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BERNSTEIN
SOCIETE GENERALE GROUP

Global Capital Goods

Powering AI: The modular advantage - how value shifts and who captures it



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Modularisation is becoming the next critical lever in accelerating data center deployment as construction replaces power availability as the binding constraint. Moving work from field to factory can cut deployment time by 30-60% and ease the MEP labour bottleneck. More importantly for the OEMs, we see modularisation reshaping where value accrues: shifting procurement from individual products towards integrated systems, expanding content per MW and creating opportunities for share gains and stronger economics. Our bottom-up sizing and competitive mapping point to Schneider, Vertiv and Eaton best capturing this shift.

Modularisation can bypass EPC delays and reduce scarce on-site MEP labour, becoming more important as 800 VDC raises installation complexity and labour hours by c.50%. Developers have already been prioritising speed over cost in the face of grid connection delays, with behind-the-meter (BTM) solutions now 22% of construction and 40% of pipeline (vs 6% of active). Fuel cells and recip engines alleviate the generation bottleneck, shifting now to construction times of >1.5yrs. The field-to-factory shift reduces labour hours (we think costs can fall by c.37%) and reallocates the load from rural Abilene, Texas (population 130k) to manufacturing hub Dallas-Fort Worth (population 8.5mn), helping break the MEP labour ceiling.

Modular additions grow at a 24% CAGR, +10pp faster than the wider market at 14%, helped by more favourable customer mix within the credible pipeline, with modular penetration rising from c.40% today to c.57% by 2030. The shift from component procurement to integrated modules then creates a share opportunity for vertically integrated OEMs. Module providers increasingly control specification, integration and sourcing, allowing OEMs to supply 80-90% of content internally, even more so for 'integrated' Power + IT module solutions. As modular penetration rises, we demonstrate potential for c.3pp net share gains for the best-positioned integrated OEMs.

Modularisation should improve order visibility, backlog conversion, and EBITA per MW. Predesign and prefab bring larger orders forward and parallelises manufacturing and site prep. Halving a conventional 30-month deployment could create $0.9B / GW of incremental present value, including $0.2B / GW (c.25%) captured by OEMs, material against Power and IT module TAM of $1.9B/GW and $1.8B/GW, respectively (see more). Longer term, standardisation and factory scale raise EBITA per MW. Near-term benefits through pricing may still be diluted by capacity ramp-up and higher selling costs.

Positioning and execution, rather than modular exposure alone, will determine economic capture. Schneider has a roster of proven customer wins, broad product-level coverage, and a hybrid approach adding prefabrication capacity (+270% in 2 years) and partnerships. **Vertiv** stand-out for ambitious strategy, with SmartRun IT pod roadmap over >6MW, and the 'OneCore' architecture to 1 GW campuses. **Eaton** has improved its position through acquisitions and partnerships but remains less mature. **IT modules differentiate the 'big-3' here, much scarcer than power modules.** Our survey suggests modularisation increases willingness to single-source, leaving narrower portfolios at **Legrand**, **ABB** and **Siemens** disadvantaged unless they integrate further.

See the Disclosure Appendix of this report for required disclosures, analyst certifications and other important information. Alternatively, visit our Global Research Disclosure Website.

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BERNSTEIN TICKER TABLE

Ticker	Rating	Cur	11 Sep 2026 Closing Price	Price Target	TTM Rel. Perf.	Cur	Adjusted EPS 2025A	Adjusted EPS 2026E	Adjusted EPS 2027E	Adjusted P/E (x) 2025A	Adjusted P/E (x) 2026E	Adjusted P/E (x) 2027E
SU.FP (Schneider)	O	EUR	291.10	350.00	11.6%	EUR	8.43	10.42	13.24	34.5	27.9	22.0
SIE.GR (Siemens)	O	EUR	264.50	330.00	(0.0)%	EUR	12.23	11.29	11.64	26.5	22.8	21.5
ABBN.SW (ABB)	M	CHF	78.66	80.00	23.5%	USD	2.56	3.02	3.63	37.7	31.9	26.5
LR.FP (Legrand)	O	EUR	141.85	170.00	(12.7)%	EUR	5.22	6.13	6.86	27.2	23.1	20.7
VRT (Vertiv)	O	USD	257.06	368.00	73.2%	USD	4.20	6.60	9.06	61.2	38.9	28.4
NVT (nVent)	O	USD	162.38	229.00	53.4%	USD	3.34	5.15	6.55	48.6	31.5	24.8
BE (Bloom Energy)	M	USD	275.75	282.00	293.6%	USD	0.82	2.85	4.81	334.7	96.7	57.4
GEV (GE Vernova)	O	USD	957.27	1,298.00	34.7%	USD	17.70	28.30	29.49	54.1	33.8	32.5
ETN (Eaton)	O	USD	425.37	534.00	1.9%	USD	12.07	13.45	16.37	35.2	31.6	26.0
HUBB (Hubbell)	O	USD	460.40	584.00	(14.1)%	USD	18.33	20.50	24.03	25.1	22.5	19.2
PWR (Quanta Services)	M	USD	650.58	748.00	50.7%	USD	10.75	16.90	19.24	60.5	38.5	33.8
EDME			1,584.30									
SPX			7,656.98									

O - Outperform, M - Market-Perform, U - Underperform, NR - Not Rated, CS - Coverage Suspended

SIE.GR, GEV estimate is Reported EPS; GEV valuation is Reported P/E (x);

Source: Bloomberg, Bernstein estimates and analysis.

INVESTMENT IMPLICATIONS

European Capital Goods: We rate Schneider (PT €350), Siemens (PT €330), and Legrand (PT €170) Outperform, and rate ABB (PT CHF 80) Market-Perform.

U.S. Multi Industry & Electrical Equipment: We rate Vertiv (PT $368) and nVent (PT $229) Outperform.

U.S Power and Energy Transition: We rate GEV Outperform (PT $1,298) and BE Market-Perform (PT $282)

US Machinery and Electricals: We rate ETN and HUBB Outperform (PT: $534 and $584, respectively) and PWR Market-Perform (PT $748)

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DETAILS

EXECUTIVE SUMMARY

THE NEXT TIME-TO-POWER BOTTLENECK

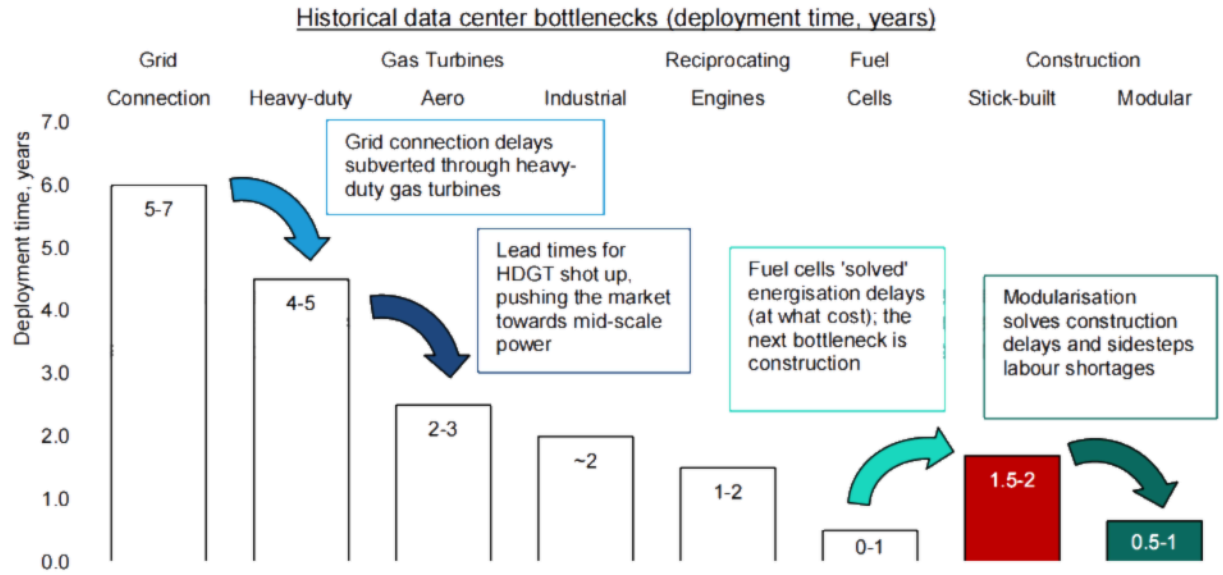
Power availability established the precedent for customers buying time. US interconnection timelines increased from 1.5 years in 2005 to >5 years in 2025, pushing behind-the-meter (BTM) power to 22% of data center projects under construction and 40% of the pipeline (vs 6% of active data centers). Customers have repeatedly paid for faster deployment, moving from five-to-seven-year grid connections toward one-to-two-year reciprocating engines (and <1 year fuel cells). Once the glut of mid-size generation floods the market, power gen can cease to be a constraint, and the next bottleneck becomes …

Stick-built data center construction: the marginal constraint. Crusoe indicate data center construction even after switching to BTM solutions still take 18-24 months, of which physical construction and installation is the vast majority (>15 months). Our Bernstein U.S. Electrical Equipment team identify an MEP labour ceiling of up to 35 GW in US data center additions by 2030, against much higher demand and a GPU-manufacturing-implied-ceiling roughly double at 70 GW (though including retrofits). 70% of projects are located in regions with only 30% of the MEP labour pool, and 800 VDC complexity only exacerbates this, cutting MEP field labour productivity. Our channel check with an MEP estimator suggests an initial 50% increase in MEP labour hours in the fit out stage to deal with the greater complexity, safety challenges, etc.

Modularisation: the solution. Modularisation through factory integration and parallel site preparation can overcome construction delays and labour shortages, reduce equipment lead times and release capacity faster, as indicated by Schneider (88 week stick-built lead times down to 34 weeks), Vertiv (10 weeks on site with modular vs 70 weeks otherwise), and ABB (50% reduction in deployment time using predesigned, prefabricated modules). Modularisation reallocates the MEP load from rural Abilene to hub Dallas-Fort Worth, helping break the MEP labour ceiling.

Within these sweeping deployment time cuts, parallel equipment lead time constraints also compress, reducing bespoke engineering, enabling repeat procurement, and streamlining factory testing. In our Aug'26 proprietary data center survey (n=50), a quarter of respondents indicated lead times rising >20% compared to a year ago. Jul'26 Data Center Dynamics (DCD) survey (n=88) indicates lead times rank first on data center delivery constraints (24% of responses).

EXHIBIT 1: **Data center market forces 'solved' grid bottlenecks by cascading through heavy-duty turbines down to engines (and in some cases fuel cells) in search for better lead times. Where the bottleneck is stick-built construction, modular is the solution.**



Source: LBNL, EIA, BloombergNEF, NREL ATB, Bernstein U.S. Machinery, Bernstein analysis

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WHAT COULD MODULARISATION BE WORTH

EXHIBIT 2: **A screen comparing modular, prefabricated, and stick-built data center construction.**

Modular vs Prefabrication vs Stick-built Construction







	Prefabricated	Modular	Stick-built
Description	*Power/cooling equipment (switchgear, UPS, transformers) pre-mounted on a steel frame in a factory, then shipped as a single unit; not weatherproof, so used as a building block within a larger facility.*	*A complete (weatherized) data center module (IT, power, cooling) integrated and tested inside a standard ISO container, delivered plug-and-play for rapid deployment.*	*Built entirely on-site via sequential civil/MEP trade work; offers maximum design flexibility but is slower and more exposed to weather/labor risk than factory-built alternatives.*
Installation / design	**Led by EPC or OEM**: Pre-integrated off-site	**Dominated by OEM**: Predesigned to optimise interoperabilty	**Dominated by EPC**; Integrated at the design stage, but on-site
Time-to-market	**Fast**, on-site testing and commissioning takes longer	**Fastest**, completed system depolyed on-site	**Slower, step-wise** installation, testing drags
Customised	**Moderately customisable**, some prefabricated skids may be pre-packaged	**Modestly customisable**, more likely to see 'off-the-shelf' solutions	**Highly customisable**, particularly at the component level
Scalability	**Moderately scalable** and modular, no containensation; indoor space mandatory	**Highly scalable** and modular, containers can be designed for all-terrain use	**Modestly scalable**, stick-built brownfield expansion is most challenging
Serviceability	**Moderately servicable**, components accessible and protected from weather	**Modestly servicable**, space constraints & exposure to external conditions	**Highly serviceable**, components accessible and protected from weather
Reliability	**Moderately reliable**, pre-testing of the skid clears some defects at the factory	**Highly reliable**, pre-test of full system (Power, IT, etc) improves error-correction	**Modestly reliable**, expect more teething issues

Source: Atlas Electric, Bernstein analysis, Dgtl Infra, Silicon News

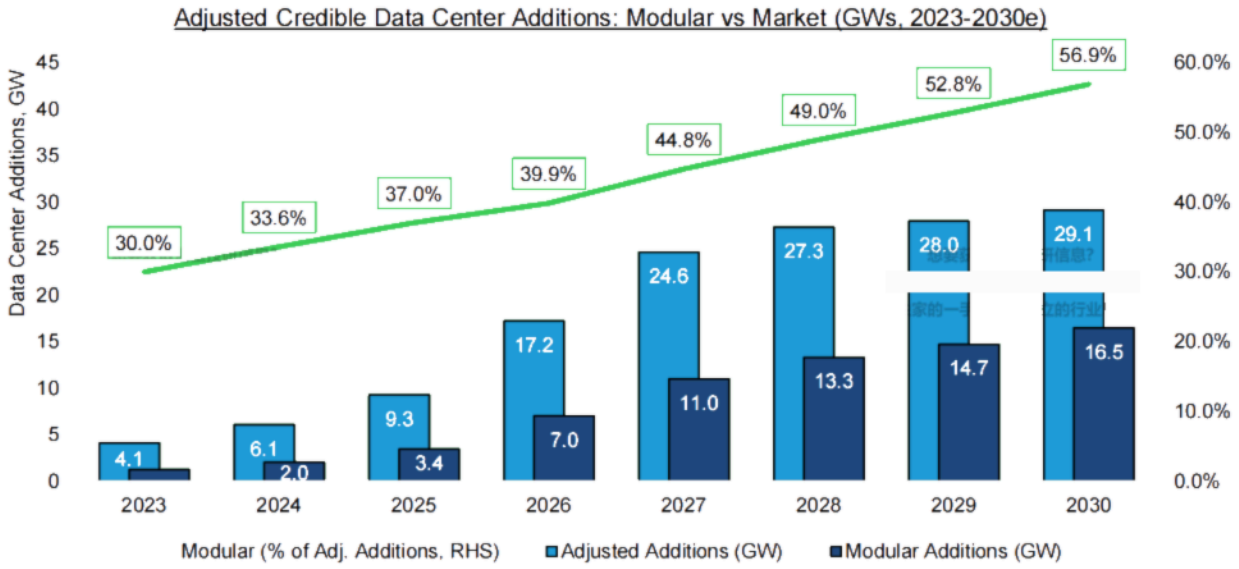
Modules take share… Channel checks indicate the market today is c.40% modular, up from c. 30% in 2023. We expect modular data centers to reach just under 60% of additions by 2030 as we expect the greatest adoption for non-hyperscaler customers given typically less customised solutions, and time-to-power much higher on the pecking list of their priorities. These non-hyperscaler customers, even after adjusting for credibility, drive 60% of additions to 2030 (against c.40% over the last 3 years). BCE Consulting indicate 70% of additions today use some form of prefabrication / modularisation, going to 85% by 2030.

…with accretive value capture. The OEM leads procurement and will (we understand) lean on their internal supply chain where relevant. A combination of i) improving supplier bargaining power, ii) yawning lead times for equipment, and iii) less 'picky' customers (above) we think will allow the OEM to have better discretion over which products they fill their modules with (their own of course). Integrated OEMs improve market share at the expense of 'product' suppliers; we model a +3pp gain for the largest integrated players (Exhibit 4). In the near term we expect an uplift from pricing based on (conservative) assumptions for value capture over the revenue generation potential ($B / GW / month) unlocked through faster deployments, with upside through reducing labour costs.

Prefab. is old news, and IT modules truly new. Coordination is key, 'modularising' Power equipment only fully accelerates project lead times if IT (and cooling) equipment is also modularised & integrated. IT module coverage remains far below Power modules (Exhibit 5), and remains a significant opportunity for vertically integrated OEMs to cross-sell. 52% of respondents to our proprietary survey prefer both Power and IT pods for future AI deployments, against 32% preferring either one of Power pods or IT pods, separately, and 16% for stick-built construction. BCE Consulting estimates more integrated, 'end-to-end' modular deployments take share within overall modular (which includes prefab and skids), going from 20% to 35% by 2030.

