

Carbon Reduction Plan

Supplier name

AD Modular

Publication date

31st OCTOBER 2025

Commitment to achieving net zero

AD Modular is committed to achieving net zero emissions by 2045.

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: 2023-2024

Additional details relating to the baseline emissions calculations:

The organisation's benchmark year is from April 23 – March 24 and was the first year AD Modular measured our carbon emissions

Baseline year emissions:

Emissions	Total (tCO ₂ e)
Scope 1	61
Business travel from company vehicles	
Scope 2	7
Electricity usage at office premises	
Scope 3	84
- Business travel - rail - Employee commuting - Waste & water - Transmission and distribution of electricity - Working from home electricity	
<u>Not applicable</u>	
- Upstream transportation and distribution (no emissions incurred during the benchmark period). - Downstream transportation and distribution (no emissions incurred during the benchmark period).	
Total emissions	152

Current emissions reporting

Reporting year: 2024-2025

Emissions	TOTAL (tCO ₂ e)
Scope 1 Business travel from company vehicles	24.3
Scope 2 Electricity usage at office premises	6.9
Scope 3	59.2

This is broken down as follows;

Description	Data Source	Emissions (tCO ₂ e)
<u>Category 1 – Purchased Goods and Services</u> This relates to emissions generated from water supply in the office.	This data source is from water invoices.	0.03
<u>Category 3 – Fuel and Energy related activities (not in scope 1 or scope 2)</u> This relates to emissions generated from the transmission and distribution of electricity from the grid to the office.	This data source is from electricity invoices.	0.6
<u>Category 5 – Waste generated in operations</u> This relates to emissions generated from waste in business operations (including wastewater).	This information is collated from company records.	2.1
<u>Category 6 - Business travel</u> This relates to emissions generated from business travel including rail and hotel stays.	This information is collated from company records.	25.7
<u>Category 7 - Employee commuting</u> This relates to emissions generated from employees getting to their place of work, This also includes emissions generated from employees working from home.	This information is collated through undertaking surveys, about how employees get to work.	30.7

Not applicable

Category 4 - Upstream transportation and distribution

(no emissions incurred during the benchmark period).

Category 9 - Downstream transportation and distribution

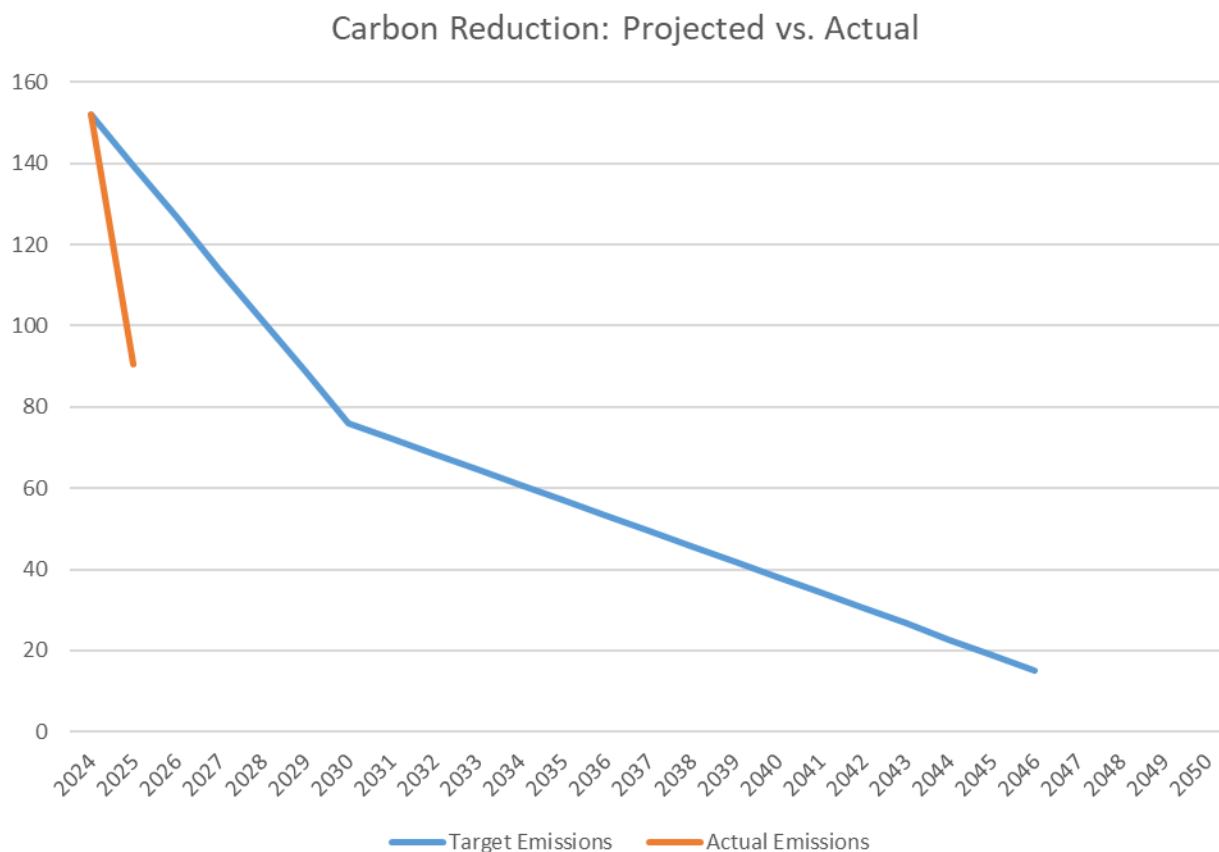
(no emissions incurred during the benchmark period).

