



CARBON REDUCTION PLAN

2021 – 2040 v10.1 dated September 2026

This Carbon Reduction Plan will help our customers understand the impact any awarded contract along with the wider operations have upon the environment. They will detail our emission sources and greenhouse gasses.

Premier Modular Group

Catfoss Lane, Brandesburton
East Yorkshire, YO25 8EJ

Phone: 01964 545009
Email warren.fothergill@premiermodular.co.uk

Content

Content.....	2
Revised Strategic Carbon Reduction Commitment	3
Context.....	5
Environmental Management Measures.....	6
Baseline Data	7
Commitment to achieving Net Zero.....	7
Emissions Footprint	7
Emissions Reporting.....	9
Emissions footprint FY20 (Financial Year End 30.06.2020).....	9
Emissions footprint FY21 (Financial Year End 30.06.2021).....	10
Emissions footprint FY22 (Financial Year End 30.06.2022).....	11
Emissions footprint FY23 (Financial Year End 30.06.2023).....	12
Emissions footprint FY24 (Financial Year End 30.06.2024).....	13
Emissions footprint FY25 (Financial Year End 30.06.2025).....	15
Science Based Target Initiative (SBTi).....	17
Emissions Reduction Targets	24
Progress	24
Beyond 2026	26
Additional Areas of Potential Savings	26
Declaration and Sign Off.....	27

Revised Strategic Carbon Reduction Commitment

At Premier Modular Limited, we remain firmly committed to environmental stewardship and the urgent need to reduce carbon emissions within our operations. Our original target to achieve net zero carbon emissions by 2035 reflected our ambition to lead by example in sustainability within the modular construction industry.

However, considering evolving geopolitical, economic, and infrastructure challenges at both the UK and global levels, we have reassessed our timeline to ensure our goals remain realistic, achievable, and aligned with broader general developments.

Context for Our Revised Commitment

The UK government has established ambitious climate goals, including a legally binding target to reach net zero carbon emissions by 2050, as set out in the Climate Change Act (2008, amended 2019) and reaffirmed in the UK Net Zero Strategy (2021). While these targets provide a clear national framework, the path to net zero is complex and dependent on multiple interrelated factors including energy infrastructure development, supply chain decarbonisation, and technological innovation.

Recent government reports, such as the National Infrastructure Commission's 2023 assessment, highlight significant challenges in scaling up low-carbon energy capacity, including grid modernisation (which is essential in East Yorkshire), renewable energy integration, and widespread electrification of industrial processes. These infrastructure constraints, combined with ongoing global supply chain disruptions and geopolitical uncertainties, have affected the pace at which industries can transition to net zero operations, and we are not immune to these issues.

Rationale for Extending Our Net Zero Target to 2040

Given these realities, Premier Modular has adjusted its net zero target from 2035 to 2040. This five-year extension reflects a pragmatic approach that balances our environmental ambitions with the operational feasibility within the current external environment.

Key factors informing this decision include:

- **Energy Infrastructure Development:** The UK's energy grid is undergoing significant transformation, yet full decarbonisation and the availability of green energy sources at scale are projected to mature closer to the late 2030s, according to government projections;
- **Supply Chain and Technological Innovation:** Achieving decarbonisation in manufacturing requires access to low-carbon materials, green technologies, and supportive policies, many of which are still under development or in early adoption phases, which will take time to implement and become effective; and

- **Alignment with National Policy:** Our revised target remains ambitious and well within the UK's broader net zero trajectory to 2050, positioning Premier Modular Limited as a proactive contributor to national climate goals.

Our Commitment Moving Forward

Premier Modular will continue to implement robust emission reduction measures across our factories and operations, including energy efficiency improvements, increased use of renewable energy, and sustainable material sourcing. We will also actively engage with policymakers, industry partners, and supply chain stakeholders to accelerate progress.

By setting a revised net zero goal of 2040, we reaffirm our dedication to responsible business practices and environmental leadership, while acknowledging the complex and dynamic landscape in which we as a business operate, and the wider context of the construction sector.

Context

The Intergovernmental Panel on Climate Change (IPCC) Special Report 'Global Warming of 1.5°C' (2018) was clear on the causes and the effects of climate change on the world. The report stated that the primary driver of long-term global warming is carbon dioxide emissions (CO₂) and that global temperatures relate to increased cumulative CO₂ emissions from human activity, primarily energy use. This is likely to significantly impact the environment with a loss of ecosystems and biodiversity along with increased impacts on human health and the economy.

Furthermore, the UN Framework Convention on Climate Change (UNFCCC) Paris Agreement 2015, to which the UK is a signatory, aims to:

“strengthen the global response to the threat of climate change by keeping global temperature rise this century well below 2°C above pre-industrial levels to pursue efforts to limit the temperature increase even further to 1.5°C.”

The UK will look to delivery on the Paris Agreement by vigorously pursuing a target to reduce greenhouse gas (GHG) emissions to 'net zero' by 2050, ending the UK's contribution to global warming within what is now 28 years. This is enshrined in law in June 2019 through amendments to the 2050 GHG emissions reduction target in the Climate Change Act 2008.

