

Algeco UK Limited

Modern Slavery & Human Trafficking Compliance Statement

June 2023

1. INTRODUCTION

At Algeco UK Limited (“**Algeco**”) we operate our business in a responsible manner and to the highest standards of business conduct in order to ensure compliance with all applicable laws and regulations. As such, we are committed to constantly improving our practices across our business and taking positive steps to combat modern slavery and human trafficking in our supply chains.

We acknowledge that slavery can occur in many forms, including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting. Whilst we have already taken steps to comply with the legal requirements to combat various forms of modern slavery, we continue to work with our suppliers and employees to ensure that modern slavery does not occur within our supply chains or our business.

During the financial year ending 31 December 2022, we have audited our supply chains to identify modern slavery risks. Going forward, we plan to assess modern slavery risks in our suppliers regularly. Therefore, this statement presents the actions already taken and our continuous plans to address modern slavery in our operations and supply chains.

2. OUR STRUCTURE AND SUPPLY CHAINS

Structure:

Algeco provides relocatable accommodation, including portable cabins, modular buildings, permanent buildings, secure storage, portable toilets, temporary fencing, and related products and services in the UK. We provide modular buildings for sale and rent and off-site permanent buildings for sale throughout the UK for temporary, semi-permanent and permanent use across a wide range of sectors. With the head office at Ravenstock House 28 Falcon Court, Preston Farm Business Park, Stockton-On-Tees, England, TS18 3TX, Algeco operates from a network of branches throughout England, Scotland and Wales. We are a subsidiary of the Modulaire Group, which has over 4,400 employees and operates in 23 countries in Europe and Asia Pacific.

Further details about Algeco can be found at: <https://www.algeco.co.uk/> and our parent company, Modulaire, at <https://www.modulairegroup.com/>

Supply chains:

Depending on the products or services, we engage with our suppliers through different forms, such as one-off purchases or long-term supply contracts. During 2022, we partnered with 1,612 suppliers, of which 138 represented 80% of our spend (our “**Key Tier 1 suppliers**”).

In 2022, we conducted an ESG (environment, social, and governance) audit of those Key Tier 1 Suppliers. The data collected (from 40% of those that responded to our audit questionnaire) showed

that the goods and services provided by those suppliers is supplied locally within the UK. None of them are located in high-risk countries for the purposes of modern slavery and human trafficking.

The majority of our vendors and subcontractors broadly cover the following categories of goods and services:

- Materials for buildings, including steel components, walls and panels, insulation, electrical components, plumbing supplies and flooring; and
- Sub-contract services for construction, catering and housekeeping, specific delivery, installation, disassembly and repair/maintenance work.

Relationships with bodies representing workers:

At Algeco, all employees have a voice through the following forums, which enable collaboration, progress initiatives and resolve issues raised by colleagues:

- Colleague Information & Consultation Committee (CICC): elected colleague representatives, from all areas of the business, meet monthly with Company Representatives to receive information and to discuss any matters raised by the colleagues they represent. The primary purpose of the CICC is to provide a collaborative forum for two-way communication on anything relating to the employment of colleagues across the Algeco business.
- Engagement Champions: this is a voluntary forum specifically focusing on colleague engagement. It is an opportunity to share thinking, ideas and opinions in a constructive environment to improve the colleague experience of working at Algeco.
- EDI (Equality, Diversity & Inclusion) Forum: this is a voluntary forum which meets quarterly to discuss how Algeco can promote and improve EDI through the introduction of policies, practices and colleague education. We continually strive to ensure that we have a workplace where everyone is treated with dignity and respect because everyone deserves the right to be their authentic selves wherever they are, including at work.

3. POLICIES ON MODERN SLAVERY & HUMAN TRAFFICKING

We are fully committed to ensuring that there is no modern slavery or human trafficking in our supply chains or any part of our business by implementing and enforcing effective systems and controls.

We are developing a robust governance framework to monitor and mitigate modern slavery risk. Our governance underpins how we conduct our business and interact with suppliers:

- Our Quality Management System (ISO 9001 certified) consists of policies and procedures related to human resources, health and safety, supplier management, and the Supplier Code of Conduct.
- Our Supplier Code of Conduct, ESG & Sustainability Policy, and Code of Ethics reflect our commitment to acting ethically and with integrity in all business relationships.
- To ensure that all those in our supply chains and our contractors comply with our values, we require vendors to adhere to our Supplier Code of Conduct, including a commitment not to use slave labour or participate in human trafficking. We seek acknowledgement of adherence at the stage of onboarding our suppliers.

