in metric tonnes of CO₂e. Starting from a baseline year of 2020, for Scope 1 and 2 emissions, the group's goal is to achieve a reduction of 2.5% each year until 2028. For Scope 3 emissions, starting from a baseline year of 2022, the group's goal is to achieve a reduction of between 30-40% by 2030. This demonstrates our strong commitment to environmental sustainability and our proactive efforts to minimize our carbon footprint.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year	
Additional Details relating to the Baseline Emissions calculations.	
<p><i>The group engaged PricewaterhouseCoopers LLP (PwC) to provide Independent Limited Assurance in accordance with the ISAE3000 and ISAE3410 standards. This assurance covers the Modulaire Group's Scope 1 and 2 greenhouse gas emissions data for the baseline year of 2020, as well as the data for 2021 and 2022, including Algeco UK. Access the PwC Independent Limited Assurance Report and the group's detailed reporting criteria on Modulaire Group's website. The calculation of the group's Corporate GHG (Greenhouse Gas) footprint follows the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard. The group collected energy data from each business unit of Modulaire Group, including the UK, to establish a baseline GHG footprint for our business. It's important to note that in 2021, the group restated its emissions as a result of acquisitions, which aligns with its methodology statement available on Modulaire Group's website. For emission factors, the group used Defra 2020 for Scope 1 emissions and "AIB (2020) European residual mix 2019" for Scope 2 (Market-based) emissions. These technicalities and reporting standards ensure transparency and adherence to recognised protocols in measuring and reporting our greenhouse gas emissions.</i></p>	
UK Baseline year emissions	
EMISSIONS	TOTAL (tCO₂e)
Scope 1 Established in 2020	4,995
Scope 2 Established in 2020	1,466

Scope 3 (Included Sources) Established in 2022	65,401
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Current Emissions Reporting

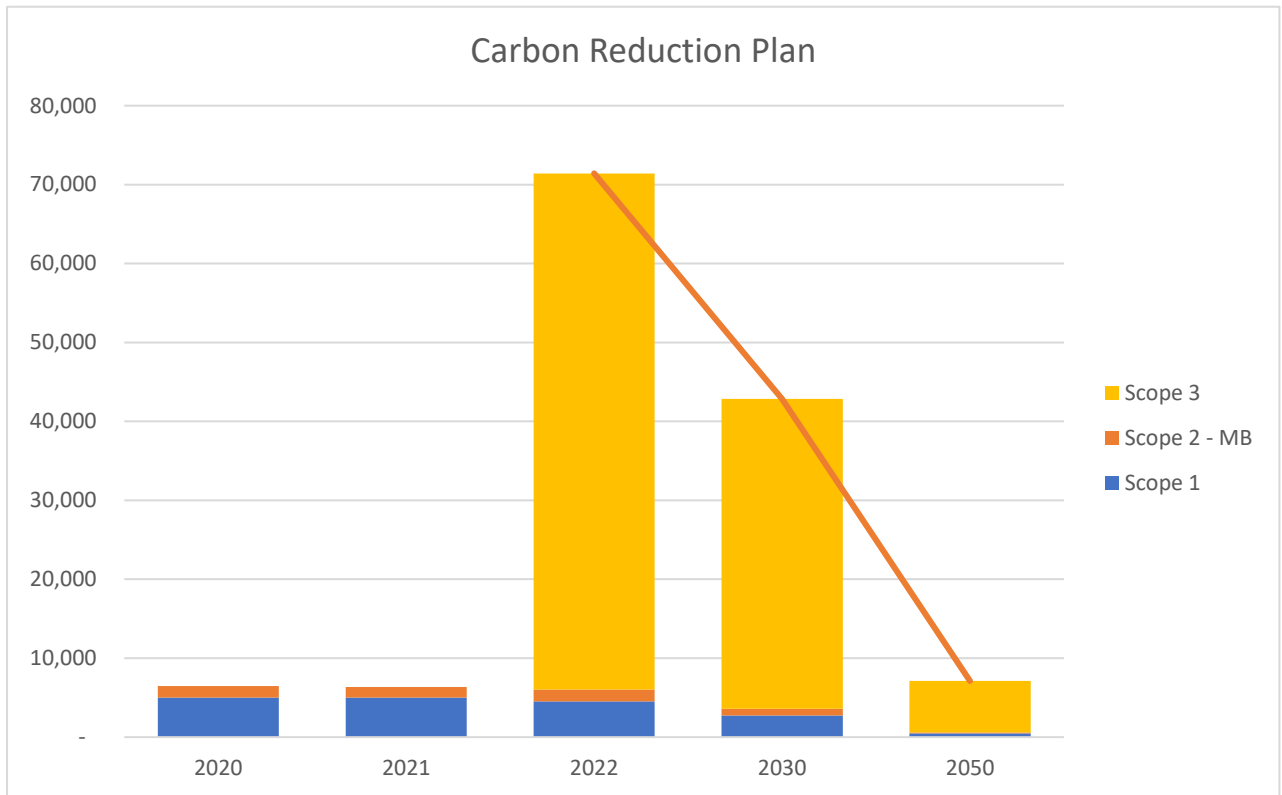
UK Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	4,545
Scope 2	1,478
Scope 3 (Included Sources)	65,401
Total Emissions	71,424