Total emissions	90.4
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Emissions reduction targets

In order to continue our progress to achieving net zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to 15 tCO₂e by 2045. This is a reduction of 90%.



Carbon reduction projects

Completed carbon reduction initiatives

The following environmental management measures and projects have been completed or implemented since the 2023-2024 baseline. The carbon emission reduction achieved by these schemes equate to 61 tCO₂e, a 41% reduction against the 2023-2024 baseline and the measures will be in effect when performing the contract.

Ad Modular have integrated carbon reduction principles into our operations:

- Adoption of 80-90% materials utilisation in situ, minimising waste sent to landfill.
- Implementation of energy-efficient modular designs, reducing operational carbon footprints.

Future carbon reduction initiatives

In the future we hope to implement further measures such as:

1. Energy Efficiency Upgrades:

- Introduction of solar energy systems to power fabrication and welding processes.
- Transition to low-carbon and renewable energy solutions across all facilities.

2. Transport and Logistics Improvements:

- Use of Hydrotreated Vegetable Oil (HVO) for vehicle fleets while transitioning to fully electric alternatives.
- Strategic local storage to minimise transportation distances.

3. Circular Economy Practices:

- Increase recycling and reuse of materials in construction.
- Evaluate end-of-life strategies to ensure assets are repurposed or recycled.

4. Stakeholder Collaboration:

- Work with supply chain partners to deliver innovative low-carbon solutions.
- Regularly engage with clients and stakeholders to implement decarbonisation strategies.

We anticipate seeing the benefit of these initiatives in the next reporting period.

Governance and Leadership

AD Modular Limited operates a Carbon Management System in accordance with PAS 2080:2023. This system is governed by our Quality Manager, under the leadership of the Managing Director. Key roles and responsibilities include:

- Ensuring compliance with carbon management policies.
- Driving innovation and continuous improvement.
- Engaging and supporting value chain members to achieve shared decarbonisation goals.

We have established mechanisms to monitor and report carbon emissions at each project stage. This includes:

- Tracking progress against emissions reduction targets.
- Recording and sharing best practices with value chain partners.
- Periodically reviewing data to refine baselines and inform future strategies.

Declaration and sign off

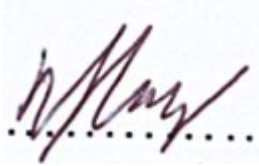
This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹³ and uses the appropriate government emission conversion factors for greenhouse gas company reporting.¹⁴

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), 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) Standard.¹⁵

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:



Date: ...11th November 2025.....