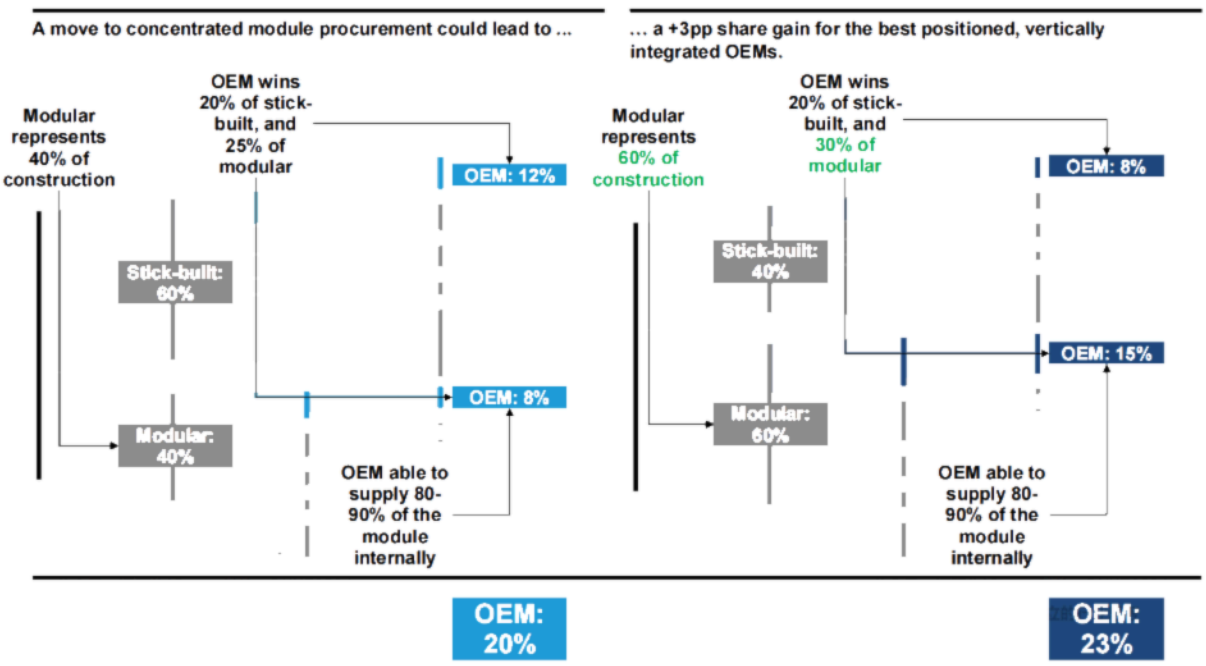
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EXHIBIT 3: **We screen the 2026-2030 pipeline for credible builds, and phase the resultant c.126 GW of additions over the next 5 years mirroring the distribution of consensus Hyperscaler & Neocloud capex.**



Source: Bernstein analysis and estimates, Visible Alpha, Bernstein U.S. Communications Infrastructure, Aterio

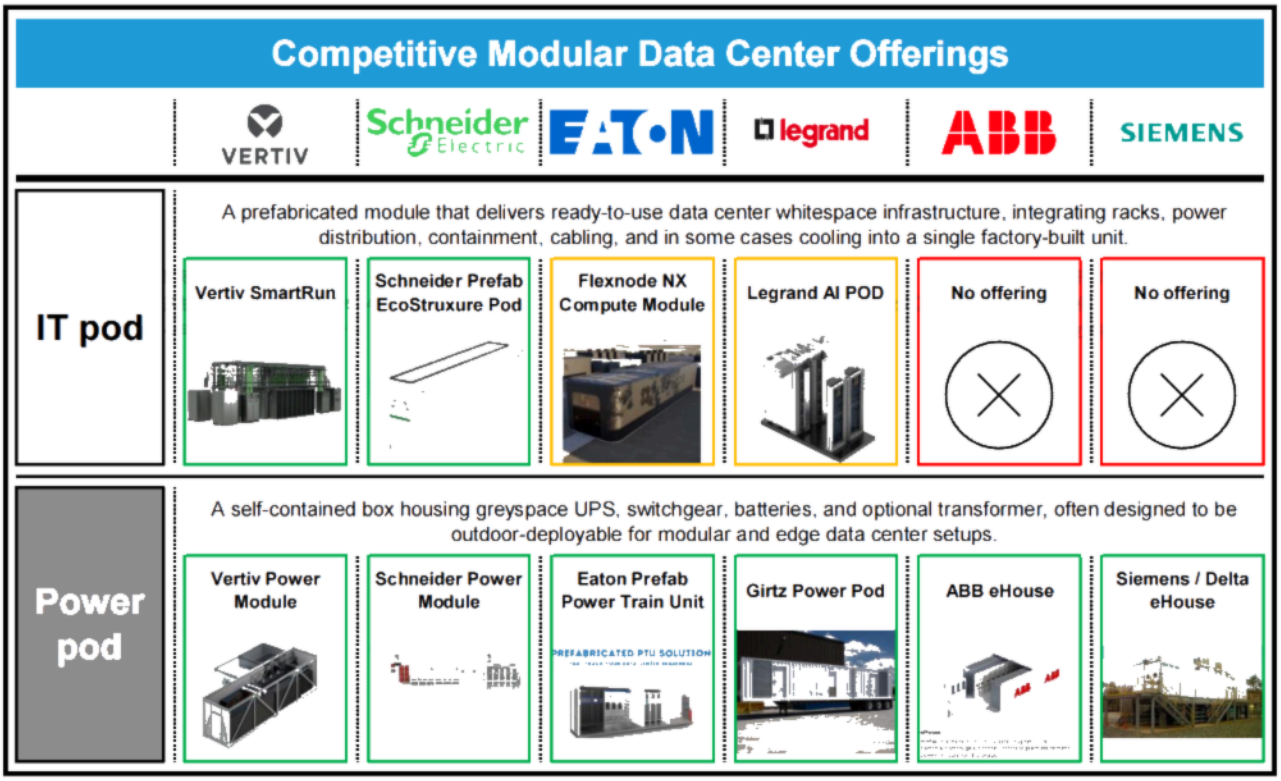
EXHIBIT 4: **Close to 3pp of market share could be up for grabs for vertically integrated OEMs.**



Source: Bernstein analysis and estimates

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EXHIBIT 5: **The largest electrical equipment manufacturers offer modular options for both whitespace infrastructure ('IT Pods'), and greyspace ('Power Pods'). All IT Pod providers integrate or can integrate cooling too.**



Border colours indicate relative 'completeness' of individual offering. ABB does not currently have an IT Pod offering, Legrand offer their AI POD for the white room though lack CDU exposure, Eaton have partnered with Flexnode for their NX Compute Module. Schneider and Vertiv both provide IT pods with integrated whitespace power and cooling, though Vertiv's SmartRun is rated up to >6MW. Siemens offer a power pod (skids / eHouses) in partnership with Delta for UPS. We understand Vertiv's Power Module requires externally sourced Transformers. Other players have broadly comparable power pod offerings and 'completeness'.
Source: Company reports, Bernstein analysis

HOW DOES THIS SHAPE ELECTRICALS' ECONOMICS

Larger, faster converting orders improve earnings visibility; margins to benefit from pricing, standardisation, and factory scale. Prefabrication and predesign bring larger orders forward and accelerate backlog conversion by reducing sequential engineering, procurement and site work. EBITA/MW should improve over time: near-term pricing and content benefits are partly offset by ramp-up and selling costs, while standardisation, factory scale and SG&A and R&D leverage support stronger longer-term economics.

POSITIONING

Integrated providers Schneider, Vertiv, and Eaton offer the clearest covered exposure. Schneider has the most established track record in terms of proven customer wins, with the broadest product-level coverage, and has taken a hybrid approach adding prefabrication capacity (+270% in 2 years) while also partnering with contract manufacturer Foxconn. **Vertiv** have similarly broad coverage, and stand-out for their more ambitious strategy, with their 'SmartRun' IT pod roadmap from 1.5MW to >6MW (Schneider tops out at 1.2MW), and the 'OneCore' architecture scaling integrated modular Power, IT, Cooling and Service from deployments as small as 12.5MW to 250MW and above. Higher project risk is part and parcel here, and one doesn't need to look any further than VRT's Q2'26 results to see the impact of both internal and external supply chain teething issues. **Eaton** have recently strengthened their offering through M&A and equity investment, though their offerings visibly lag Schneider and Vertiv in maturity.

Narrower portfolios of Legrand, ABB, and Siemens dilute modular upside. Legrand reserve the strategic optionality to leverage their (growing) grey space product coverage, white space heritage, and new packaging and containerisation capabilities through the Girtz deal to stand alone as a compelling 'integrated' provider, and currently risk being left behind. **ABB** have a compelling grey space Power module offering (on paper), but in our view could market it better, and lack any direction

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towards an IT module offering, constraining the cross-sell opportunity. **Siemens** have been prolific in recent partnerships to plug product-level gaps, though in doing so naturally dilute upside.

EXHIBIT 6: **Power Module product coverage across the cohort is robust, though only Vertiv and Schneider can provide all of an IT Module, and have a joint Power & IT (incl. Cooling) Pod offering.**

Modular Offering Product Coverage

	VERTIV	Schneider Electric	EATON	legrand	ABB	SIEMENS	nVent	Addressable Market $B / GW
Power Pod								
UPS	■	■	■	■	■			0.45
BESS	■	■	■		■			0.25
MV Switchgear	■	■	■	■	■	■	■	0.18
MV / LV Transformer		■	■	■	■	■		0.18
LV Switchgear	■	■	■	■	■	■	■	0.18
Busway	■	■	■	■	■	■	■	0.16
ATS	■	■	■		■	■	■	0.13
% of Power Pod TAM	88%	100%	100%	75%	100%	54%	42%	
Complete Pod	Y	Y	Y	Partial	Y	Partial	N	
IT Pod								
RDHx	■	■		■			■	0.40
CDU	■	■	■				■	0.35
PDU	■	■	■	■	■	■	■	0.25
Rack / Enclosure	■	■	■	■			■	0.20
BBU	■	■	■		■			0.13
Busway	■	■	■	■	■	■	■	0.13
% of IT Pod TAM	100%	100%	73%	68%	35%	26%	91%	
Complete Pod	Y	Y	N	N	N	N	N	
Power & IT Pods	Y	Y	N	N	N	N	N	
Complete Data Center	Y	Partial	N	N	N	N	N	

Source: Bernstein analysis, Bernstein U.S. Multis, Company reports

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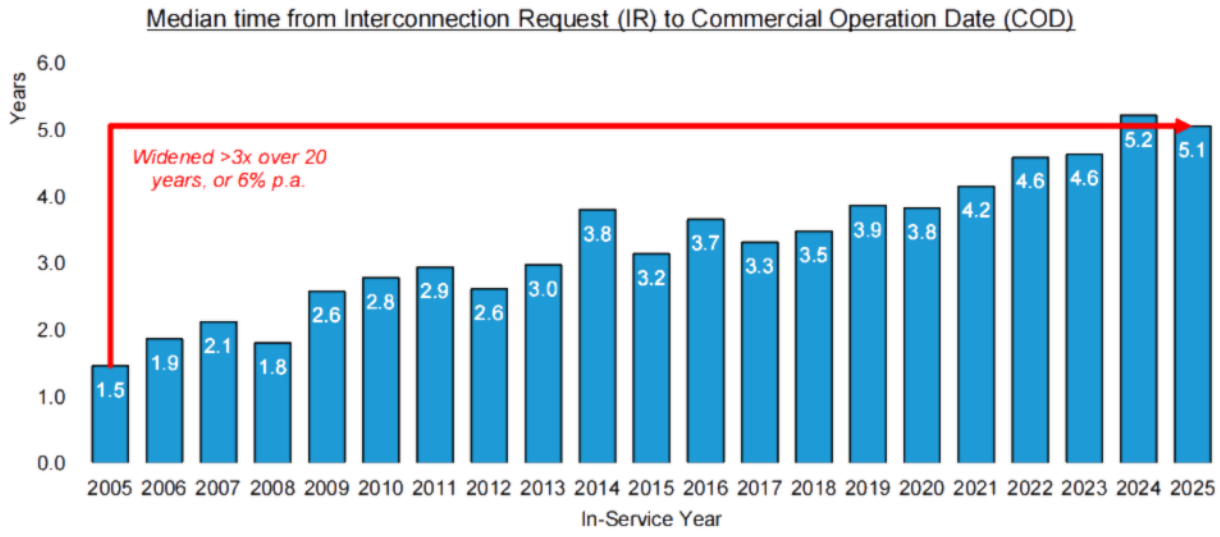
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THE RISE OF 'BEHIND-THE-METER' POWER

Over the last 20 years, the lead time from generation projects' interconnection request to commercial operation has expanded almost four-fold. Though backward looking, Exhibit 7 paints a picture of the worsening state of US grid access timelines. With access becoming an increasingly binding constraint, data center operators in need of compute capacity ever faster and facing these yawning waits cannot afford to hold their build-out at the mercy of a grid connection.

Data center developers need power now, and where money can buy time, they will at (almost) any cost. Data center developers facing grid bottlenecks, which in 2026 is the majority, reach for 'behind-the-meter' power (Exhibit 8), and that too as a permanent installation (Exhibit 9). Exhibit 10 illustrates this dynamic very well, with BTM a relatively niche part of the market historically, and an increasingly dominant piece of the puzzle to unlock data center capacity as soon as possible.

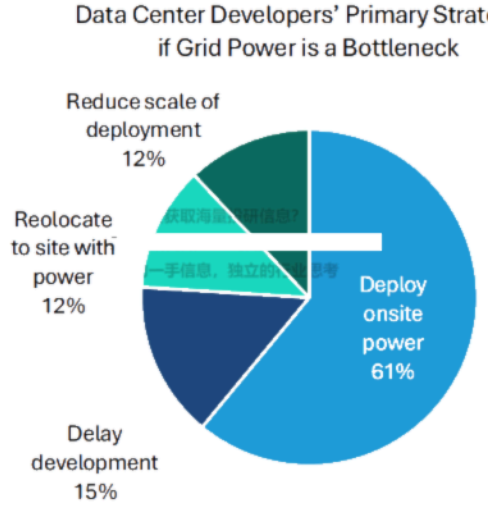
EXHIBIT 7: **The median time from request to operation in the US has expanded almost >3x over 20 years.**



Source: Berkeley Lab, Bernstein analysis

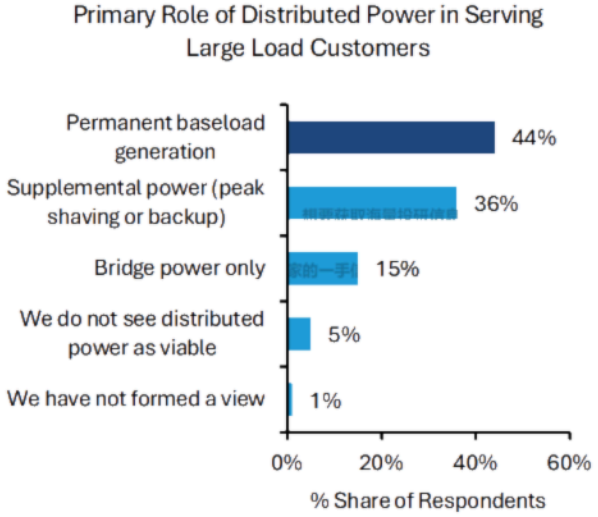
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EXHIBIT 8: **The majority of data center developers see onsite power as their primary option when grid power is a bottleneck.**



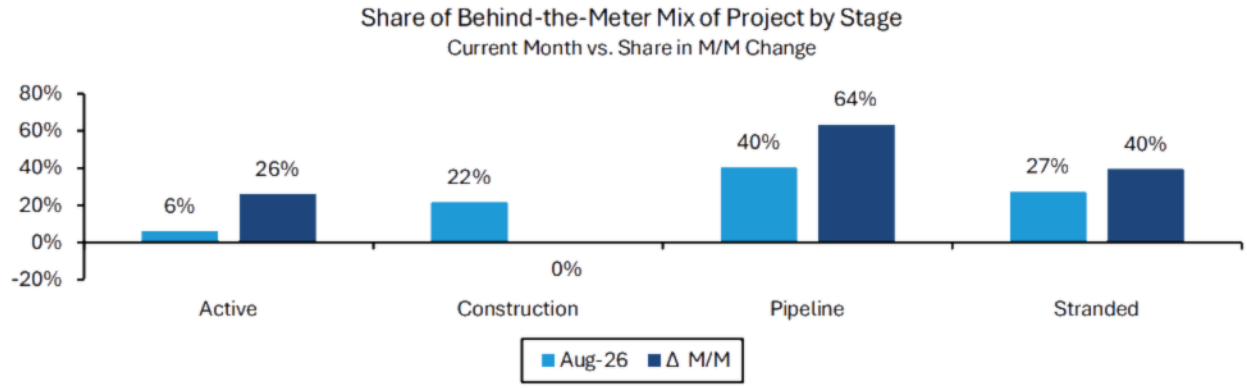
Source: Bloom Energy 2026 Utilities Insights, Bernstein U.S. Machinery analysis

EXHIBIT 9: **Utilities broadly view distributed / on-site power as permanent (baseload / supplemental) power infrastructure, in-line with a BYOG model.**



Source: Bloom Energy 2026 Utilities Insights, Bernstein U.S. Machinery analysis

EXHIBIT 10: **Behind-the-meter: smaller as a share of the installed base, close to a quarter of under construction, and 40% of the announcement pipeline.**

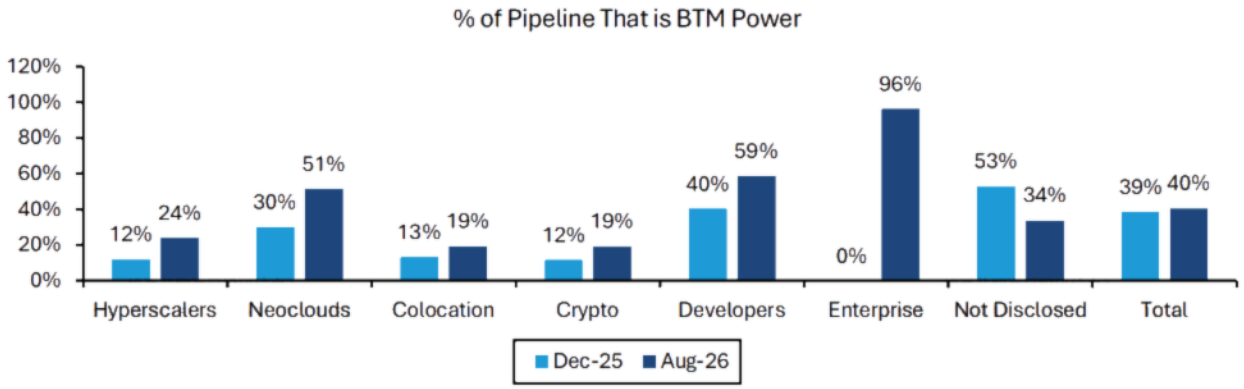


Stranded capacity = delayed + cancelled + not approved/withdrawn capacity
Source: Aterio, Bernstein U.S. Machinery analysis

Hyperscalers and Neoclouds have seen the largest increases in pipeline share of BTM power. Compared with a snapshot 6 months prior, the share of hyperscale developments using BTM power has doubled, increasing by +12pp. Over 50% of the Neocloud pipeline uses BTM power (Exhibit 11). These two actors are driving the surge in data center capex (Exhibit 12), and we expect their BTM exposure to only rise as we learn more about the 'Not Disclosed' bucket.