By adopting a comprehensive sustainability-linked financing framework and committing to external reporting, we demonstrate our strong commitment to Modulaire group's sustainability agenda and our determination to reach net-zero emissions by 2050

Net-Zero pathway



Progress against these targets can be seen in the graph below:



**Note: 2020 (Baseline) and 2021 only includes Scope 1 and 2.
For 2022 Scope 3 was included.**

Completed Carbon Reduction Projects

We have been actively implementing various environmental management measures and projects since 2020, which serves as our baseline year for scope 1 and 2 emissions. These initiatives are aimed at reducing scope 1 and 2 carbon emissions, and by 2024, we expect to achieve a 10% reduction compared to the 2020 baseline.

Our action plan for Scope 1 and 2 emissions by 2024 includes the following key points:

- **Resource Efficiency:** We are addressing resource efficiency opportunities throughout our operations, such as optimizing occupancy control lighting, HVAC control settings, insulation, double-glazing, and more.
- **Electrification:** We are transitioning our equipment and vehicles to electric options, contributing to the reduction of emissions.
- **Renewable Energy:** We are installing on-site photovoltaic panels and sourcing 100% renewable electricity starting from 2023. Our renewable energy supply is fully supported by unbundled REGO certificates.
- **Behavioural Change:** We are implementing an employee awareness program to promote resource efficiency. This includes gathering employee feedback and establishing standardized processes to enhance resource efficiency.

Future action plan for Scope 3

- Responsible sourcing, working with suppliers to purchase products with low carbon emissions.
- Reduce carbon of our products for our customers.

Our ESG and Sustainability strategy aligns with Modulaire Group's overarching strategy, integrating three key frameworks: the United Nations Sustainable Development Goals (SDGs), the United Nations Global Compact (UNGC), and the Task Force on Climate-related Financial Disclosures (TCFD). Furthermore, Modulaire Group commits to Science-Based Targets (SBTs) to develop and disclose pathways towards Net Zero emissions by 2050. These frameworks complement our business model, which is built upon the principles of the circular economy.

We specifically align with six SDGs that are in line with our business purpose, vision, and operations. These SDGs include Responsible Consumption and Production (SDG 12), Industry Innovation and Infrastructure (SDG 9), Climate Action (SDG 13), Quality Education (SDG 4), Gender Equality (SDG 5), and Sustainable Cities and Communities (SDG 11).

To monitor our progress and ensure adherence to our goals, we track and report on Key Performance Indicators (KPIs) related to greenhouse gas emissions. These KPIs are included in the senior team's reports, enabling us to measure our performance and stay within defined limits.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of Algeco UK Limited:



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John Hogg
Head of Bid Management

Date: 06/07/2023

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>