The UK Government amended the Climate Change Act 2008 in 2019 by introducing a target of at least a 100% reduction in the net UK carbon account (i.e. reduction of greenhouse gas emissions, compared to 1990 levels) by 2050, or otherwise known as the 'Net Zero' target. In June 2021 the Government issued a Procurement Policy Note (PPN) setting out how to take account of suppliers' net zero Carbon Reduction Plans in the procurement of major government contracts, of which Premier Modular are on several government frameworks for construction works.

Environmental Management Measures

Premier Modular holds ISO certification for our Integrated Management System (IMS) which incorporates ISO14001:2015. This is supplemented by our ESG Policy Statement, designed to ensure that as a business we drive sustainability, whilst being held to account.

As a business we qualified under both the following schemes:

- Energy Savings Opportunity Scheme (Phase II) (ESOS); and
- Streamlined Energy & Carbon Reporting (SECR).

Under the ESOS scheme the requirement is to calculate the total energy consumption used by assets held by the organisation, which includes energy consumed by buildings, processes and transport. As an organisation we approached LG Energy as our auditors to define our consumption and assist with identification of potential opportunities for improvement, for which the 2019 Compliance Period will be held as our 'baseline' use.

Running concurrently is SECR a mandatory UK government framework that replaced the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme in April 2019. The aim of SECR is to simplify the reporting process and reduce emissions from business and industry by 80% by 2050.

At the basic level, the difference between SECR and ESOS is what they measure. SECR focuses on a company's emissions, whereas ESOS examines energy use.

Baseline Data

Commitment to achieving Net Zero

Premier Modular Limited is committed to achieving Net Zero emissions by 2035.

Emissions Footprint

Baseline emissions are a record of the greenhouse gases that we as a business have produced in the baseline year (2018) and were produced prior to the introduction of any strategies to reduce emissions but allow us an early indication as to levels of emissions in the latter part of the previous decade.

These baseline emissions are the reference point against which emissions reduction can be measured.

Data

Baseline Year: 01 January – 31 December 2018

Additional Details (relating to the baseline emissions calculations):

In qualifying through ESOS Phase II by way of meeting Balance Sheet and Turnover figures, we have used the primary data as derived from that report, given it is pre implementation of any remedial works as identified in our ESOS Report.

The Primary Data is:

- Utility data is from invoices;
- Transport Fuel is from mileage claims;
- Fuel oil data is from customer records.

Our ESOS audit, as conducted by LG Energy was conducted in April 2019, and is primarily concerned with energy consumption and energy efficiency, rather than provision of a complete GHG inventory across the value chain. Subsequently, there was no sufficiently robust Scope 3 dataset available from the ESOS exercise from which to calculate and report Scope 3 emissions retrospectively.

The data set for this reporting period is not quantified as Scope 3 emissions were not measured as part of the ESOS Phase 2 assessment from which the Scope 1 and 2 baseline data was derived. Consequently, there was insufficient verified historical data available to provide a reliable Scope 3 calculation for the year. Scope 3 emissions are recognised as relevant to the organisation and are progressively quantified and incorporated into future CRP reporting as the data and methodologies becomes available.

The audit was conducted at the Brandesburton production facility, focusing on electricity and transport fuels as used in the production facilities, the manufacture and processes involved in our product, plus transportation fuels used at site and in a direct relation to the business (where mileage is paid for by the company).

Scope	Description	kWh	tCO ₂ e ¹
2	Buildings - Electricity	640,094	149.23
2	Buildings - Heating Oils	973,095	240.02
1	Business Fuel - Petrol	83,407	19.11
1	Business Fuel - Diesel	677,300	162.94
3	Upstream (Supply Chain) ²	-	NQ
3	Downstream (Post-Sale) ²	-	NQ
TOTAL		2,373,896	571.3

1. The factors used in the above are taken from BEIS' greenhouse gas conversion factors for company reporting, published in June 2020
2. The Scope 1 and Scope 2 baseline emissions presented within this Carbon Reduction Plan have been derived from energy and fuel consumption data established through the Company's ESOS Phase 2 assessment. The ESOS assessment did not constitute a full Scope 3 greenhouse gas emissions assessment and therefore did not provide the necessary data to quantify the Company's Scope 3 emissions for the baseline period. Scope 3 has consequently been identified as not quantified (N/Q) for this reporting period rather than assumed to be zero. The Company intends to develop its Scope 3 data collection and assessment methodology as part of its ongoing carbon management programme.

Emissions Reporting

Emissions footprint FY20 (Financial Year End 30.06.2020)

Reporting Year: 01 July 2019 – 30 June 2020

Scope Fuel as per SECR criteria

Scope	Description	kWh	tCO ₂ e ¹
1	Transport-Company Fleet - Diesel	479,780	129.017
1	Buildings – Fuel Oil	162,042	46.156
1	Transport-Company Fleet – Diesel	55,520	14.156
1	Transport-Company Fleet - Petrol	2,326	0.563
2	Buildings – Electricity Purchased	712,255	166.055
3	Transport-Staff/Rental – Diesel	487,026	124.007
3	Transport-Staff/Rental – Petrol	71,442	17.219
3	Transport-Staff/Rental - Petrol	748	0.186
TOTAL		1,971,142	497.387
Intensity Ratio per '000 Employee Hours Worked			3.83

The factors used in the above are taken from BEIS' greenhouse gas conversion factors for company reporting, published in June 2020

The Primary Data is:

- Utility data is from invoices
- Transport Fuel is from mileage claims
- Fuel oil data is from customer records

Our SECR calculation, as conducted by LG Energy was conducted in August 2020, with submission in the FY2020 Directors Report.