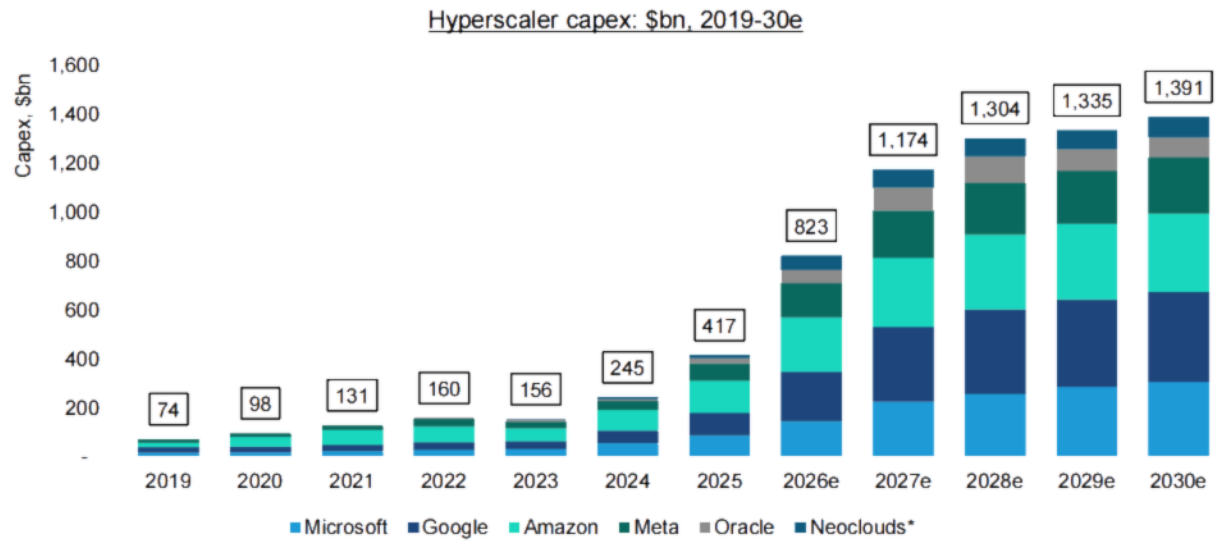
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EXHIBIT 11: **BTM share of pipelines by customer type.**



Source: Aterio, Bernstein U.S. Machinery analysis

EXHIBIT 12: **Consensus expecations for Hyperscaler and Neocloud capex suggest spending rises significantly in 2026 and continues to scale throughout the second half of the decade.**



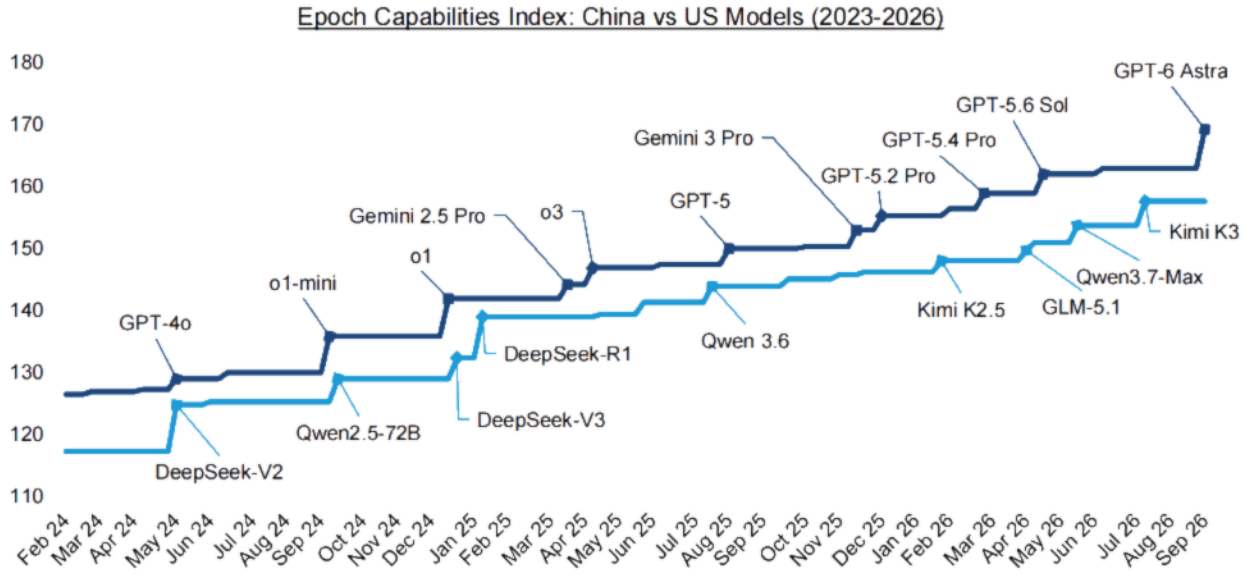
*Neoclouds include Coreweave and Nebius
Source: Visible Alpha, Bernstein analysis

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HOW ENGINES FOUND THEIR PLACE IN THE PRIME POWER SUPPLY STACK

With the time lag between closed state-of-the-art and (much cheaper) open models measured in months, time-to-power is as important as ever. As of the end of May 2026 (before the recent Jun/Jul slew of model releases), Epoch AI find the year-to-date average lag of open and closed frontier performance is 4 months. Though a generalization (not all open models are Chinese, nor vice versa), we can see that Chinese models have followed their US counterparts' performance closely (Exhibit 13), and western hyperscalers facing somewhat rudimentary constraints (land, permitting, supply chain issues in the context of frontier AI research), have chosen broadly to buy time when they can (Exhibit 15 - Exhibit 17), first going behind-the-meter (instead of through the grid), next through engines (instead of turbines), and we think the next 'acquisition' will be modularising data centers, shrinking engineering, procurement, and construction (EPC) delays.

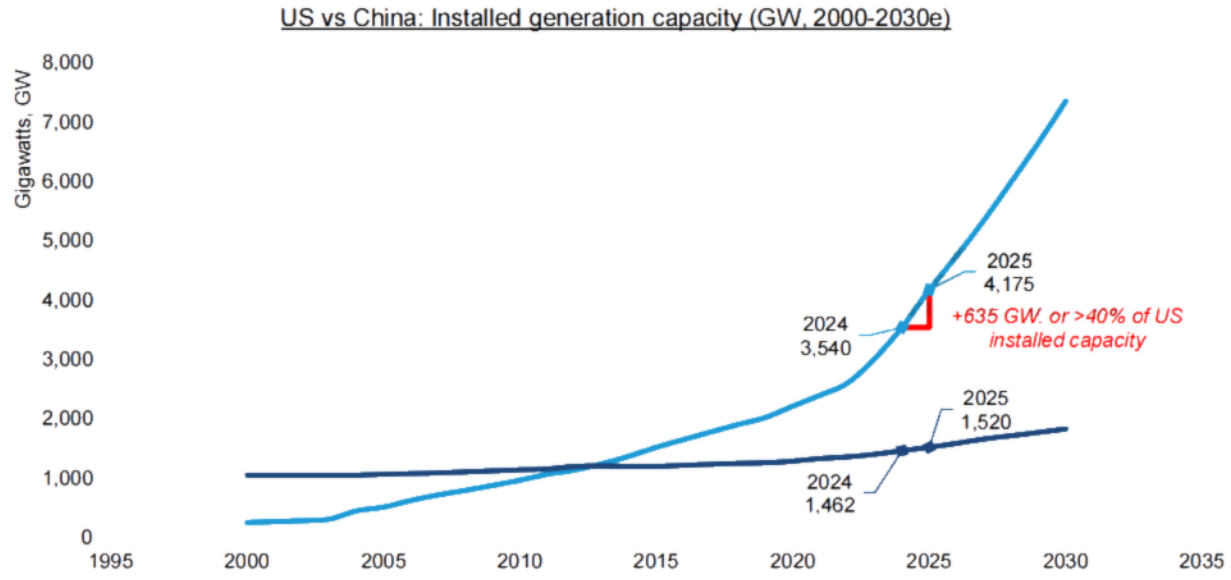
EXHIBIT 13: **Though on Epoch AI's benchmarks the gap between US and Chinese models has widened since the early 2025 'DeepSeek moment', recent releases of much less expensive models like Kimi K3 mean the US has to invest heavily to stay ahead.**



Source: Bernstein analysis, Epoch AI

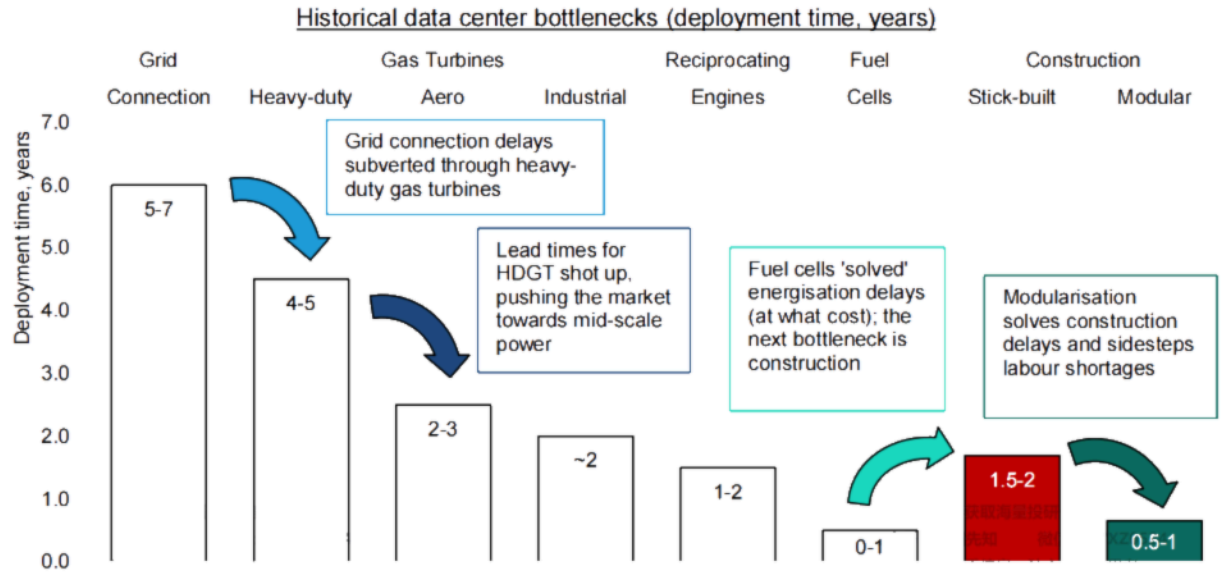
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EXHIBIT 14: **BNEF data indicates in 2025 China added 40% of the US total 2025 installed capacity (c.1.5 TW) in a single year, and they forecast this growth delta to widen significantly into 2030.**



Source: Bernstein analysis, BNEF

EXHIBIT 15: **Data center market forces 'solved' grid bottlenecks by cascading through heavy-duty turbines down to engines (and in some cases fuel cells) in search for better lead times. Where the bottleneck is stick-built construction, modular is the solution.**

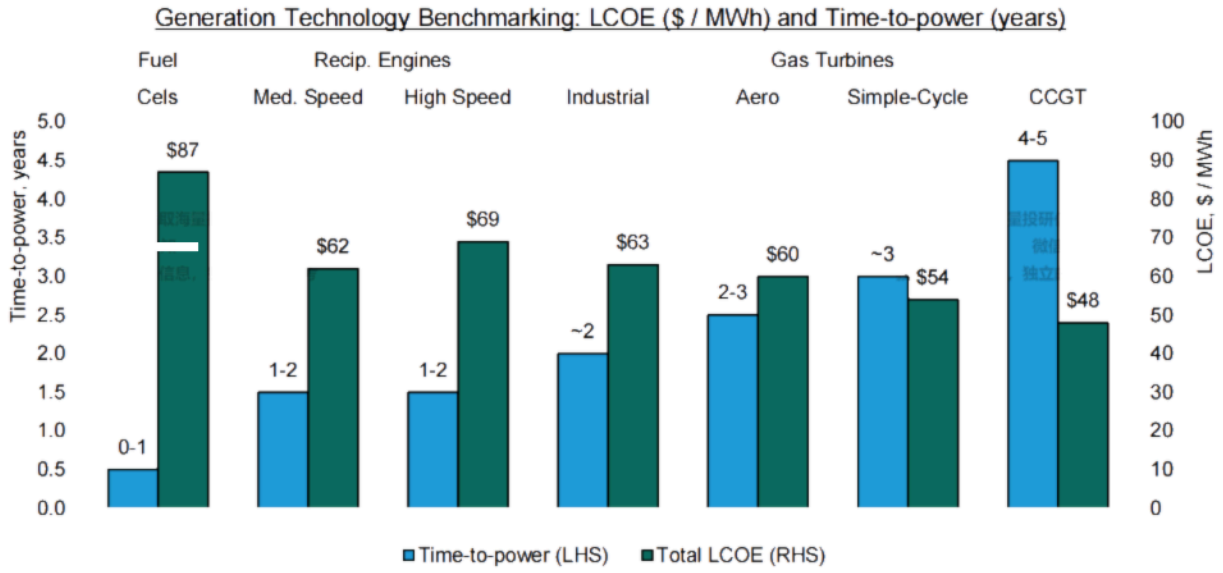


Source: LBNL, EIA, BloombergNEF, NREL ATB, Bernstein U.S. Machinery, Bernstein analysis

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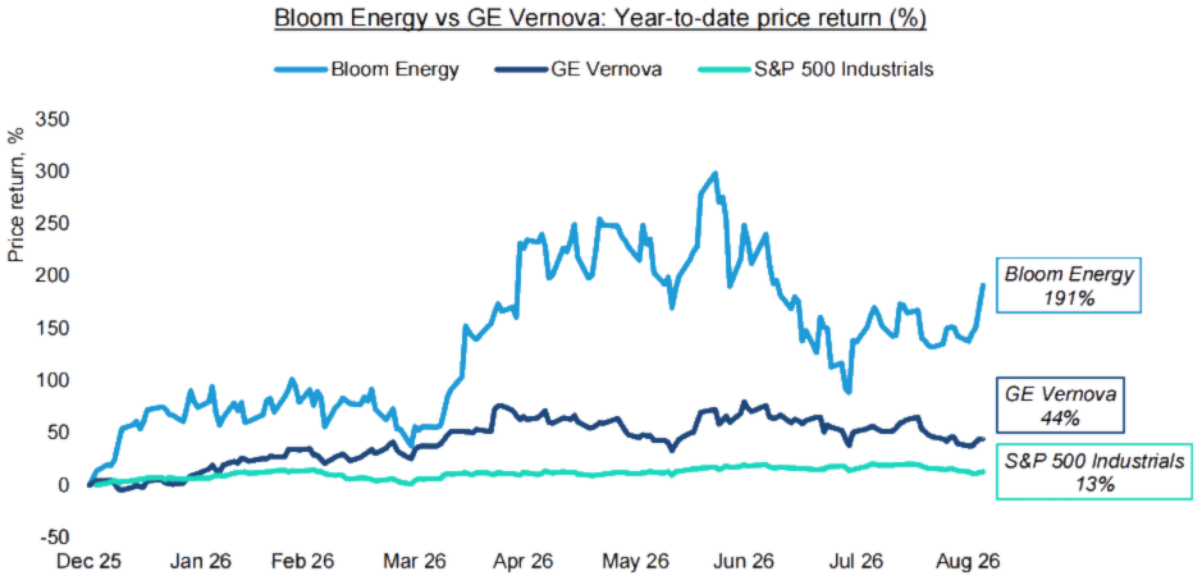
EXHIBIT 16: **We analyse levelised cost of energy across technologies, and find an almost inverse correlation between time-to-market and cost-effectiveness.**

Pick your poison, cheap and late or expensive and early, the market seems to have chosen the latter.



Source: EIA, BloombergNEF, NREL ATB, Bernstein U.S. Machinery analysis and estimates

EXHIBIT 17: **Bloom Energy has outperformed GEV by almost 150pp ytd, and the S&P 500 Industrials index by close to 180pp.**



Source: S&P Capital IQ, Bernstein analysis

on 14-Sep-2026

THE INCREMENTAL BOTTLENECK: ENGINEERING, PROCUREMENT, CONSTRUCTION

Modularisation through factory integration and parallel site preparation can reduce equipment lead times and release capacity faster. Crusoe indicate how they are able to shorten lead times through behind-the-meter power (Exhibit 18); Subsequently, shortening data center and substation construction through modularisation (and improving delays to long-lead equipment) could mean these now binding constraints on data center deployment are eased, and equipment orders are placed sooner in the cycle. Electrical OEMs suggest lead times are expected to be much lower for modular deployments, as indicated by Schneider (88 week stick-built lead times down to 34 weeks, Exhibit 20), Vertiv (10 weeks on site with modular vs 70 weeks otherwise, Exhibit 21 - Exhibit 22), and ABB (50% reduction in deployment time using predesigned, prefabricated modules, Exhibit 23).