- We nurture a transparent culture where anyone can raise concerns about our business without fearing retaliation. Our Speak-Up policy outlines how reports can be made and whistle-blower protections.
- We are developing our Responsible Sourcing Guidelines, which outline our requirements and procedures to collaborate with suppliers along the value chain, embed Environmental, Social, Governance and Sustainability (ESGS) at all stages and require us to review ESGS performance as part of routine supplier relationships. We continue to improve our knowledge of the supply chains upon which we depend and drive continuous ESGS improvements.

All of our policies are developed by respective business functions in collaboration and consultation with relevant teams across the business, including but not limited to Legal, HR, Procurement, ESG & Sustainability, and Operations. The UK Managing Director is responsible for ensuring compliance with anti-modern slavery and human trafficking policies within the UK operations.

4. DUE DILIGENCE PROCESSES FOR SLAVERY & HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk, we vet the vendors forming our supply chain by assessing their ESG performance, geographic locations, and operating sectors.

We have systems in place to:

- Identify and assess potential risk areas in our supply chains;
- Require our suppliers to comply with the Supplier Code of Conduct, which covers modern slavery;
- Mitigate the risk of slavery and human trafficking occurring in our supply chains;
- Monitor potential risk areas in our supply chains; and
- Protect whistleblowers.

5. RISK ASSESSMENT & MANAGEMENT

Direct business operation:

Within our direct business operation, we consider the risk of modern slavery to be low. We monitor and mitigate this risk through our existing governance and systems, and we fully comply with the relevant national labour legislation. We have policies and procedures relating to staff employment and their onboarding, including our approach to modern slavery and intolerance of any form of bullying or discrimination.

Supply chain:

Using available data from various sources from international organisations and NGOs concerning geographic locations for modern slavery risks, our supply chain audit data demonstrates that 100% of our Key Tier 1 Suppliers (who participated in the audit) are based in a low-risk country – the UK. We do not source goods directly from high-risk countries.

Actions taken to address and assess modern slavery risks:

To address and assess the risks of modern slavery in our business, Algeco has undertaken the following actions:

- Conducted an audit of our Key Tier 1 Suppliers, which covers modern slavery issues;
- Updated our Purchasing Order to include compliance with the Supplier Code of Conduct;
- Monitored and addressed modern slavery risks and kept our Board informed on the issue;
- Set up a mechanism to allow people to safely report modern slavery risks in our business operations and supply chains through our whistleblower policy;
- We provided access to a training video (provided by Supply Chain Sustainability School) to all employees to improve their understanding of the impacts and risks of modern slavery in operations and supply chains;
- Ensured appropriate recruitment processes and procedures are in place, including conducting eligibility to work checks for all employees, to mitigate against human trafficking or forced labour. The majority of our colleagues are employed on permanent or fixed term contracts; however, when temporary staff are needed, Algeco only uses reputable employment agencies.
- Developing Responsible Sourcing Guidelines.

6. PERFORMANCE INDICATORS

We have KPIs to measure the effectiveness of our practices in addressing modern slavery within our business operations and across our supply chains. Aligning with our global activities, our actions and KPIs related to combatting modern slavery are regularly reviewed at our parent company's Executive Committee, our UK ESG Steering Committee, and the global ESG forum to ensure we are on track.

In addition, our parent company is a signatory to the United National Global Compact ("UNGC") (<https://www.unglobalcompact.org/what-is-gc/participants/144802-Modulaire-Group>). The assessment framework and reporting/communications mechanism of UNGC also help us assess the effectiveness of our measures in addressing modern slavery. We report annually for UNGC's Communication on Progress (advanced level qualification) (<https://www.unglobalcompact.org/participation/report/cop/create-and-submit/advanced/465298>)

We evaluated our actions in the following three areas:

Governance & Due Diligence: as described above in sections 3 and 4.

Training: as described below in section 7

Continuous improvement of supply chain processes:

We recognise that modern slavery risk can be a rapidly evolving topic. As part of the continuous improvement in our supply chain practices, we will launch our Responsible Sourcing Guidelines.

7. TRAINING:

For 2023, we plan to incorporate training on modern slavery as part of the induction training. The training modules are available on our training platform.

8. PROCESS OF CONSULTATION

We have brought this statement to the attention of those in our Procurement team, ESG & Sustainability team and HR team. We discussed details of the Modern Slavery Act 2015's reporting requirements and our strategies to address these requirements; and allowed them to provide feedback, raise queries, and have such queries answered. We have also involved our Legal and Procurement team in further assessing the risk of non-compliance in our supply chains.

9. OTHERS

Fully aware of the importance of businesses in combating modern slavery, Algeco UK actively presents our work at international and local forums to raise awareness of the issue. We also constantly learn from other organisations and quickly employ best practices to improve our actions on the topic.

10. ENDORSEMENT OF THIS STATEMENT

This statement was approved by the Board of Algeco UK.

James Odom
Group General Counsel
Algeco UK Limited