The information provided was that evidenced from within the Brandesburton production facility, focusing on electricity and transport fuels as used in the production facilities, the manufacture and processes involved in our product, plus transportation fuels used at site and in a direct relation to the business (where mileage is paid for by the company).

Emissions footprint FY21 (Financial Year End 30.06.2021)

Reporting Year: 01 July 2020 – 30 June 2021

Scope Fuel as per SECR criteria

Scope	Description	kWh	tCO ₂ e ¹
1	Transport-Company Fleet - Diesel	806,117	190.93
1	Buildings – Fuel Oil	165,776	44.45
2	Buildings – Electricity Purchased	849,635	180.40
3	Transport-Staff – Diesel	279,723	70.08
3	Transport-Staff – Petrol	179,390	43.34
TOTAL			529.20
Intensity Ratio per '000 Employee Hours Worked			2.58

The factors used in the above are taken from BEIS' greenhouse gas conversion factors for company reporting, published in June 2021

The Primary Data is:

- Utility data is from invoices
- Transport Fuel is from mileage claims
- Fuel oil data is from customer records

Our SECR calculation, as conducted by LG Energy was conducted in August 2021, with submission in the FY2021 Directors Report.

The information provided was that evidenced from within the Brandesburton production facility, focusing on electricity and transport fuels as used in the production facilities, the manufacture and processes involved in our product, plus transportation fuels used at site and in a direct relation to the business (where mileage is paid for by the company).

Emissions footprint FY22 (Financial Year End 30.06.2022)

Reporting Year: 01 July 2021 – 30 June 2022

Comment

During the financial year Net Zero Buildings Limited became part of the Premier Modular Group. Net Zero do not qualify for SECR as a standalone company so their figures have been included in this report. This artificially increases the emissions for Premier Modular in comparison to the previous year. Furthermore, a number of scope 3 emissions such as train journeys, flights and waste emissions have now been included.

Scope Fuel as per SECR criteria

Scope	Description	kWh	tCO2 e ¹
1	Transport-Company Fleet - Diesel	1,075,398	275.64
1	Buildings – Fuel Oil	71,044	19.05
1	LPG	1,684	0.39
2	Buildings – Electricity Purchased	830,655	160.63
3	Fuel Combustion -Transport Staff	746,043	186.40
3	Mixed Waste		48.65
	Renewable Energy	-678,245	-131.16
TOTAL		2,724,826	559.60
Intensity Ratio per '000 Employee Hours Worked			3.59

The factors used in the above are taken from BEIS' greenhouse gas conversion factors for company reporting, published in 2022

The Primary Data is:

- Utility data is from invoices and ½ hourly data
- Transport Fuel is from mileage claims
- Fuel oil data is from customer records

Our SECR calculation, as conducted by LG Energy was conducted in September 2022, with information submitted for inclusion in the FY2022 Directors Report.

The information provided was that evidenced from within the Premier Modular Limited Brandesburton production facility and that of Net Zero Buildings in Newmarket, focusing on electricity and transport fuels as used in the production facilities, the manufacture and processes involved in our product, plus transportation fuels used at site and in a direct relation to the business (where mileage is paid for by the company).

Waste was included for the first time as a Scope 3 emission.

Premier Modular Limited operated a Renewable Energy contract from 01.08.2021, hence the reduction.

Emissions footprint FY23 (Financial Year End 30.06.2023)

Reporting Year: 01 July 2022 – 30 June 2023

Comment

During the financial year Net Zero Buildings Limited became part of the Premier Modular Group. Net Zero do not qualify for SECR as a standalone company so their figures have been included in this report. This artificially increases the emissions for Premier Modular in comparison to the previous year. Furthermore, a number of scope 3 emissions such as train journeys, flights and waste emissions have now been included.

Scope Fuel as per SECR criteria

Scope	Description	kWh	tCO2 e ¹
1	Transport-Company Fleet - Diesel	845,100	202.04
1	Buildings – Fuel Oil	22,620	6.06
1	LPG	2,180	0.47
2	Buildings – Electricity Purchased	822,500	170.32
3	Fuel Combustion -Transport Staff	914,870	225.56
3	Mixed Waste		46.09
3	Train Journeys		0.02
	Renewable Energy	822,500	-170.32
TOTAL		2,607,270	480.25
Intensity Ratio per '000 Employee Hours Worked			2.88

The factors used in the above are taken from BEIS' greenhouse gas conversion factors for company reporting, published in 2022

The Primary Data is:

- Utility data is from invoices and ½ hourly data
- Transport Fuel is from mileage claims
- Fuel oil data is from supplier invoices

Our SECR calculation, as conducted by LG Energy was conducted in September 2023, with information submitted for inclusion in the FY2023 Directors Report.

The information provided was that evidenced from within the Premier Modular Limited Brandesburton production facility and that of Net Zero Buildings in Newmarket, focusing on electricity and transport fuels as used in the production facilities, the manufacture and processes involved in our product, plus transportation fuels used at site and in a direct relation to the business (where mileage is paid for by the company).

Waste was included as a Scope 3 emission once more, and we continued to hold a renewable energy contract at Brandesburton, whilst the Newmarket facility obtained its own renewable energy contract with Eon. Both businesses had renewables for the year, hence the reduction.