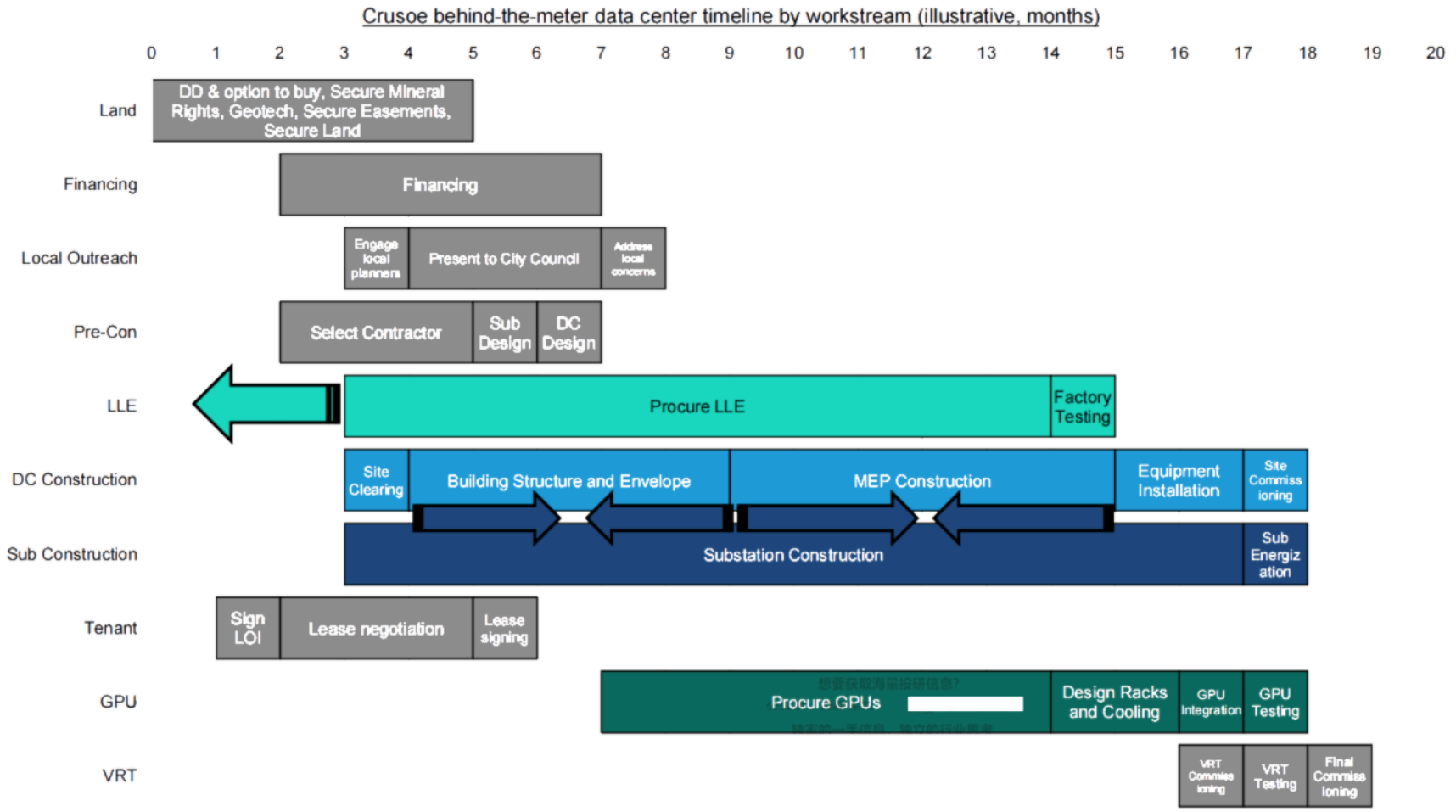
Electrical OEMs promising faster factory throughput (SU: c.-90% reduction in factory production time, Exhibit 20) could give them confidence to free up production slots while maintaining supply chain discipline, where they may otherwise have turned customers away. We understand from ABB that lead times for their benchmark US Switchgear have normalised to 40 weeks (from 20 weeks pre-Covid, and 60 weeks in the supply chain crunch thereafter), and that the bottleneck now can be securing production slots up to 1-2 years out. Vendor capacity has ranked highly as one of the biggest constraints on data center delivery at 17% of respondents (DCD, n=88, Exhibit 24).

Modularisation can compress equipment lead times as well as construction schedules. Standardised architectures reduce bespoke design and engineering, enable repeat procurement and production-line manufacturing, and streamline factory testing, helping convert some equipment from 'engineer-to-order' toward 'configure-to-order'. OEMs have the opportunity to industrialise their module production, using known demand signals including supply capacity agreements (SCA) to inform inventory management at the product / component level, and optimise internal supply chains and factory throughput. Schneider, ABB, and Vertiv on average expect lead times (engineering + manufacturing + testing) time to compress by c.60% through modularisation (Exhibit 19).

Modularisation has the potential to alleviate some of the most pressing unexpected issues to data center construction, both through direct effects, but also through increasing the predictability and reliability of pre-tested and integrated solutions (Exhibit 26). In our Aug'26 proprietary data center survey (n=50), a quarter of respondents indicated the lead times rising >20% compared to a year ago across 13 equipment categories (Exhibit 25).

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EXHIBIT 18: **Crusoe shortens data center timelines down to 18-24 months through behind-the-meter power. Still, data center and substation construction are binding constraints; any reductions here could see long-lead equipment (LLE) procured sooner in the cycle.**

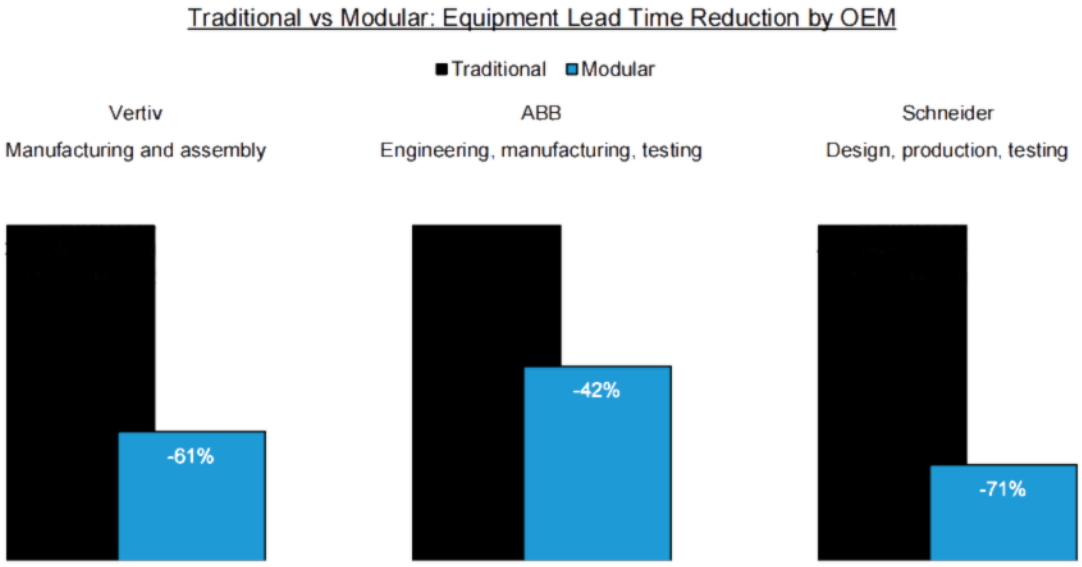


Source: Company reports, Bernstein analysis

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EXHIBIT 19: **For each OEM, we see on average a 60% reduction in lead times, defined roughly as engineering, manufacturing (including assembly / integration), and testing. Though only directional, lead times are expected to shorten under modular configurations.**

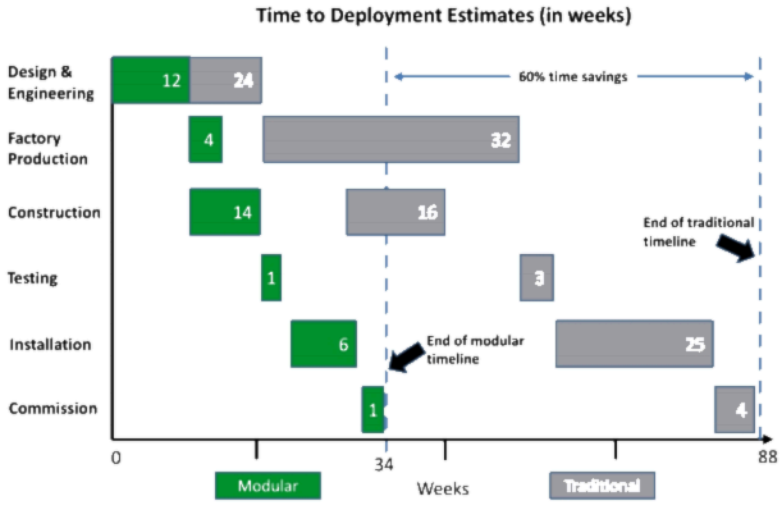


Source: Company reports, Bernstein analysis

EXHIBIT 20: **Schneider find a 60% reduction in time-to-deployment under modular configurations.**

Figure 5

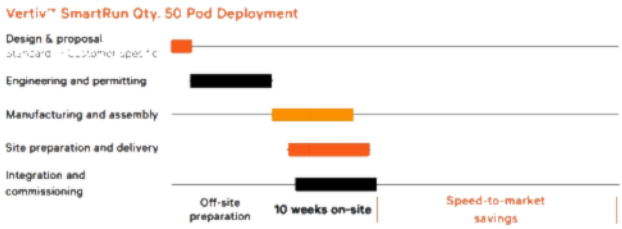
Comparison of deployment time estimates (modular vs. traditional)



Source: Company reports

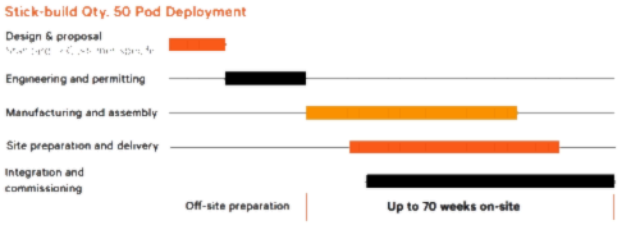
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EXHIBIT 21: **Vertiv SmartRun deployment speed ...**



Source: Company reports, Bernstein analysis

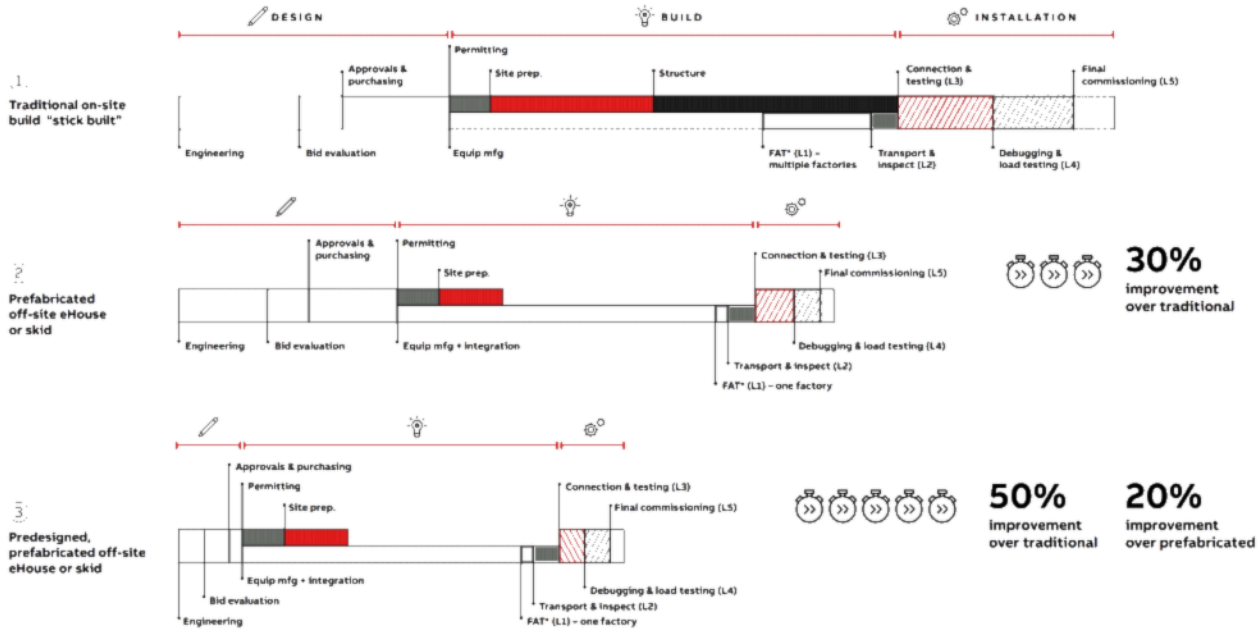
EXHIBIT 22: **... vs a traditional solution**



Source: Company reports, Bernstein analysis

EXHIBIT 23: **ABB illustrate how prefabrication and standardisation can halve time to market agains the traditional 'stick built' approach.**

ABB offers modular solutions that simplify execution and speed up deployment by up to 30%.

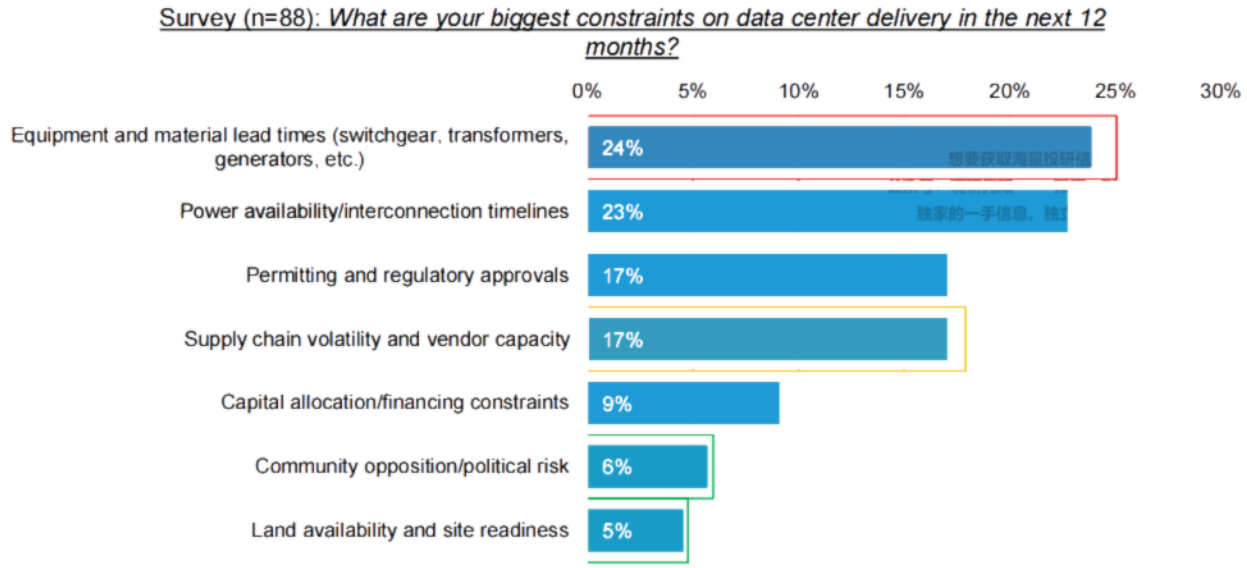


Source: Company reports

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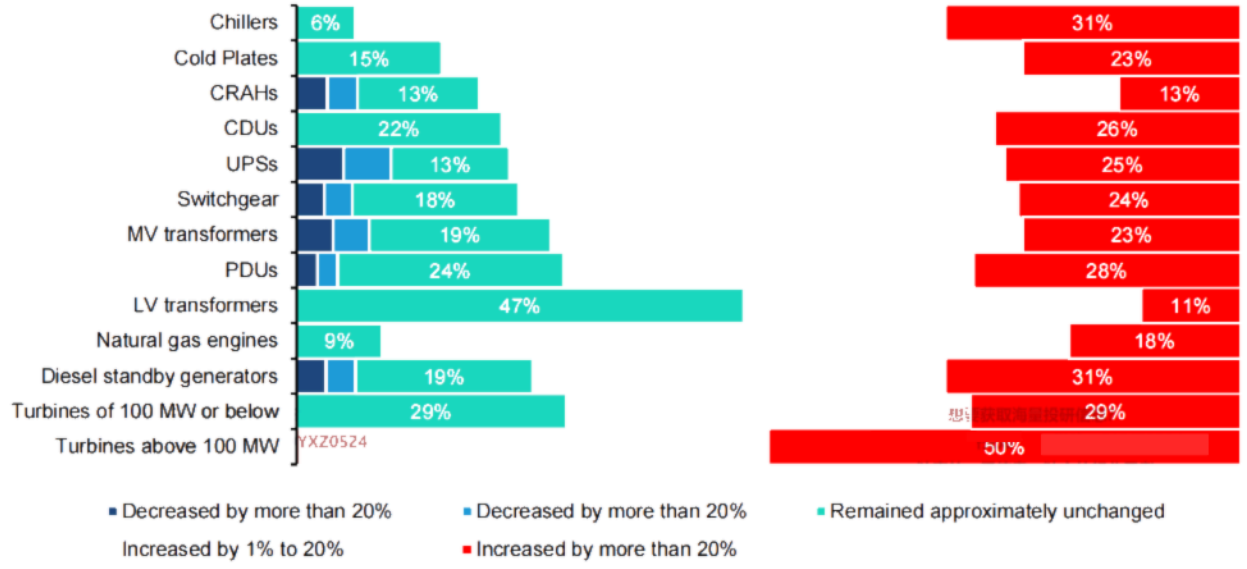
EXHIBIT 24: **Jul '26 survey indicates data center delivery most constrained by equipment, with vendor capacity & supply chain a core issue. Modularisation eases these bottlenecks, moving to single-sourcing modules manufactured at scale in factories.**

Sites are ready and seemingly not the bottleneck here, parallelisation of site prep and equipment manufacturing & deployment is highly value-additive.