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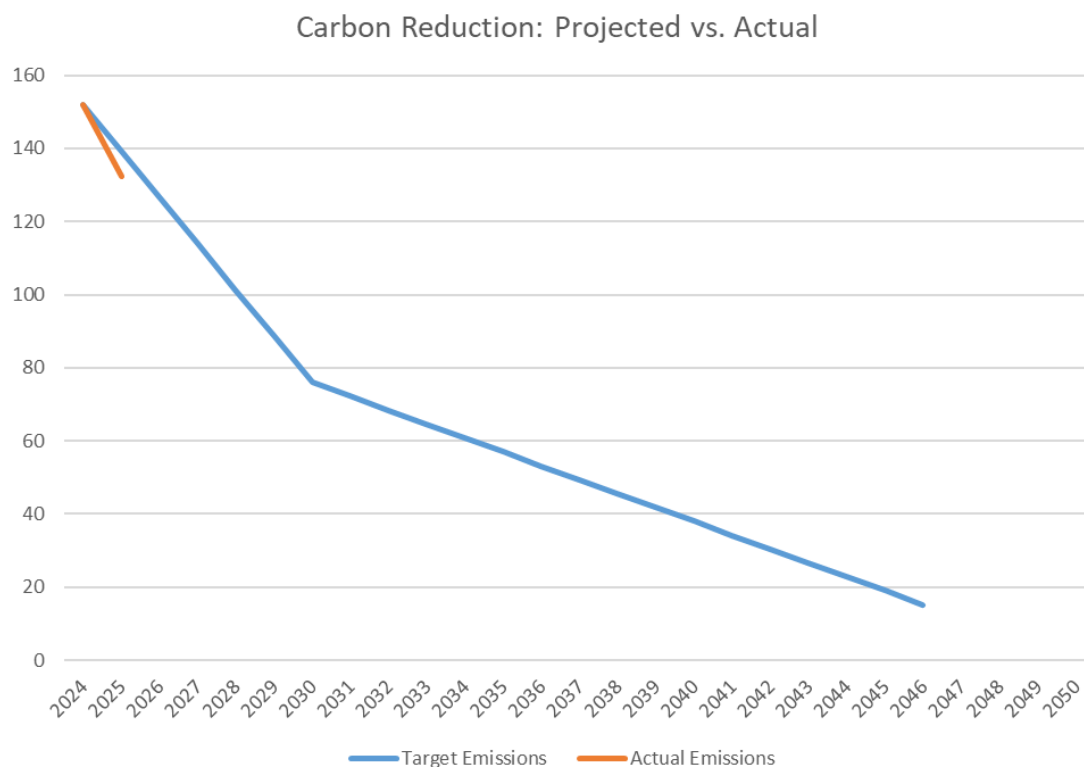
¹³ <https://ghgprotocol.org/corporate-standard>

¹⁴ www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

¹⁵ <https://ghgprotocol.org/standards/scope-3-standard>

Annex – Guidance notes

- Please provide details of your organisation's baseline emissions. If your organisation has not previously assessed or reported emissions, please state this and use your first reporting period as your baseline.
- Under **Additional details relating to the baseline emissions calculations**, please add details of your baseline emissions as required: for example, that it is a historic baseline which deviates from the requirements under this measure (e.g. no prior Scope 3 emissions reporting); that there had been no previous reporting; or that you have created a new baseline due to substantial organisational change or restructuring.
- Under the heading **Emissions reduction targets**, if your organisation already has emissions reduction targets, please give those targets. If your organisation had no previous emissions reduction commitment, or if this is your organisation's first carbon footprint, please provide targets for your organisation. You may want to show progress against your targets in a graph, like the one show below:



- Under the heading **Completed carbon reduction initiatives**, please provide brief details of some of your completed carbon reduction projects. This is for information only. This may include environmental management measures such as certification schemes like ISO14001 or PAS 2060, signing up to SBTi or specific measures you have taken such as: the adoption of LED/PIR lighting controls, changes to policy resulting in a reduction in company travel and flights or the electrification of the company fleet.
- Under the heading **Future carbon reduction initiatives**, please provide brief details of some of your likely/proposed future carbon reduction projects, if any. This is for information only.