Emissions footprint FY24 (Financial Year End 30.06.2024)

Reporting Year: 01 July 2023 – 30 June 2024

Comment

During the financial year Net Zero Buildings Limited became part of the Premier Modular Group. Net Zero do not qualify for SECR as a standalone company so their figures have been included in this report. This artificially increases the emissions for Premier Modular in comparison to the previous year. Furthermore, a number of scope 3 emissions such as train journeys, flights and waste emissions have now been included.

Scope Fuel as per SECR criteria

Scope	Description	kWh	tCO ₂ e ¹
1	Buildings – Fuel Oil	17,540	4.7
1	LPG	13,070	2.8
1	Combustion - Diesel	21,030	5.03
1	Combustion - HVO	1,790	.01
1	Combustion - Petrol	210	.05
1	Combustion Co. Vehicles - Fuel	497,400	111.72
1	Solar Generation	166,200	-
	Total	685,230	124.3
2	Buildings – Electricity Purchased	667,680	138,240
	Of Which is Renewable Resources	667,800	-138,240
	Total	667,800	-
3	Fuel Combustion -Transport Staff	1,014,100	250.12
3	Mixed Waste	-	13.01
3	Train Journeys	-	0.04
	Total	1,014,100	263.17
TOTAL		2,367,010	387.47
Intensity Ratio per '000 Employee Hours Worked			2.48

The factors used in the above are taken from BEIS' greenhouse gas conversion factors for company reporting, published in 2022

The Primary Data is:

- Utility data is from invoices and ½ hourly data
- Transport Fuel is from mileage claims
- Fuel oil data is from supplier invoices

Our SECR calculation, as conducted by LG Energy was finalised on 07 October 2024, with information submitted for inclusion in the FY2024 Directors Report.

The information provided was that evidenced from within the Premier Modular Limited Brandesburton production facility and that of Net Zero Buildings in Newmarket, focusing on electricity and transport fuels as used in the production facilities, the manufacture and processes

involved in our product, plus transportation fuels used at site and in a direct relation to the business (where mileage is paid for by the company).

Waste was included as a Scope 3 emission once more, and we continued to hold a renewable energy contract at Brandesburton and had 383kW arrays of Solar PV installed in December 2023. The Newmarket facility had its own renewable energy contract with Eon. Both businesses had renewables for the year, hence the reduction.

Additionally, at the Brandesburton facility, 2 No. diesel forklift trucks were replaced by Lithium i-on battery running trucks.

During FY24 ESOS audits also took place in preparation for end of year submission via the government portal.

Emissions footprint FY25 (Financial Year End 30.06.2025)

Reporting Year: 01 July 2024 – 30 June 2025

During FY25, Premier Modular Limited's emissions footprint reflects a full year of reporting that includes Net Zero Buildings Limited within the Premier Modular Group. As Net Zero Buildings does not qualify for SECR as a standalone entity, its emissions are included in this report, affecting comparability with reporting periods prior to the acquisition. FY25 includes an expanded Scope 3 boundary compared with FY24, notably the inclusion of business travel and accommodation emissions, beyond minimum SECR requirements. Intensity ratios are calculated on the same boundary.

Scope	Description	kWh	tCO ₂ e ¹
1	Buildings – Fuel Oil	-	-
1	LPG	36,440	5.81
1	Combustion - Diesel	-	-
1	Combustion - HVO	-	-
1	Combustion - Petrol	-	-
1	Combustion of Fuel in Company Vehicles (Diesel) ¹	883,920	196.87
1	Solar Generation	185,720	-
	Total	1,106,080	202.68
2	Generation of Purchased Electricity (Market Based)	610,600	-
2	Generation of Purchased Electricity (Location Based)	21,680	5.05
	Total	632,280	5.05
3	Fuel Combustion -Transport Staff	796,530	195.83
3	Mixed Waste	-	12.22
3	Air	-	5.89
3	Hotel Accom	-	62.25
3	Sea	-	0.45
3	Train Journeys	-	5.34
	Total	796,530	281.98
TOTAL		2,534,890	489.71
Intensity Ratio per '000 Employee Hours Worked			3.09

¹ - Combined Fuel Data for FY25

The Primary Data is:

- Utility consumption data derived from invoices and half-hourly electricity metering
- Transport fuel data based on company mileage claims
- Propane and fuel data obtained from supplier invoices

The SECR calculations follow the same methodology as FY24 to ensure consistency and relate to operations at the Brandesburton and Newmarket facilities, focusing on electricity use, on-site fuel consumption, and business-related transport.

Both sites operated under renewable electricity contracts throughout FY25, supported by increased on-site solar PV generation of 185.72 MWh. As a result, market-based Scope 2 emissions remained zero despite higher electricity consumption.

Scope 1 emissions increased due to higher diesel and propane use, partially offset by reduced petrol consumption and the continued use of lithium-ion battery-powered forklift trucks at the Brandesburton facility. Scope 3 emissions reduced during FY25, largely due to lower grey fleet mileage and reduced waste emissions.

Total energy consumption in FY25 was 2,534.89 MWh, with total greenhouse gas emissions of 489.71 tCO₂e and an energy intensity of 3.09 MW per 1,000 employee hours worked.