Results based on feedback from 88 global respondents. For more, see DCD>Survey: Construction.
Source: Foresight, Data Center Dynamics, Bernstein analysis

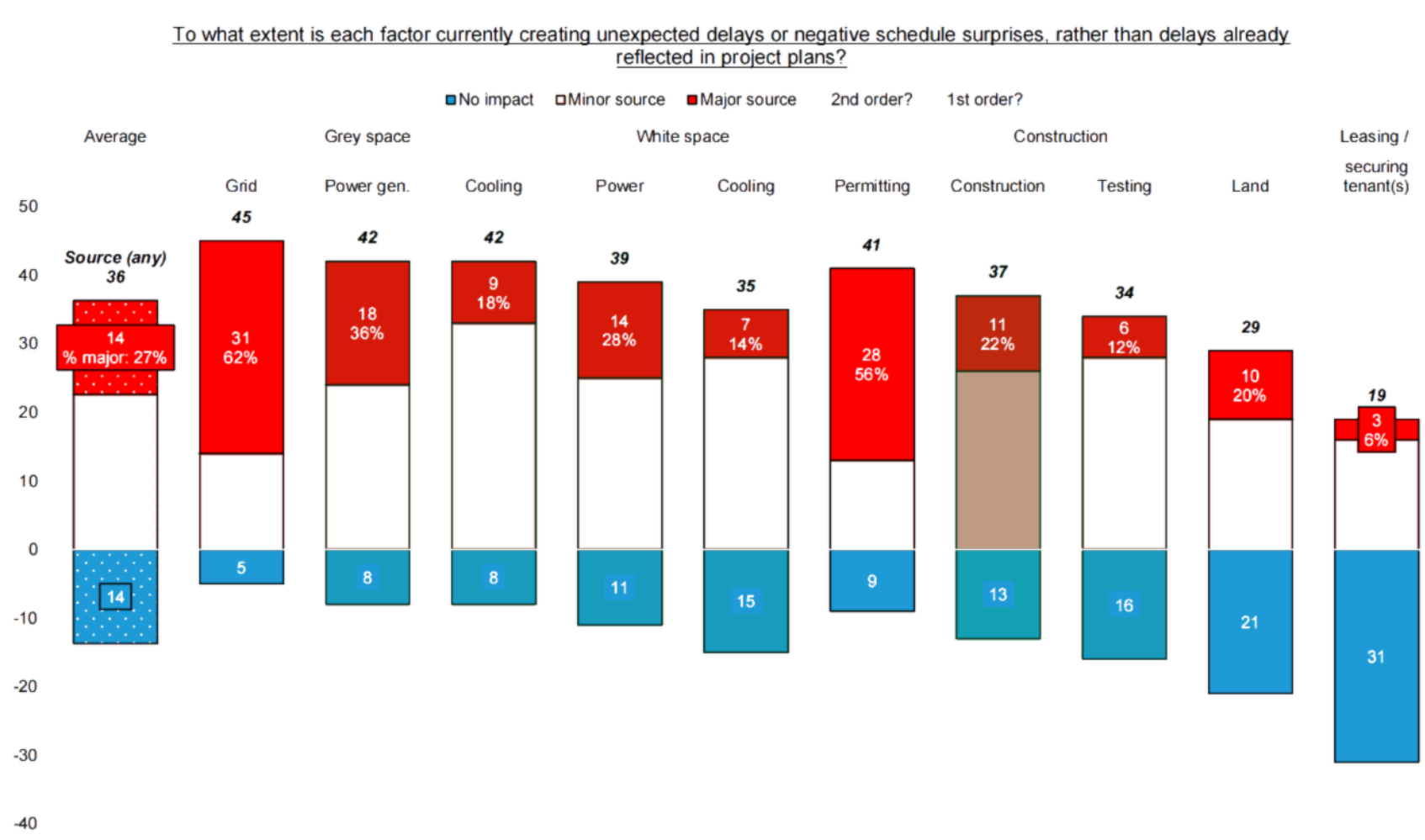
EXHIBIT 25: **Compared with approximately 12 months ago, how have typical OEM lead times changed for each equipment type?**



Source: Proprietary data center equipment survey, Bernstein analysis

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EXHIBIT 26: **Modularisation has the potential to resolve several of the most pressing unexpected delays through its first or second order benefits.**



Source: Proprietary data center equipment survey, Bernstein analysis, Bernstein U.S. Multis

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WHAT COULD MODULARISATION BE WORTH

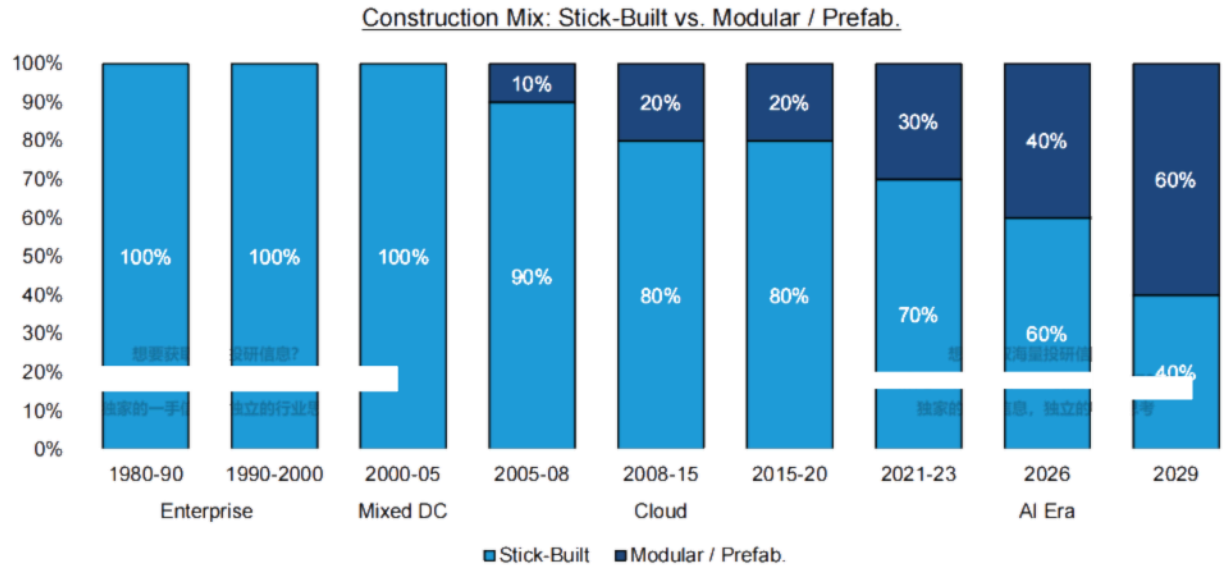
SIZING MODULAR CAPACITY

Bernstein U.S. Machinery channel checks indicate Modular / Prefabricated data centers could represent 40% of new builds today, up from 20%-30% 5 years prior, and could be as high as 60% in 3-4 years time (Exhibit 27). In our model, we bifurcate the market into Hyperscalers and Non-Hyperscalers (which include neoclouds, crypto miners, colos), and adjust for project credibility. Notably, this, on average, shrinks Non-Hyperscaler additions and yet Non-Hyperscalers are expected to drive 60% of '26-'30 additions, compared to c.40% '23-'25 (Exhibit 29). We distribute total 2026-2030 credibility-adjusted additions (126 GW) in line with consensus expectations of hyperscaler and neocloud spending.

We model modular adoption to rise for both Hyperscaler and Non-Hyperscaler customer cohorts, though we expect Non-Hyperscalers to adopt modular solutions faster, under the assumption colos and neoclouds will prioritize time-to-power relatively more than Hyperscalers (Exhibit 30), who may have more custom solutions (though both clearly prioritize deployment speed, and there is overlap between Hyperscaler self-build and leased capacity). Our survey data indicates neoclouds (n=5) and colos (n=5) are more accepting of modular solutions than Hyperscalers (n=18), though we are limited in drawing strong conclusions by the sample sizes (Exhibit 31). We model 45% of Non-Hyperscalers use modular solutions today, against 35% of Hyperscalers; by 2030, 65% of Non-Hyperscalers adopt modular, compared to 45% of Hyperscalers (Exhibit 32). The higher share of Non-Hyperscaler additions compared to Hyperscalers drives the total modular market to reach just under 60% of total additions by 2030.

Modular additions grow +10pp faster than the market over 2026-30, at a 24% CAGR, against 14% for the market (Exhibit 33). The model assumes no projects announced in the next 1-2 years are constructed before 2030, which may be conservative, though additionally the model makes no adjustment for construction delays beyond Aterio's expected activation dates. We would expect some upside risk on the share of modular additions especially in the case of delays, as though absolute additions may fall, modular data center additions should be more insulated to delays than stick-built construction (more predictable, faster installation, less MEP labour risk). We have not split the modular market further into prefab and more integrated, 'end-to-end' modular designs, though we would expect the latter to take share even within modular additions (Exhibit 35).

EXHIBIT 27: **Modular expected to become the dominant data center construction approach, from 20% of all builds to 60% within this decade.**

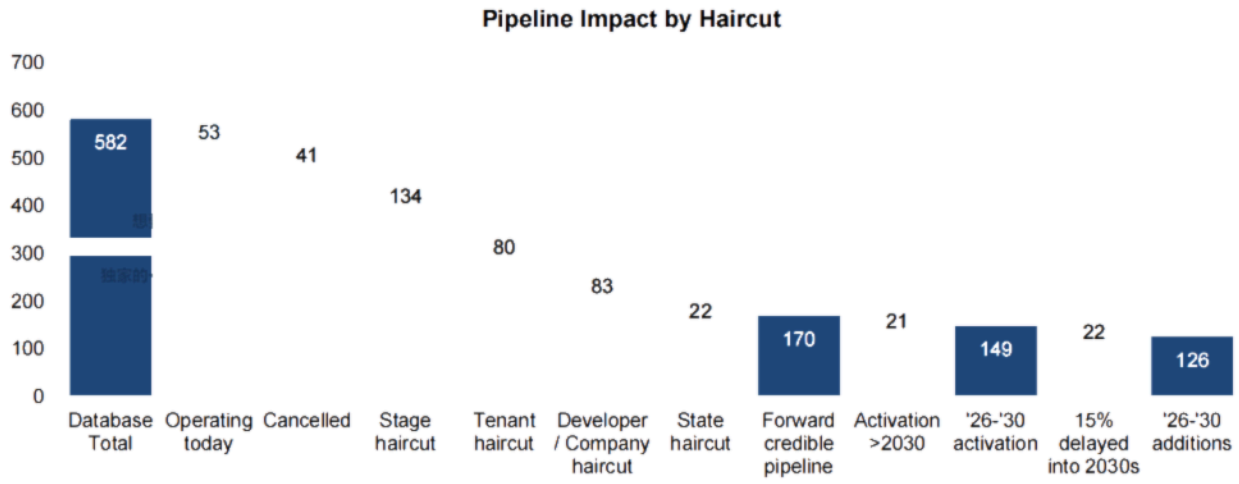


Source: Rosendin, Bernstein U.S. Machinery analysis

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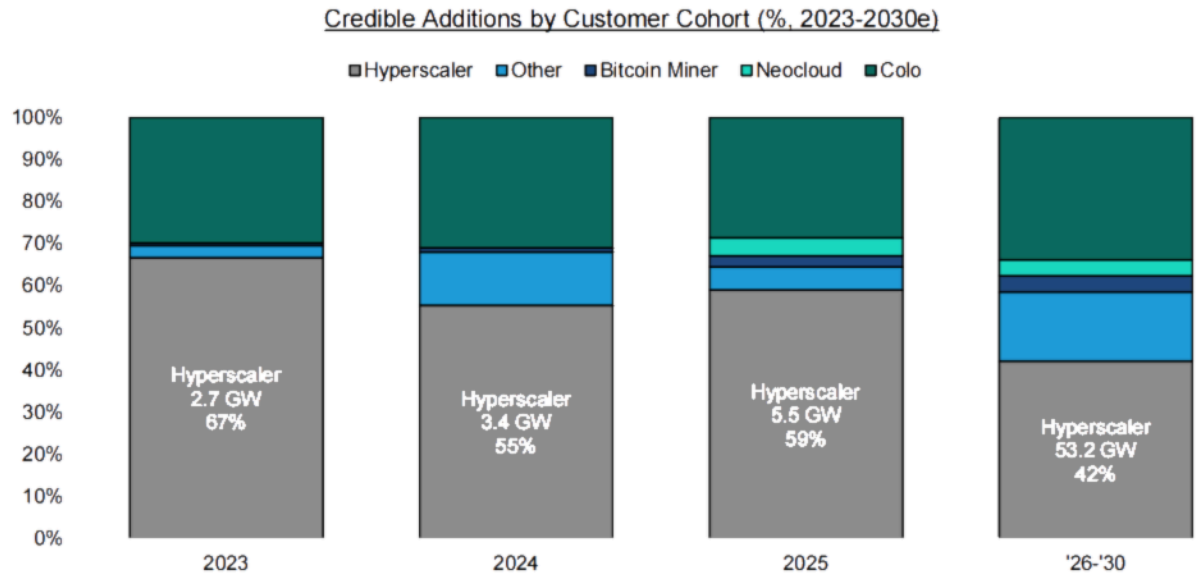
EXHIBIT 28: **We adapt our U.S. Communications Infrastructure work on credibility-adjusted pipeline, zooming in on the portion we expect could be added through 2026-2030.**

We add a further two haircuts for all additions earmarked for after 2030, and assume a flat 15% of the residual are delayed into the 2030s.



Source: Bernstein analysis and estimates, Bernstein U.S. Communications Infrastructure, Aterio

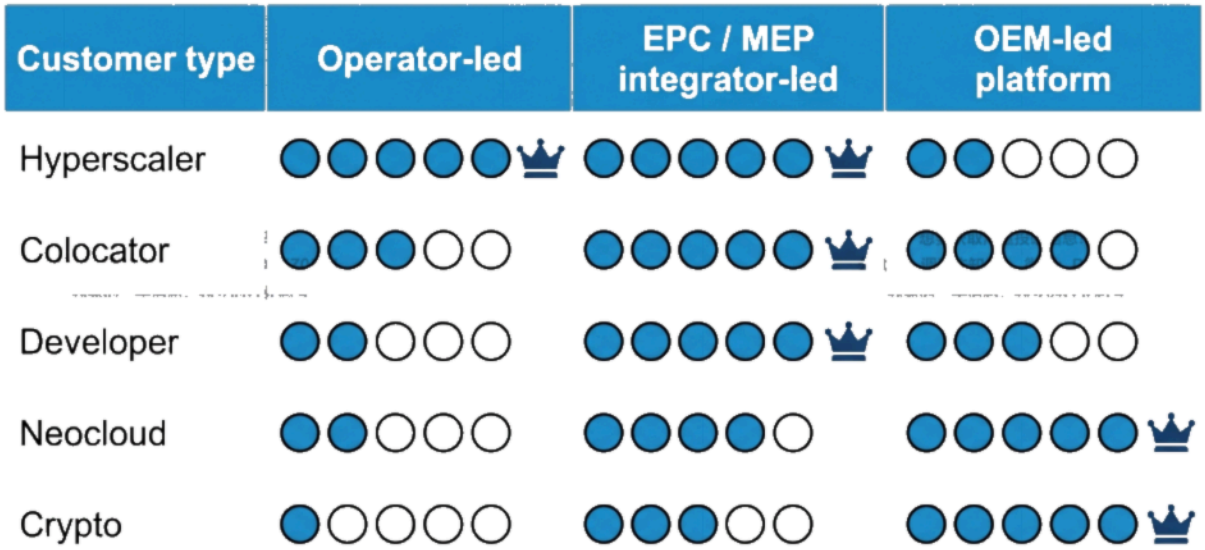
EXHIBIT 29: **Hyperscalers represent just over 40% of '26-'30 credible additions, compared to their c.60% share of additions over 2023-2025.**



Source: Bernstein analysis and estimates, Bernstein U.S. Communications Infrastructure, Aterio

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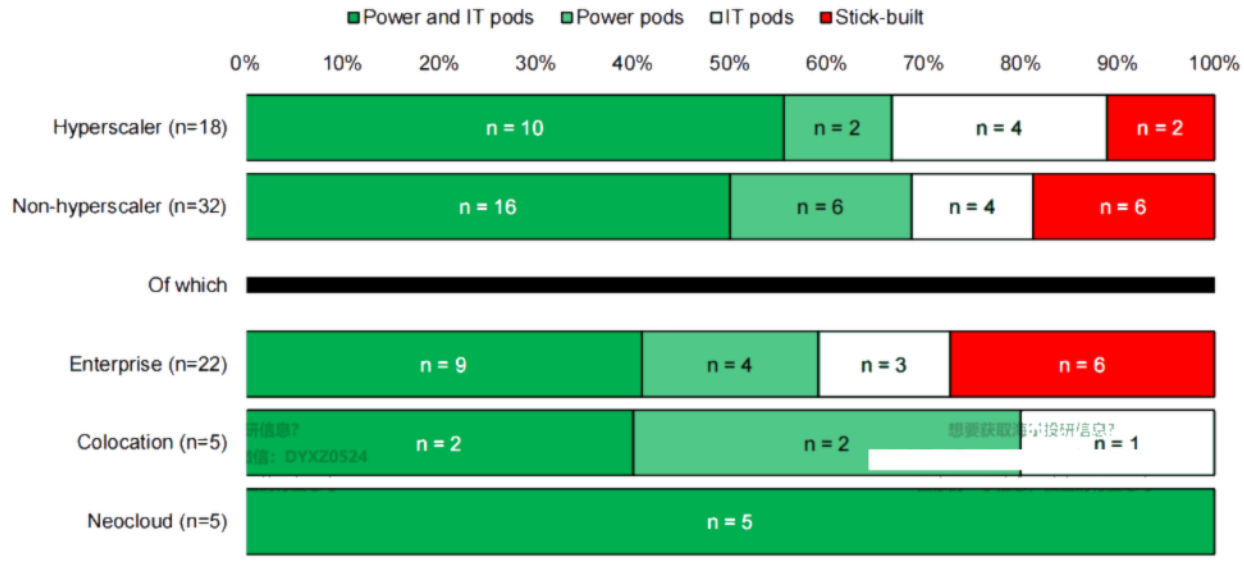
EXHIBIT 30: **Hyperscalers prefer to preserve design authority and use MEP / EPCs for execution. Speed-oriented customers (Neoclouds, Crypto) more likely to prefer OEM-led standardised platforms.**



'Dots' indicate relative frequency of modular procurement approach (directional).
Source: SemiAnalysis, Bernstein U.S. Electrical Equipment, Bernstein analysis

EXHIBIT 31: **Neoclouds (incl. BTC Miners) & Colos collectively drive 42% of 2026-2030 additions, and screen much more positive on modular adoption.**

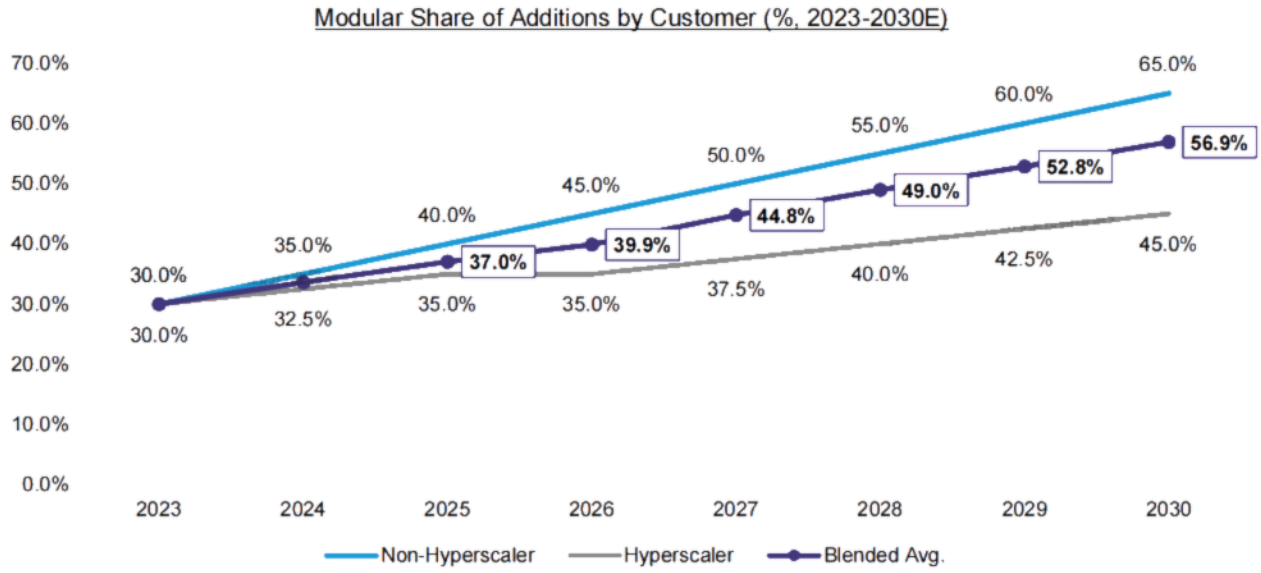
The lower sample sizes in the survey (n=5 for both Colos and Neoclouds) precludes very strong conclusions, but supports the notion that modular capacity could be adopted more frequently by these customer types.