Science Based Target Initiative (SBTi)

Premier Modular Group

Baseline Year: FY25 (2024/25)

Executive Summary

Premier Modular Group is committed to aligning with the Science Based Targets initiative (SBTi) to ensure our decarbonisation pathway is consistent with limiting global temperature rise to 1.5°C, aligned with the Paris Agreement.

Our FY25 greenhouse gas assessment establishes a new baseline for reporting and target setting. FY25 has been selected as the Company's baseline year due to improved data quality, significantly expanded Scope 3 coverage and its representation of current business operations across the Premier Modular Group.

- Scope 1 emissions (baseline): 220.95 tCO₂e.
- Scope 2 emissions (market-based): 0.00 tCO₂e.
- Scope 2 emissions (location-based): 3.55 tCO₂e.
- Scope 3 emissions: 17,590.66 tCO₂e.
- Total emissions (market-based): 17,811.61 tCO₂e.
- Total emissions (location-based): 17,815.16 tCO₂e.
- Scope 3 emissions represent approximately 98.8% of the overall carbon footprint.

These results demonstrate that the greatest opportunities for emissions reduction lie within Premier Modular's supply chain through sustainable procurement, supplier engagement and the adoption of lower-carbon materials and products.

Organisational Boundary & Methodology

- Reporting standard: GHG Protocol Corporate Accounting and Reporting Standard and GHG Protocol Corporate Value Chain (Scope 3) Standard.

Scopes included:

- Scope 1: Direct fuel combustion, fleet vehicles, LPG and operational fuel use.
- Scope 2: Purchased electricity using market-based and location-based methodologies.
- Scope 3: Purchased goods and services, fuel and energy-related activities, transportation, waste, business travel, employee commuting, leased assets and investments.
- Conversion factors: UK Government Greenhouse Gas Conversion Factors for Company Reporting

Emissions Baseline

Table 1. Emissions Profile FY25

Year	Scope 1 (tCO ₂ e)	Scope 2 Market- Based (tCO ₂ e)	Scope 2 Location- Based (tCO ₂ e)	Scope 3 (tCO ₂ e)	Renewable Credit (tCO ₂ e)	Total (tCO ₂ e)	Intensity (tCO ₂ e / 1,000 hrs)	YoY Change (%)
FY25	220.95	0.00	3.55	17,590.66	0	17,815.16		Baseline Year

Key Observations:

- Scope 1 emissions accounted for approximately 1.24% of total emissions.
- Market-based Scope 2 emissions remained zero due to renewable electricity procurement.
- Scope 2 emissions accounted for less than 0.1% of total emissions.
- Scope 3 emissions accounted for approximately 98.76% of the Company's overall footprint.
- Purchased Goods & Services is the single largest source of greenhouse gas emissions within the Group.

Emissions Intensity

Emissions intensity remains an important indicator of Premier Modular's operational efficiency and carbon performance.

Whilst Scope 1 and Scope 2 emissions remain relatively low, the Company's carbon footprint is heavily influenced by embodied carbon associated with purchased materials, products and services. As a result, future improvements in emissions intensity will be driven not only by operational efficiencies but also through sustainable procurement, supplier engagement and reduced embodied carbon within the supply chain.

The FY25 baseline provides the foundation for future emissions intensity monitoring and SBTi-aligned target setting

Scope 3 Analysis

Scope 3 emissions are increasingly material to Premier Modular's footprint and represent the Company's most significant decarbonisation challenge. Scope 3 emissions account for approximately 98.8% of total emissions and will therefore be the primary focus of future emissions reduction activity

Methodology and Boundary

Scope 3 emissions represent indirect greenhouse gas emissions occurring throughout Premier Modular's value chain, both upstream and downstream.

In line with the GHG Protocol Corporate Value Chain Standard and SBTi guidance, all relevant Scope 3 categories have been reviewed and screened for materiality. FY25 represents the most comprehensive Scope 3 assessment undertaken by the Group to date and forms the foundation of future Science Based Targets.

Emissions have been calculated using a combination of:

- Primary data including supplier information, business travel records and operational activity data.
- Secondary data including UK Government greenhouse gas conversion factors and recognised emissions databases.
- Activity-based methodologies where sufficient supplier and operational information was available.
- Spend-based methodologies where supplier-specific information is not yet available.

Scope 3 Results (FY25 Baseline)

Our Scope 3 emissions in FY25 were 17,590.66 tCO₂e, representing approximately 98.8% of our total emissions footprint.

The largest reported categories were:

- Purchased Goods & Services: 14,610.25 tCO₂e (83.1% of Scope 3).
- Upstream Leased Assets: 527.99 tCO₂e (3.0% of Scope 3).
- Employee Commuting: 512.38 tCO₂e (2.9% of Scope 3).
- Fuel & Energy Related Activities: 272.58 tCO₂e.
- Business Travel: 269.03 tCO₂e.
- Upstream Transport & Distribution: 100.09 tCO₂e.
- Waste Generated in Operations: 14.02 tCO₂e.

The analysis demonstrates that Premier Modular's emissions profile is heavily concentrated within its supply chain, particularly purchased goods and services, which presents the greatest opportunity for future carbon reduction.

Prioritised Categories

Following a materiality assessment, the following categories are considered most relevant to Premier Modular:

- Purchased Goods & Services.
- Fuel & Energy Related Activities.
- Upstream Transport & Distribution.
- Employee Commuting.
- Business Travel.
- Upstream Leased Assets.
- End-of-Life Treatment of Sold Products.
- Use of Sold Products.

Purchased Goods & Services remain the highest priority category due to the embodied carbon associated with steel, timber, insulation, and other construction materials. Supplier engagement will therefore form a key component of future emissions reduction activity.

Targets and Commitments

In line with SBTi requirements, we will:

- Develop a near-term science-based emissions reduction target using FY25 as the baseline year.
- Develop a Scope 3 reduction target aligned with limiting warming to 1.5°C.
- Maintain renewable electricity procurement across all operations.
- Continue reducing Scope 1 emissions through fleet efficiency, route optimisation and vehicle electrification.
- Prioritise lower-carbon materials and products throughout the supply chain.
- Develop a supplier engagement programme targeting high-emitting suppliers.
- Work towards ensuring suppliers responsible for at least 67% of Scope 3 emissions have science-based targets or equivalent carbon reduction commitments in place by 2030.

Next Steps

To deliver against these commitments, we will:

- Expand supplier engagement activities to collect supplier-specific emissions data and encourage SBTi adoption amongst key suppliers.
- Continue waste reduction campaigns and increase recycling rates across operations.
- Review emissions associated with leased assets and work with equipment providers to identify lower-carbon alternatives.
- Conduct lifecycle and embodied carbon assessments of modular building systems to better understand opportunities for carbon reduction, reuse and circularity

GHG Protocol Category	FY25 Emissions (tCO ₂ e)	Data Quality (1-5)	Relevance	Notes / SBTi Action Plan
1. Purchased Goods & Services	14,610.25	3	High	Largest contributor to Scope 3 emissions (steel, timber, insulation, and building components). Action: Prioritise top suppliers by emissions, collect supplier-specific data, increase EPD usage and implement supplier engagement programme.
2. Capital Goods	Not yet reported	1 (not quantified)	Medium	Machinery, production facility investments. Action: Include in future Scope 3 quantification exercises.
3. Fuel & Energy-Related Activities (not in Scope 1 & 2)	272.58	4	High	Emissions associated with energy supply chains. Action: Continue annual monitoring and reduction through energy efficiency initiatives.
4. Upstream Transport & Distribution	100.09	3	Medium	Haulage of materials and products. Action: Collect additional logistics data and engage transport providers on carbon reduction opportunities.
5. Waste Generated in Operations	14.02	4	Low	Already reported in FY25. Action: Continue waste reduction campaigns and improve segregation and recycling performance.
6. Business Travel	269.03	4	Medium	Flights, rail, accommodation and mileage. Action: Continue reporting and maintain travel hierarchy policy.
7. Employee Commuting	512.38	3	Medium	Employee travel to and from work. Action: Promote EV schemes, car sharing and flexible working arrangements.
8. Upstream Leased Assets	527.99	3	High	Hire fleet equipment and leased operational assets. Action: Review equipment utilisation and engage providers regarding lower-carbon alternatives.
9. Downstream Transport & Distribution	Not reported	1	Medium	Delivery of modules to clients. Action: Capture haulage emissions for product delivery.

10. Processing of Sold Products	N/A	-	Low	Not relevant - modules are delivered complete.
11. Use of Sold Products	Not reported	1-2	Medium	Depends on boundary (energy use of buildings). Action: Decide if included -could strengthen leadership stance if reported.
12. End-of- Life Treatment of Sold Products	Not reported	1-2	Medium	Disposal, reuse and recycling of modular buildings. Action: Quantify avoided emissions associated with reuse and circularity.
13. Downstream Leased Assets	N/A	-	Low	Not relevant
14. Franchises	N/A	-	Low	Not applicable
15. Investments	2.47	4	Low	Continue annual monitoring and reporting

Targets & Pathway

Premier Modular commits to:

- Absolute reduction targets aligned with SBTi's 1.5°C pathway, using FY25 as the baseline year.
- Supplier engagement, ensuring at least 67% of suppliers by emissions set science-based targets or equivalent carbon reduction commitments by 2030.
- Renewable energy, maintaining renewable electricity sourcing across operations.
- Operational improvements, including increased electrification of fleet vehicles (including aftercare fleet), improved vehicle efficiency, reduced fuel consumption and waste minimisation initiatives incorporating circular economy principles

Next Steps

- Submit FY25 as the formal SBTi baseline year, reflecting significantly enhanced Scope 3 coverage and improved data quality.
- Develop near-term science-based targets covering Scope 1 and Scope 2 emissions, using FY25 as the baseline year.
- Launch supplier engagement programme targeting suppliers responsible for the greatest proportion of Scope 3 emissions.
- Continue monitoring emissions intensity as a supplementary KPI.
- Expand Scope 3 data granularity through increased use of supplier-specific emissions data and Environmental Product Declarations (EPDs).

Conclusion

The FY25 emissions data establishes a clear baseline for SBTi alignment and provides the most complete understanding of Premier Modular's greenhouse gas emissions profile to date. Scope 3 emissions account for approximately 98.8% of total emissions, with Purchased Goods & Services representing the Company's most significant emissions hotspot.