Source: Proprietary data center equipment survey, Bernstein analysis

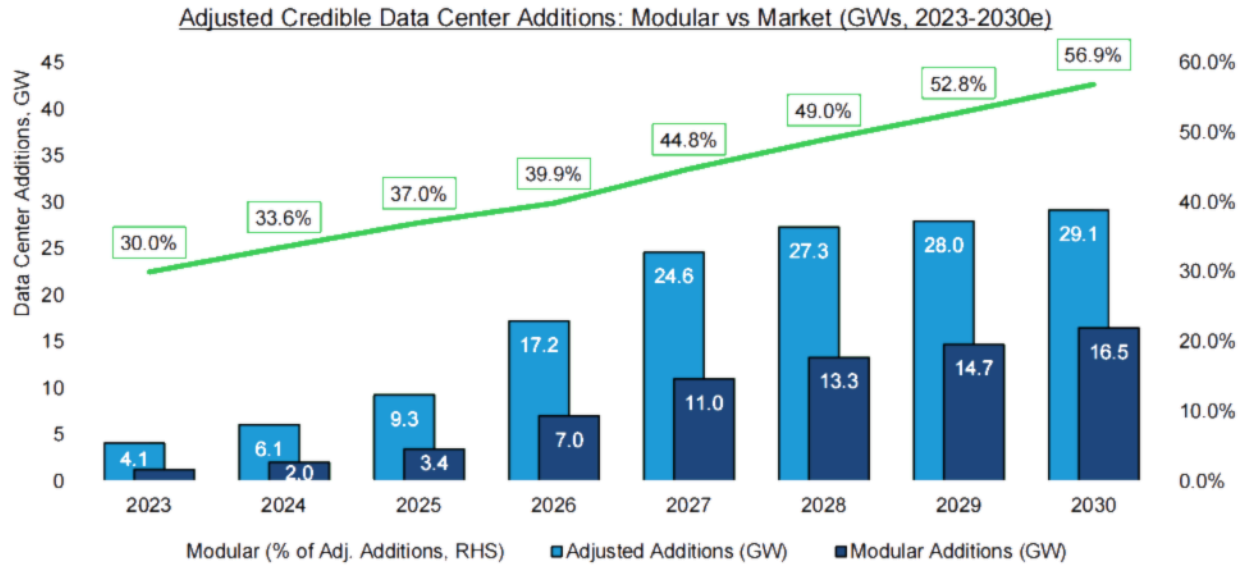
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EXHIBIT 32: **We think modular's share of data center additions went from 30% ('23) to c.40% in 2026. This share could approach c.60% as all customer types increase their appetite for modular, particularly non-hyperscalers, who then also drive incremental additions.**



Source: Bernstein analysis and estimates, Aterio, Bernstein U.S. Communications Infrastructure

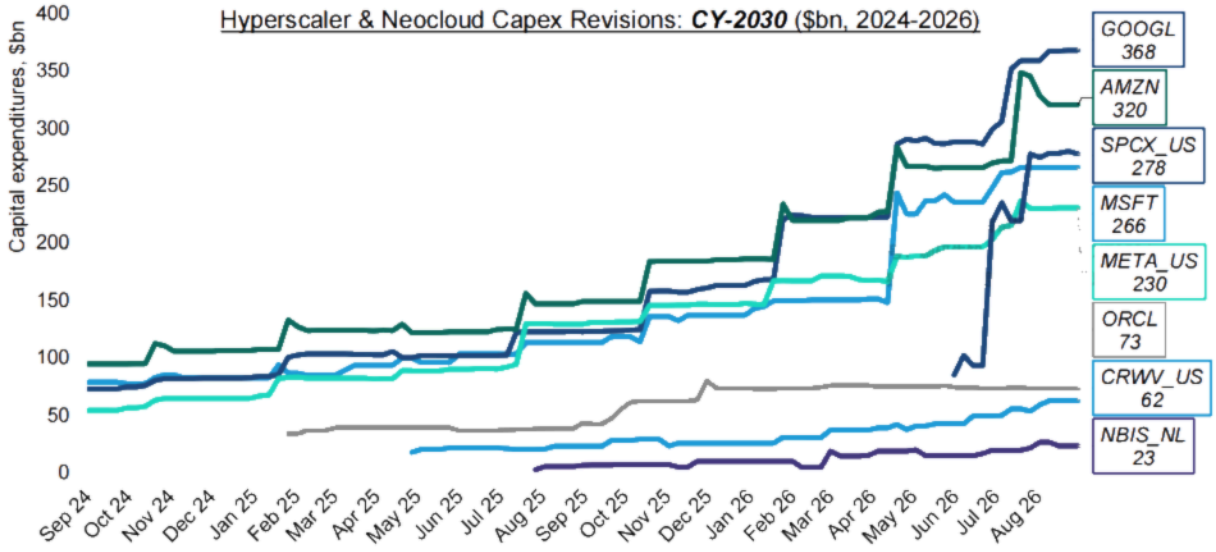
EXHIBIT 33: **We screen the 2026-2030 pipeline for credible builds, and phase the resultant c.126 GW of additions over the next 5 years mirroring the distribution of consensus Hyperscaler & Neocloud capex.**



Source: Bernstein analysis and estimates, Visible Alpha, Bernstein U.S. Communications Infrastructure, Aterio

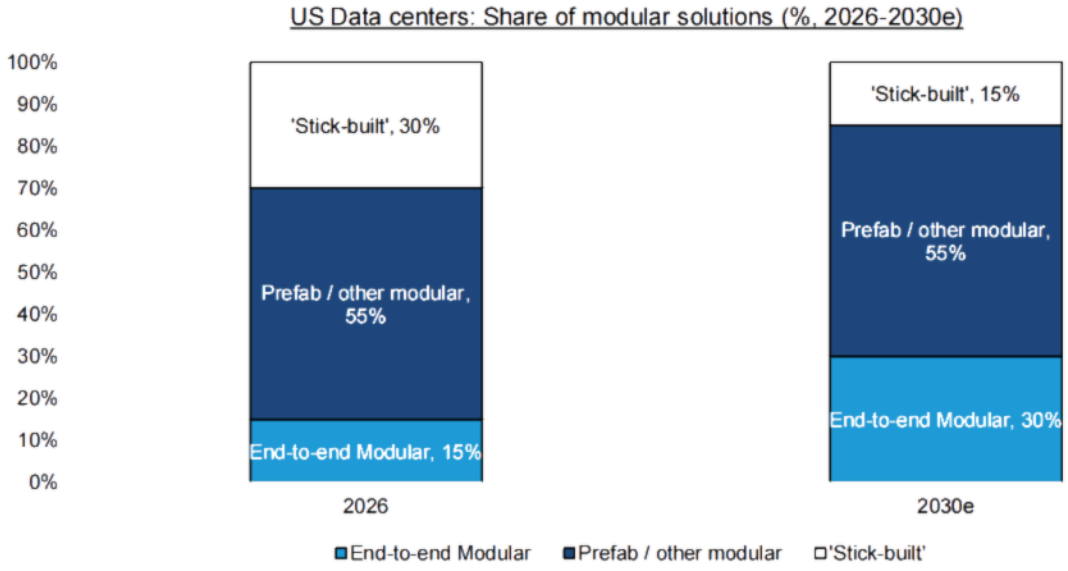
on 14-Sep-2026

EXHIBIT 34: **Hyperscaler capex through 2030 is clearly a moving target, and an imperfect proxy for the expected future phasing of data center additions, though this reallocation smooths project level data which may be otherwise too optimistic.**



Source: Visible Alpha, Bernstein analysis

EXHIBIT 35: **70% of new developments already use some form of prefabricated or modular solutions, rising to 85% by 2030. Within this, more integrated and deliberate 'end-to-end' modular deployments are expected to take share (20% of modular in 2026 to 35% in 2030).**



Source: Bernstein analysis, BCE Consulting

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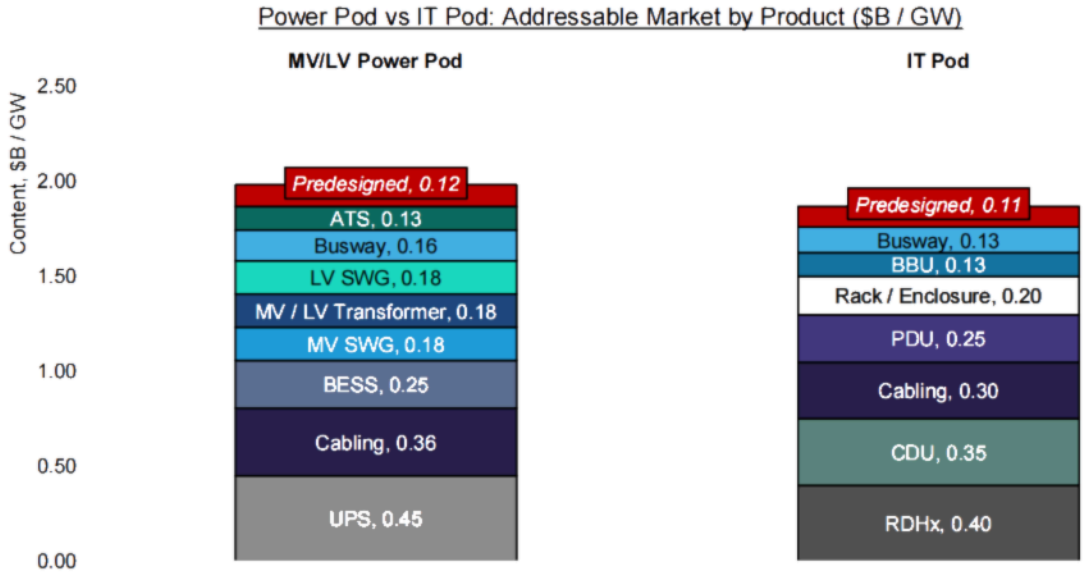
MODULAR TAM EXPANSION

We lean on work from our U.S. Multis and U.S. Semis team to size barebones IT ($1.8B / GW) and Power modules ($1.9B / GW). We use components common to a variety of each module, and pro-rate cabling and busway per-MW addressable market, otherwise quoted at the facility level (Exhibit 36). The primary effect of a Power or IT module on Electrical economics is to consolidate procurement at the module level (more on this below). We also size what could be the time-to-power pricing premium from halving conventional 30-month deployment times (assumptions in Exhibit 37), which we calculated as $0.9B / GW, of which we assume Electrical OEMs capture 25% ($0.2B / GW), accruing to the TAM of IT and Power modules (labeled *Predesigned* in Exhibit 36).

Further, we estimate modularisation could reduce labour costs by almost 40%, particularly relevant under i) the 800 VDC shift where channel checks indicate MEP labour could see an initial 50% increase in hours in the fit-out stage to deal with the greater complexity, safety challenges, etc, and ii) given the MEP labour ceiling the Bernstein U.S. Machinery team identify in this note. We use Schneider's time savings at face value as a proxy for labour hours (which themselves are a proxy for labour costs) and allocate across the Mechanical, Electrical, and Plumbing labour addressable markets (Exhibit 38). Notably, this only factors the gross reduction in hours worked, though as more installation and assembly shifts to the factory, this will offset some of the gross reductions. We would maintain that the additional costs of factory work are likely lower, particularly given the greater MEP labour density in factory locations, compared to the same in rural data center construction regions.

EXHIBIT 36: **Modular drives an effective TAM expansion ...**

... by i) shortening time-to-first-token, the value of which OEMs can capture through pricing, ii) consolidating tendering at the module level, rather than by component, which benefits larger players, and iii) supporting and accelerating the GW buildout.



Source: Bernstein U.S. Multis & U.S. Semis, Bernstein analysis and estimates, Company reports

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EXHIBIT 37: **ABB claim predesigned builds can halve data center construction times. Assuming $150m / GW/ month revenues with 50% FCF margin, this halving in lead times we think is worth close to $1B / GW, of which we think power distribution OEMs could be owed 25%.**

Memo (ABB)	Deployment Time (Index)	Deployment Time (mo)	Reduction (months)	Revenue ($B / GW / mo)	Increm. Rev. ($B / GW)
'Stick built'	100	30.0	0.0	0.15	0.00
Prefab	70	21.0	-9.0	0.15	1.35
Predesigned	50	15.0	-15.0	0.15	2.25

'Stick built'			
Capacity (GW)	1	***PV Disc. FCF ($m)***	***5,762***
Deployment Time (mo)	30.0		
Revenue ($m / GW / mo)	150		
Revenue ($m / mo)	150		
FCF margin (%)	50%		
WACC (%)	10%		
Useful life (years)	20		
Price inflation (%)	0%		

Predesigned			
Capacity (GW)	1	***PV Disc. FCF ($m)***	***6,658***
Deployment Time (mo)	15.0	Incr. PV Disc. FCF ($m)	896
Revenue ($m / GW / mo)	150	Value ($B / GW)	0.90
Revenue ($m / mo)	150	Captured by OEMs	50%
FCF margin (%)	50%	*of which power distr. OEMs*	50%
WACC (%)	10%	**OEM value captured ($B / GW)**	**0.22**
Useful life (years)	20		
Price inflation (%)	0%		

Source: Bernstein analysis and estimates, ABB reports

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EXHIBIT 38: **Modularisation could drive a gross reduction of c.30% in a data center's labour costs.**

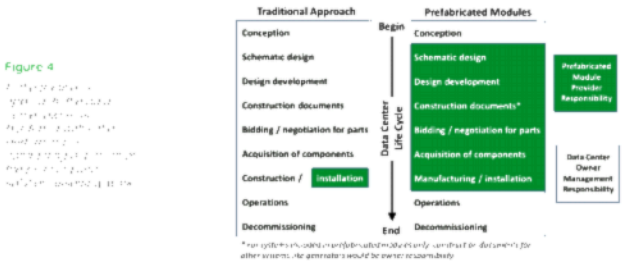
MEP cost per data center project (100 MW)	Mechanical	Electrical	Plumbing	MEP
Total Labour Cost ($B/GW)	$2.80	$4.50	$0.20	$7.50
Share of Total Man Hours				
Field Shell	25%	26%	100%	
Technical fit-out	75%	74%	0%	
Implied Labour Cost ($B/GW)				
Field Shell	$0.69	$1.19	$0.20	$2.08
Technical fit-out	$2.11	$3.31	$0.00	$5.42

Implied reduction under modularisation	Mechanical	Electrical	Plumbing	MEP
Field Shell	-13%	-13%	-13%	-13%
Technical fit-out	?	-75%	?	-46%
Total	-3%	-58%	-13%	-37%

New MEP hours per data center project (100 MW)	Mechanical	Electrical	Plumbing	MEP
New Implied Labour Cost ($B/GW)				
Field Shell	$0.61	$1.04	$0.18	$1.82
Technical fit-out	$2.11	$0.83	$0.00	$2.93
New Total Labour Cost ($B/GW)	$2.71	$1.87	$0.18	$4.76
Old Total Labour Cost ($B/GW)	$2.80	$4.50	$0.20	$7.50
% change vs old	-3%	-58%	-13%	**-37%**

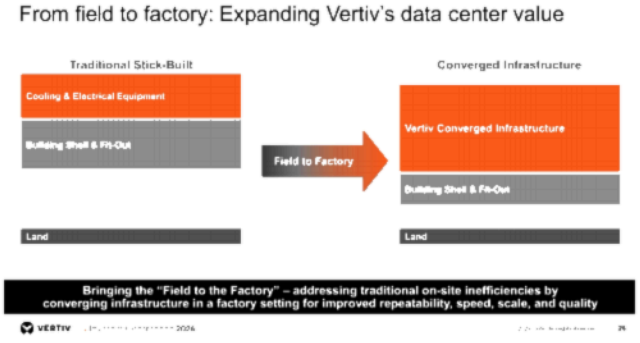
Source: Schneider Electric, Bernstein analysis and estimates, Bernstein U.S. Machinery

EXHIBIT 39: **Schneider demonstrate how prefab module providers claim a larger portion of the value (and addressable market).**



Source: Company reports

EXHIBIT 40: **Vertiv Converged Infrastructure takes a greater share of data center value.**



Source: Company reports

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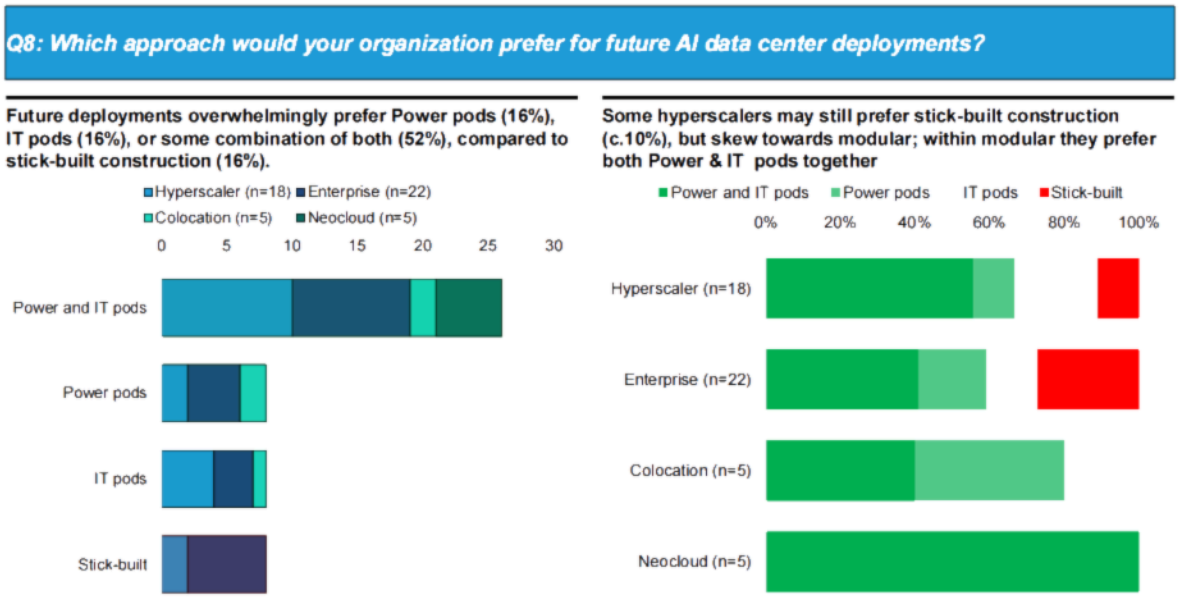
HOW DOES THIS SHAPE ELECTRICALS' ECONOMICS

MARKET SHARE GAINS

Prefab is old news, and IT modules truly new. Coordination is key, 'modularising' Power equipment only fully accelerates project lead times if IT (and cooling) equipment is also modularised & integrated. Modular is significant opportunity for vertically integrated OEMs to cross-sell. 52% of respondents to our proprietary survey prefer both Power and IT pods for future AI deployments, against 32% preferring either one of Power pods or IT pods, separately, and 16% for stick-built construction (Exhibit 41). We would note though our proprietary survey (n=50) indicates 'single-sourcing' behaviour remains dominant (38% of respondents), a fair share of respondents are either indifferent or would opt for multi-vendor procurement (62%), implying the market is still fairly fragmented by design (Exhibit 42).