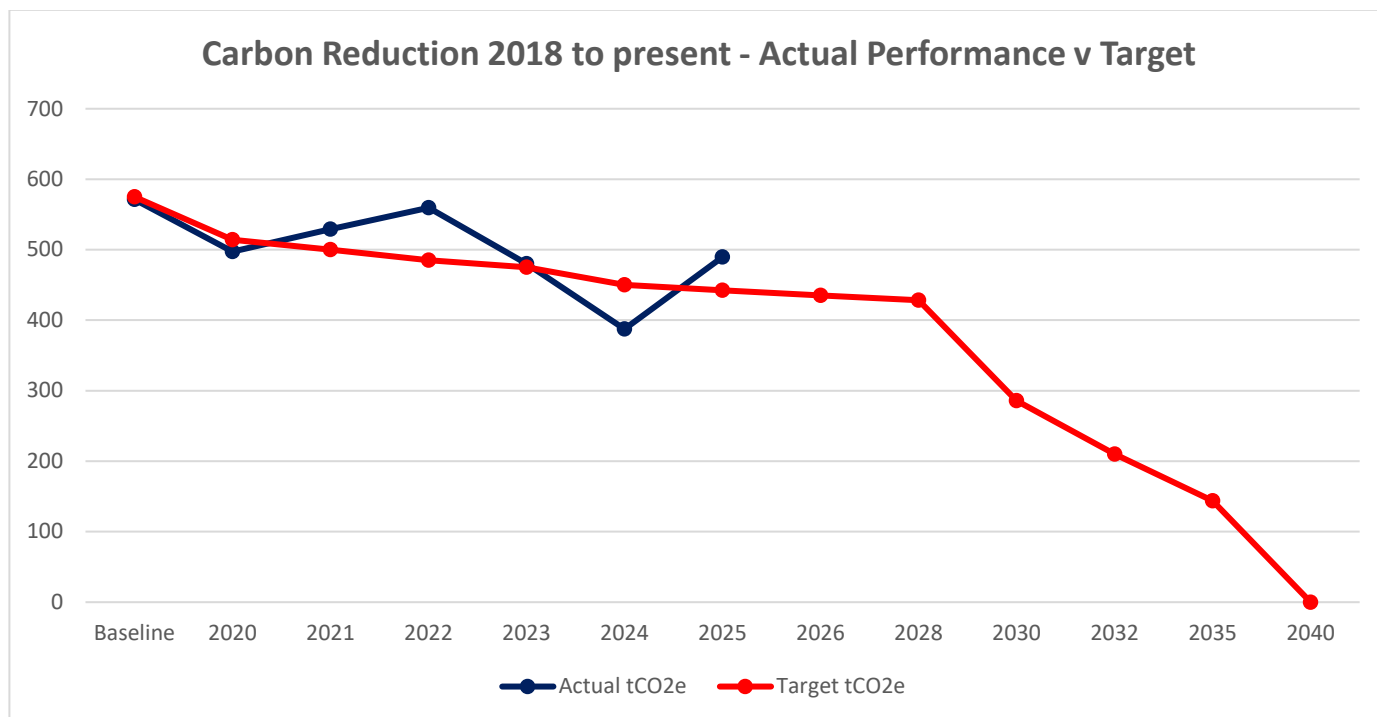
The completion of the FY25 baseline assessment, Scope 3 screening exercise and hotspot analysis provides a strong foundation for future Science Based Target development. With a comprehensive reduction pathway, supplier collaboration, renewable electricity procurement and targeted operational improvements, Premier Modular is well positioned to deliver sustained decarbonisation and achieve Net Zero by 2040.

Based on the FY25 baseline, future emissions reductions will be heavily dependent on supply chain engagement, lower-carbon procurement decisions and improvements in supplier-specific emissions reporting. Continued progress in these areas will support the development of formal science-based targets and future alignment with SBTi requirements.

Emissions Reduction Targets

Overall, the performance is improved, with significant reduction observed, due in part to the Solar PV installation in December 2023, as observed in FY24 performance.

Progress



From FY24 to FY25, overall emissions show a slight increase, reflecting a change in operational conditions rather than a reversal of longer-term decarbonisation progress.

The graph highlights a significant reduction in tCO₂e from 2022 onwards, driven primarily by the installation of on-site Solar PV, the use of renewable electricity, and the replacement of diesel forklift trucks with two electric FLT's (eFLT's). While the Net Zero Buildings (NZB) facility continued to operate during FY25, overall utilisation reduced due to the profile of works secured, which helped limit emissions growth.

In FY24, substantial reductions were achieved through decreased combustion fuel use within the company fleet and a clear reduction in purchased electricity consumption, largely attributable to Solar PV generation. Targeted waste reduction training and engagement campaigns also resulted in a 72% reduction in waste-related emissions, contributing to the overall emissions decrease that year.

Moving into FY25, Premier Modular Limited negotiated a new renewable electricity contract, changing our supplier to a supported by REGO & Nuclear Declaration supply, maintaining a 100% renewable supply for the factory facilities at Brandesburton. Key changes saw increased diesel use in our Aftercare fleet vans, and propane use associated with operational activity. Additionally, we

recorded details of air, sea and rail travel, plus hotel stays, and these elements and the aforementioned aftercare and operational propane use resulted in the modest uplift in emissions observed between FY24 and FY25, despite continued efficiency measures and our on-site renewable generation.

Beyond 2026

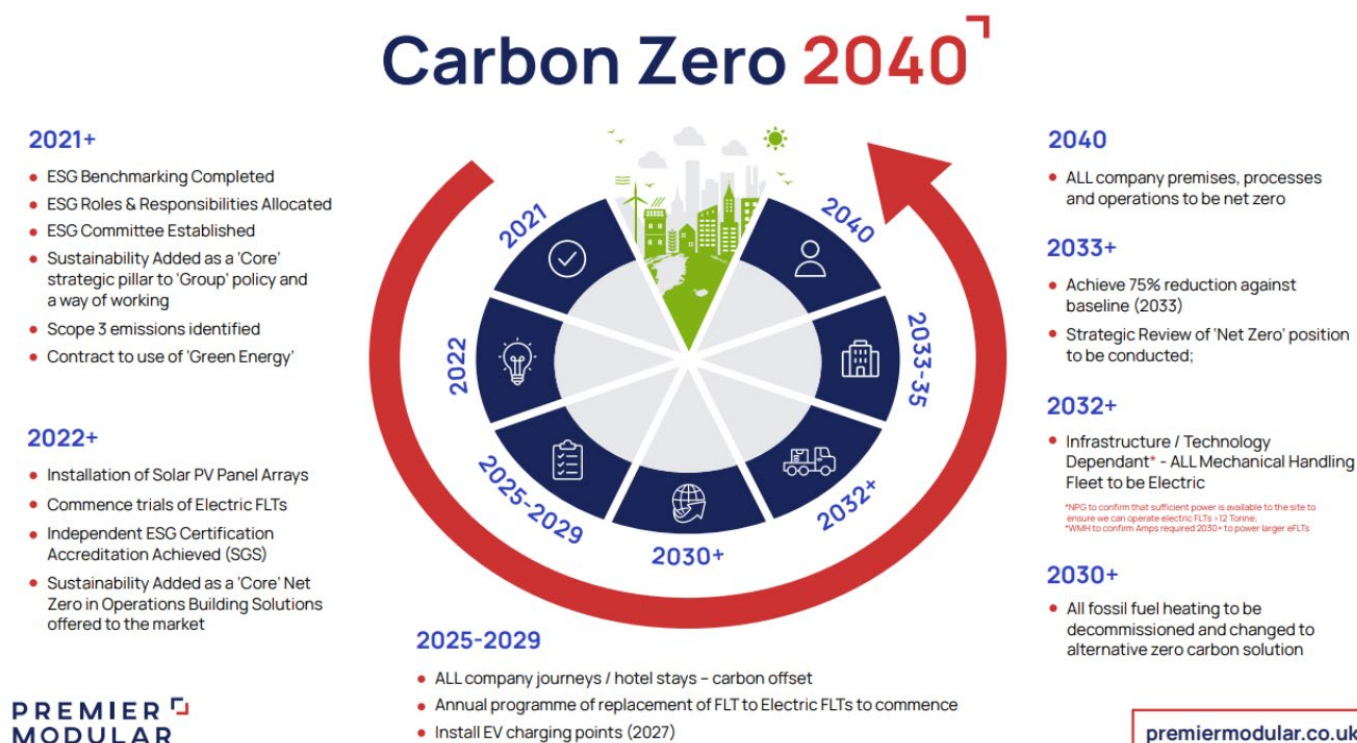
To continue our progress to achieving Net Zero, we have adopted the following reduction targets:

- Signed Premier Modular Limited to a 100% Carbon Free energy contract until 2030
- Review of additional Solar PV and batteries to support site infrastructure under a Power Purchase Agreement (PPA)
- Establish a procurement 'hire' strategy for Electrical Fork Lifts with our supply chain partner Windsors Material Handling, with fleet enhanced by a further 8 eFLT's by end of 2026
- Working in partnership with waste contractors to enhance and review circularity

Whilst the above targets are realistic targets, we accept that there may be additional increases / decreases on percentages achieved, particularly in terms of 'Transport-Company Fleet – Diesel' and in our scope 3 emissions as we look to increase the area of reporting.

Additional Areas of Potential Savings

Whilst we have previously stated, we observed an artificial increase in our emissions, given the acquisition of another company in FY2022. This did not deflect from our original commitment to achieve Net Zero by 2040, and as a 'Group' we are now beyond our target emissions reductions.



As an organisation we continue to monitor opportunities, which will form part of targeted strategies to progress to the end of the decade with a 37% reduction in total tCO₂e, we continue to reviewing other strategies to promote and achieve Net Zero by 2040. These currently include, but are not limited to:

- Installation of Solar PV at the Brandesburton Facility;
- Increasing use of 'electric' Forklift Trucks across the fleet by no later than 2030;
- Implemented an official and approved booking process for transport and accommodation, allowing us to offset the CO₂ emissions through reputable sources.

Our existing procurement strategy on electricity is ensuring that we have a robust supply of energy, derived from 'green' and, or 'Carbon Free' sources e.g. nuclear, wind, hydro etc. Our new contract runs from 01.08.2024.

This is a live document and subject to change.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 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 standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and as an organisation we have volunteered a number of the subsets of Scope 3, reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

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

Signed on behalf of the Supplier:



W P Fothergill, Group HSE & ESG Manager

01.09.2026

PREMIER MODULAR GROUP

Premier Modular Group of Companies Comprises:

PREMIER 
MODULAR

 **NET ZERO**
BUILDINGS
THE FUTURE'S GREEN