The market is increasingly likely to single-source if modular data centers take share of additions, which customers expect, driving market share gains for the largest suppliers. Survey respondents expect broad-based increases for modular data centers across customer types (Exhibit 43), and that modular drives single-sourcing (Exhibit 44). Through Exhibit 46, we illustrate how the mix shift from stick-built towards modular and the market share gains for the most integrated modular suppliers within the wider prefab / modular market could lead to +3pp of market share gains for the largest suppliers (Schneider, Vertiv, and Eaton). This is compounded by a widespread feeling across 13 products that customers feel they have somewhat to significantly less bargaining power against Electrical OEMs, allowing integrated module providers we think better leverage to lean on internal supply chains to fill modules, as opposed to outsourcing (upside to Exhibit 46).

EXHIBIT 41: **Future AI data center deployments would overwhelmingly prefer modular deployments, and within those a mixture of both Power and IT pods.**



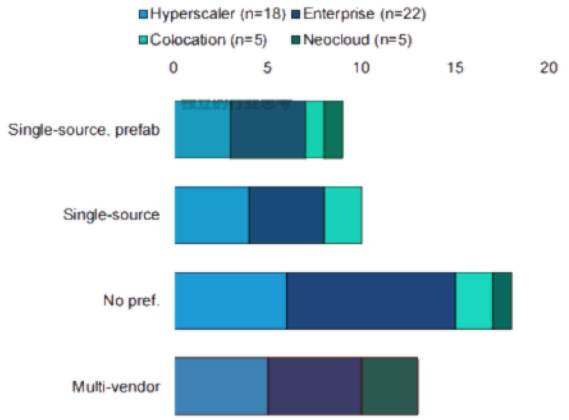
Source: Bernstein analysis, Bernstein U.S. Multis, Proprietary data center equipment survey

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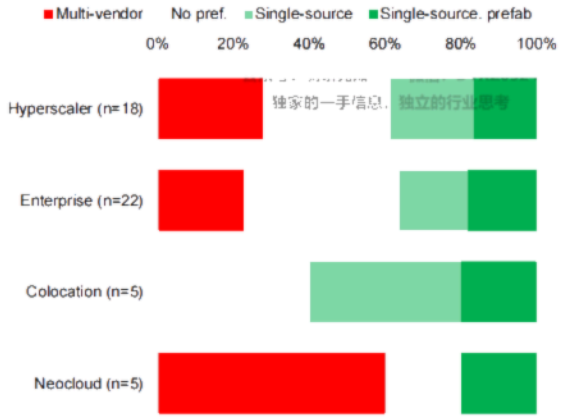
EXHIBIT 42: **Bernstein U.S. Multis Data Center Survey (n=50) shows current procurement is fairly mixed between single-sourcing and multi-vendor procurement.**

Q6: Which statement best describes your organization's preferred approach to sourcing power and cooling infrastructure for an individual data center site?

Single-sourcing (38%) beats multi-vendor procurement (26%) on average, and we would expect single-sourcing to rise with modular data center penetration.



Hyperscalers prefer multi-vendor sourcing, though expect i) modular penetration of future builds to rise, and ii) modular to increase single-sourcing willingness.

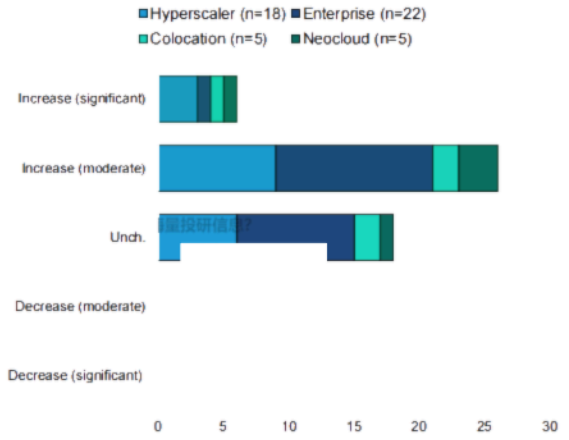


Source: Bernstein analysis, Bernstein U.S. Multis, Proprietary data center equipment survey

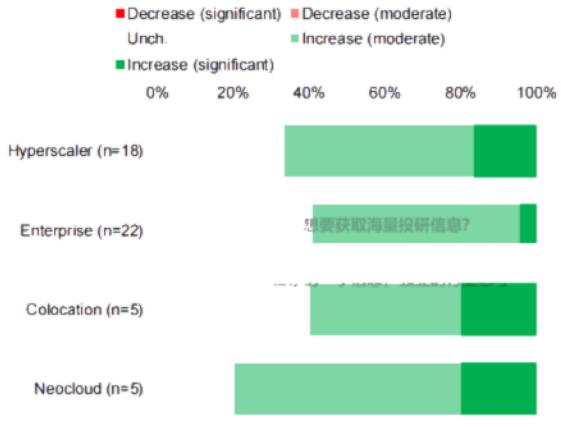
EXHIBIT 43: **The share of prefab / modular data centers is expected to rise, fairly consistently across customer types.**

Q7: Compared with projects currently under construction, how do you expect the share of prefabricated or modular infrastructure to change in your organization's next generation of data centers?

Prefabricated / modular penetration of the next generation of to be higher than the projects currently under construction.



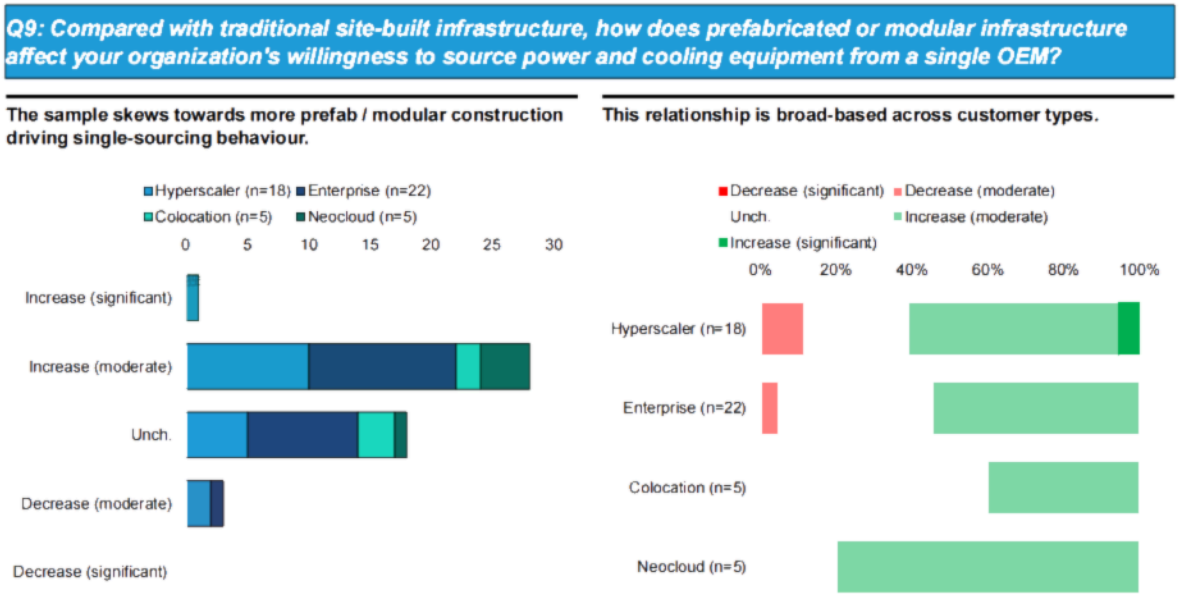
This relationship is broad-based across customer types.



Source: Bernstein analysis, Bernstein U.S. Multis, Proprietary data center equipment survey

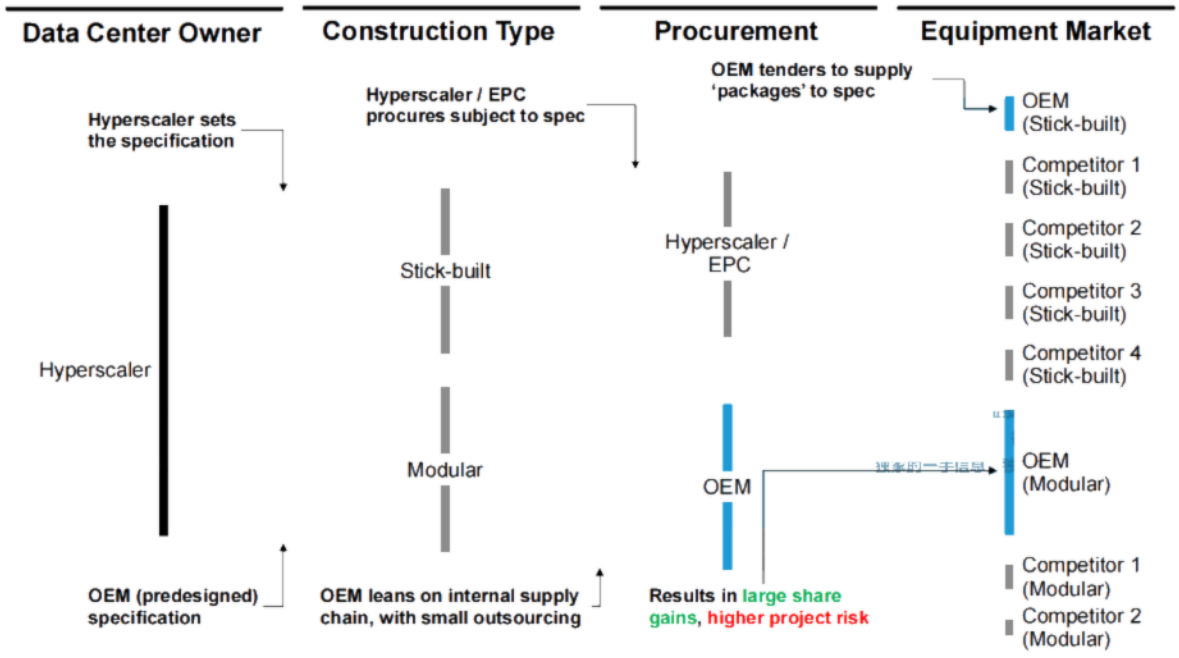
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EXHIBIT 44: **Higher modular penetration of future data centers, and of those a greater share for joint Power and IT pod offerings, likely drives the increasing willingness to single-source.**



Source: Bernstein analysis, Bernstein U.S. Multis, Proprietary data center equipment survey

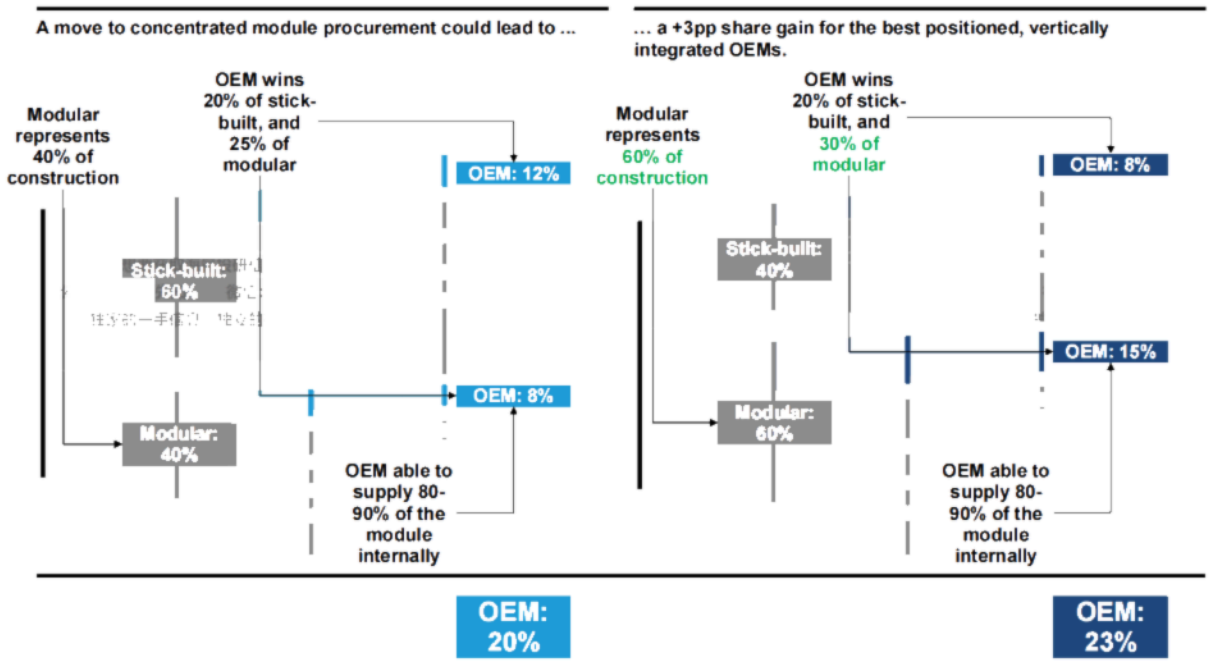
EXHIBIT 45: **Qualitatively, modular data center construction can boost penetration over the TAM for vertically integrated OEMs, as they move upstream into the procurement role.**



Source: Bernstein analysis

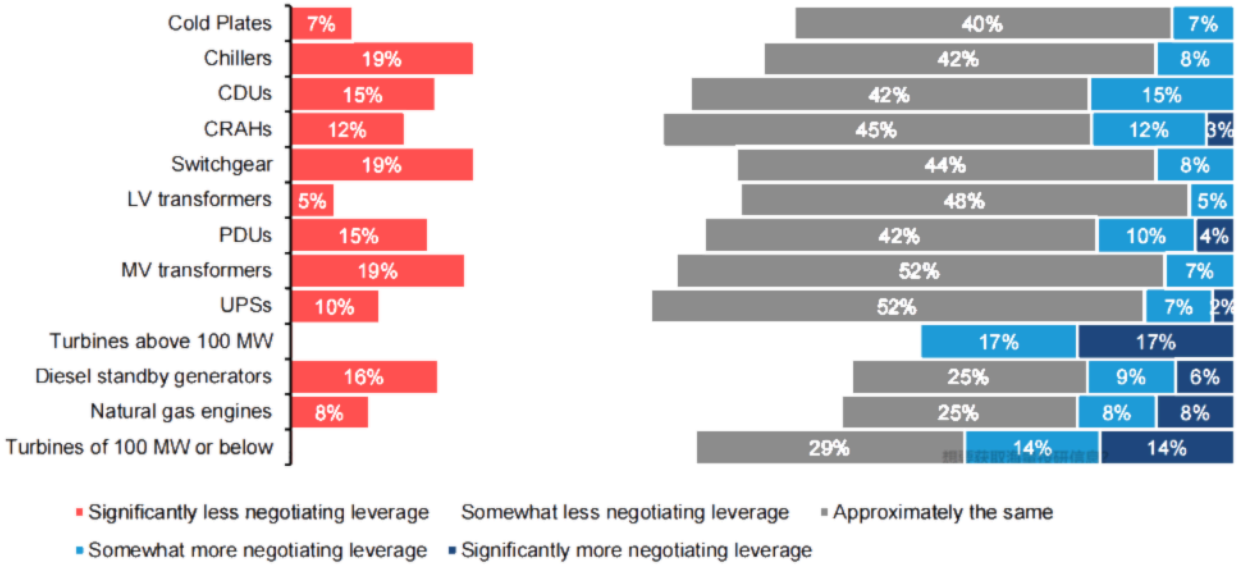
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EXHIBIT 46: **Close to 3pp of market share could be up for grabs for vertically integrated OEMs.**



Source: Bernstein analysis and estimates

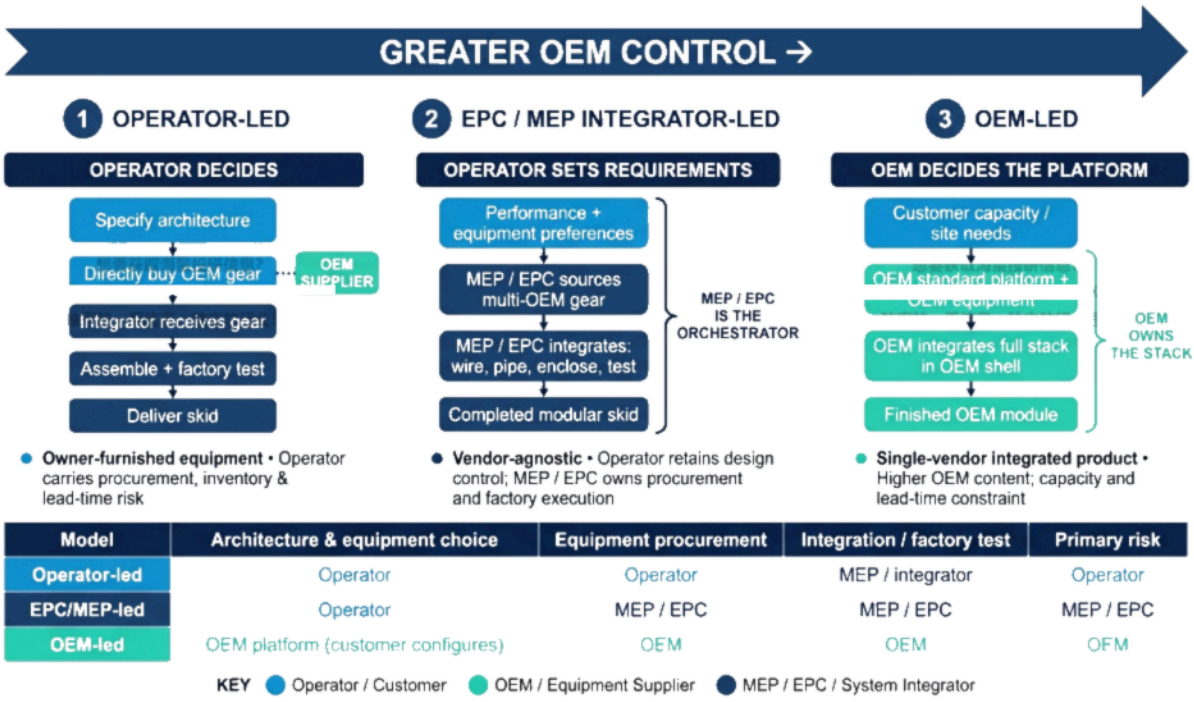
EXHIBIT 47: **Compared with approximately 12 months ago, how has buyers' negotiating leverage (i.e., your employer's negotiating leverage) with OEMs changed for each equipment type?**



Source: Proprietary data center equipment survey, Bernstein analysis

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EXHIBIT 48: **Modular construction projects take 3 approaches to equipment procurement decisions: The more OEM-Led, the more vertically integraded the module, which maximizes the TAM (and adds risk).**



Model	Architecture & equipment choice	Equipment procurement	Integration / factory test	Primary risk
Operator-led	Operator	Operator	MEP / integrator	Operator
EPC/MEP-led	Operator	MEP / EPC	MEP / EPC	MEP / EPC
OEM-led	OEM platform (customer configures)	OEM	OEM	OEM

KEY Operator / Customer OEM / Equipment Supplier MEP / EPC / System Integrator

Source: SemiAnalysis, Bernstein U.S. Electrical Equipment analysis

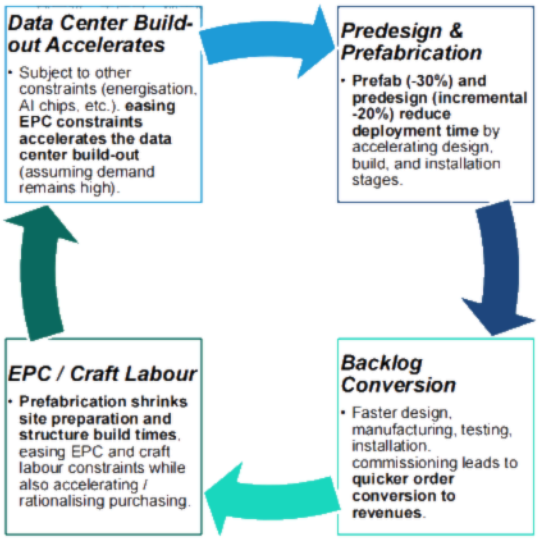
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ORDERS, INTAKE AND CONVERSION

Larger, faster converting orders improve earnings visibility; margins to benefit from pricing, standardisation, and factory scale. Prefabrication and predesign bring larger orders forward and accelerate backlog conversion by reducing sequential engineering, procurement and site work.

EXHIBIT 49: **Predesign and prefabrication the key to converting surging order growth and backlogs, and a self-reinforcing positive spiral.**

Prefab, predesigned data center modules accelerate revenue conversion, and the build-out, flowing through to order intake.



Larger orders for the most vertically integrated OEMs and faster revenue conversion underlines earnings outperformance

- ***Higher prefabrication and predesign penetration reduces time-to-first-token.*** This accelerates the build-out (under the assumption data centers are supply-constrained, in part by EPC / craft labour).
- ***Faster data center build-out leads to OEMs receiving (larger) orders sooner,*** unlocking pent-up demand otherwise delayed (/ destroyed) by yawning lead times.
- ***These (larger, sooner) orders can be converted from the backlog much faster,*** as engineering and purchasing times shrink (predesign), manufacturing, integration, factory acceptance testing is accelerated (prefabrication), and while much of the site prep., structure build, and further testing and commissioning can be foregone (prefab + predesign).
- ***This leads to the dual effect of a i) larger order intake which ii) churns through the backlog faster, underpinning stronger earnings visibility.***

Source: Bernstein analysis, ABB reports

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MODULAR EXPANDS MARGINS, NOW AND LATER

EBITA/MW should improve over time. Near-term pricing and content benefits are partly offset by ramp-up and selling costs, while standardisation, factory scale and SG&A and R&D leverage support stronger longer-term economics.

EXHIBIT 50: **In the near-term we expect modularisation to be positive at the EBITA / MW level, and even more so in the mid-to-long-term.**

Directional weighting of key factors.

Electricals' directional margin impact from modularisation / prefabrication

	Near-term		Mid-to-long-term	
	Pro	Con	Pro	Con
Sales / MW	3 Pricing / MW benefits from short-term availability premium in a capacity-constrained market 1 Integrated solution, capturing more of the addressable market (including installation, integration)	2 Discounting (/ bundling DCIM) required to win sales for unproven given move from 'best-in-breed' to 'best-in-suite'	2 Integrated solution, capturing more of the addressable market (including installation, integration)	1 Discounting (/ bundling DCIM) required to win sales for unproven given move from 'best-in-breed' to 'best-in-suite'
COGS / MW	2 Greater product platforming, standardisation, predesign improves unit economics 1 Access to 'assembly' TAM at lower unit costs given factory assembly / prefabrication more efficient than on-site	2 Currently smaller manufacturing footprint limits operational leverage, ramp-up costs incurred for new capacity coming online 1 Exposed to 3p risk (pricing, logistics) as a turnkey contractor vs simple product sale	3 Greater product platforming, standardisation, predesign improves unit economics 1 Access to 'assembly' TAM at lower unit costs given factory assembly / prefabrication more efficient than on-site	2 Exposed to 3p risk (pricing, logistics) as a turnkey contractor vs simple product sale 1 Breadth of offering dictates how much of the module you may have to outsource
Gross Profit / MW	***Gross profit / MW positive, driven by improved pricing and efficiency, weighed by any discounting behaviour or ramp-up costs***		***Gross profit / MW positive, even without pricing premium, as platforming benefits flow through, though increasing scale of data centers weighs COGS implicitly through higher turnkey risk.***	
SG&A / MW		1 Greater effort required to win sales for unproven modules.	2 Lower cost-to-serve given concentrated customer base	
R&D / MW			2 Likely small reduction in R&D intensity, standardisation and less custom engineering	
EBITA / MW	***EBITA / MW slight positive, weighed by upfront higher SG&A intensity***		***EBITA / MW strong positive, modularisation enables leverage over SG&A and R&D***	

Source: Bernstein analysis

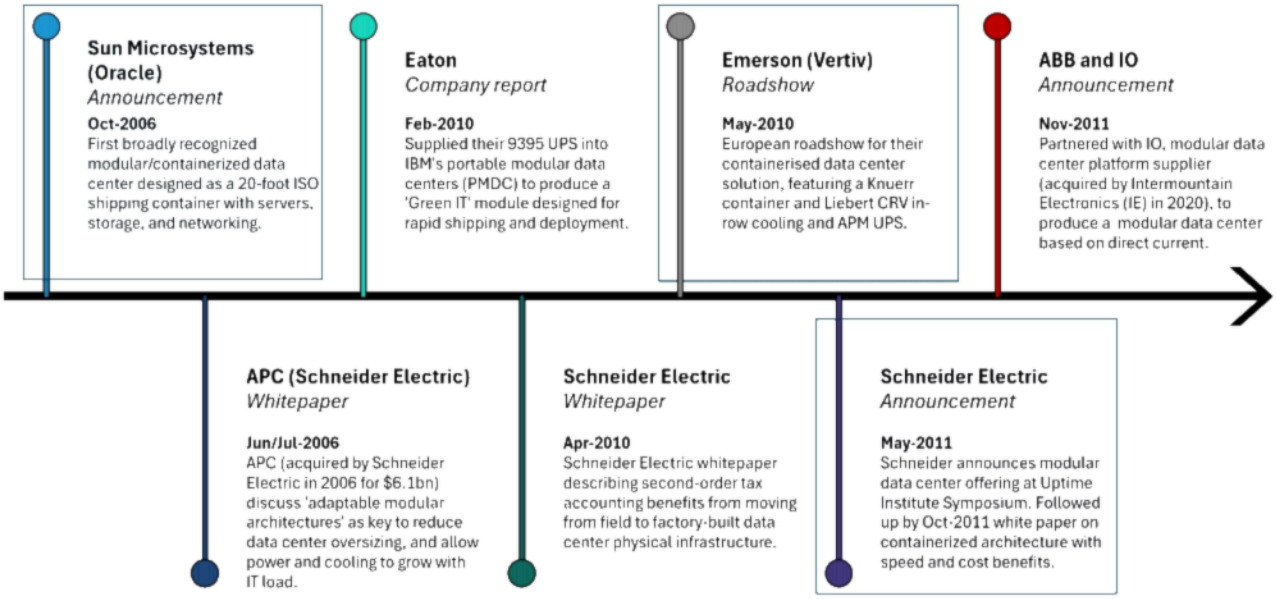
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POSITIONING

HISTORICAL TIMELINE

Modular data centers are not necessarily new; Sun Microsystems announced containerised datacenters as early as 2006 (almost 20 years ago, Exhibit 51). The most notable recent development since has been the proliferation of IT modules, with announcements comparatively more recent, and offerings more nascent (see more below).

EXHIBIT 51: **After Sun Microsystems (now Oracle) announced their modular data center in 2006, Emerson Network Power (now Vertiv) and Schneider (with APC) were the first to follow with a containerised data center solution.**



Source: Company reports, Bernstein analysis, Lawrence Berkeley National Laboratory

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KEY POSITIONING

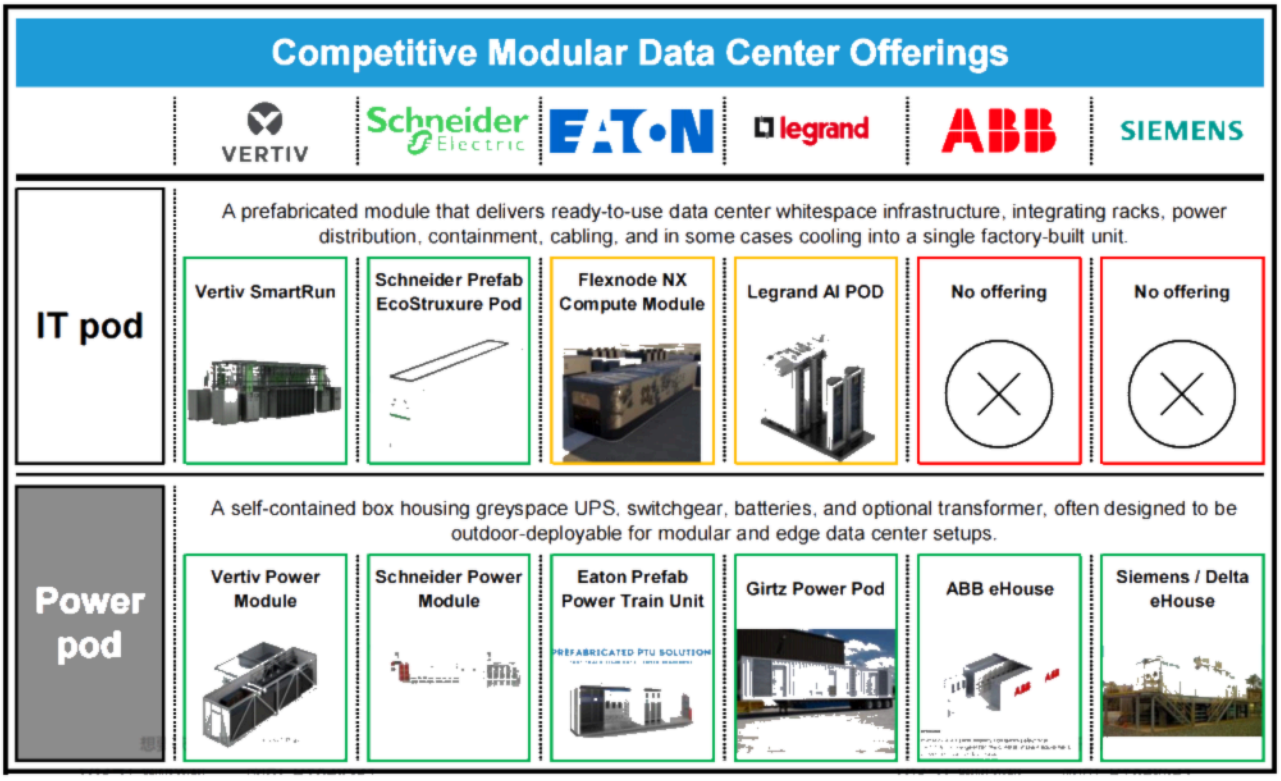
Integrated camp (Schneider, Vertiv, Eaton)

Positioning varies by company and camp. Integrated camp all have both IT and Power modules, and can fill most if not all of each pod themselves. Schneider and Vertiv have been present in the modular / prefab space for longer, while many of Eaton's offerings are direct results of recent acquisitions. Each have well-established routes to market.

Distributed Camp (Legrand, Siemens, ABB)

Siemens, ABB, and Legrand in the distributed camp all do not have both their own IT and Power modules where they can fill a critical mass of products. Legrand is particularly interesting as with a little effort, mixing Kratos, Girtz, and their existing white space components, they could very credibly produce a compelling IT and Power module. We would note Legrand's strategy here, whether deliberate or not, they contribute a) the breadth of offering in the white space to have a competitive IT pod and, b) the potential to move to having a more integrated offering particularly with their rising grey space exposure. Siemens and ABB both offer (to varying degrees) Power modules but are more likely to become tier-2 supplies to OEMs into existing IT modules, than produce a module themselves.

EXHIBIT 52: **The largest electrical equipment manufacturers offer modular options for both whitespace infrastructure ('IT Pods'), and greyspace ('Power Pods'). All IT Pod providers integrate or can integrate cooling too.**



Border colours indicate relative 'completeness' of individual offering. ABB does not currently have an IT Pod offering, Legrand offer their AI POD for the white room though lack CDU exposure, Eaton have partnered with Flexnode for their NX Compute Module. Schneider and Vertiv both provide IT pods with integrated whitespace power and cooling, though Vertiv's SmartRun is rated up to >6MW. Siemens offer a power pod (skids / eHouses) in partnership with Delta for UPS. We understand Vertiv's Power Module requires externally sourced Transformers. Other players have broadly comparable power pod offerings and 'completeness'.
Source: Company reports, Bernstein analysis

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EXHIBIT 53: **Power Module product coverage across the cohort is robust, though only Vertiv and Schneider can provide all of an IT Module, and have a joint Power & IT (incl. Cooling) Pod offering.**

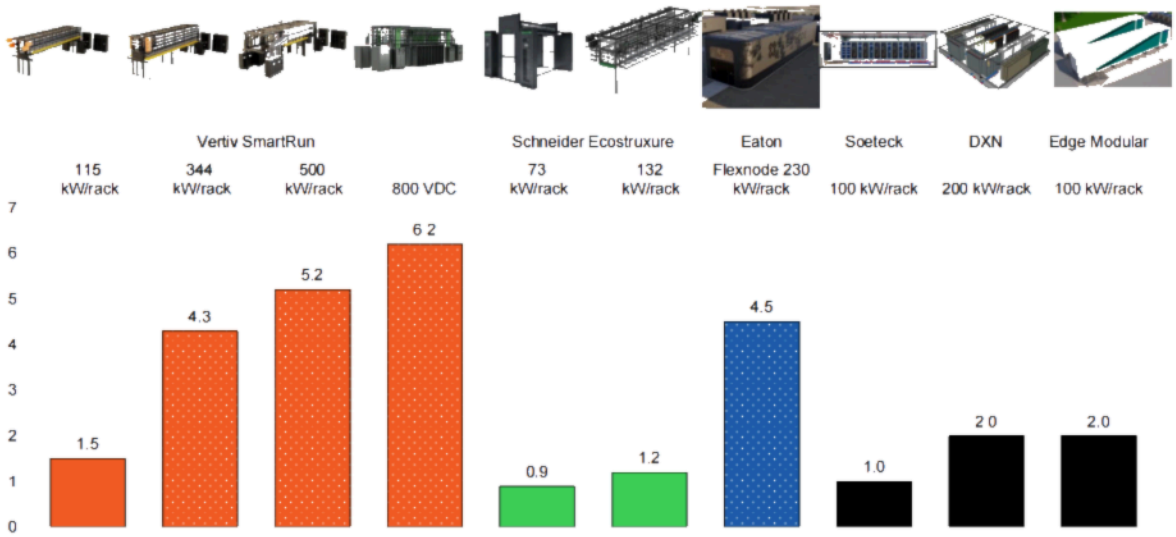
Modular Offering Product Coverage	VERTIV	Schneider	EATON	legrand	ABB	SIEMENS	nVent	Addressable Market $B / GW
Power Pod								
UPS	■	■	■	■	■			0.45
BESS	■	■	■		■			0.25
MV Switchgear	■	■	■	■	■	■	■	0.18
MV / LV Transformer		■	■	■	■	■		0.18
LV Switchgear	■	■	■	■	■	■	■	0.18
Busway	■	■	■	■	■	■	■	0.16
ATS	■	■	■		■	■	■	0.13
% of Power Pod TAM	88%	100%	100%	75%	100%	54%	42%	
Complete Pod	Y	Y	Y	Partial	Y	Partial	N	
IT Pod								
RDHx	■	■		■			■	0.40
CDU	■	■	■				■	0.35
PDU	■	■	■	■	■	■	■	0.25
Rack / Enclosure	■	■	■	■			■	0.20
BBU	■	■	■		■			0.13
Busway	■	■	■	■	■	■	■	0.13
% of IT Pod TAM	100%	100%	73%	68%	35%	26%	91%	
Complete Pod	Y	Y	N	N	N	N	N	
Power & IT Pods	Y	Y	N	N	N	N	N	
Complete Data Center	Y	Partial	N	N	N	N	N	

Source: Bernstein analysis, Bernstein U.S. Multis, Company reports

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EXHIBIT 54: **The IT pod landscape is far less mature than Power pods, or edge / all-in-one data centers, though an important frontier given the Power + IT pod cross-sell opportunity.**

Key IT Pod offerings across global industry peers, by MW of IT power capacity.

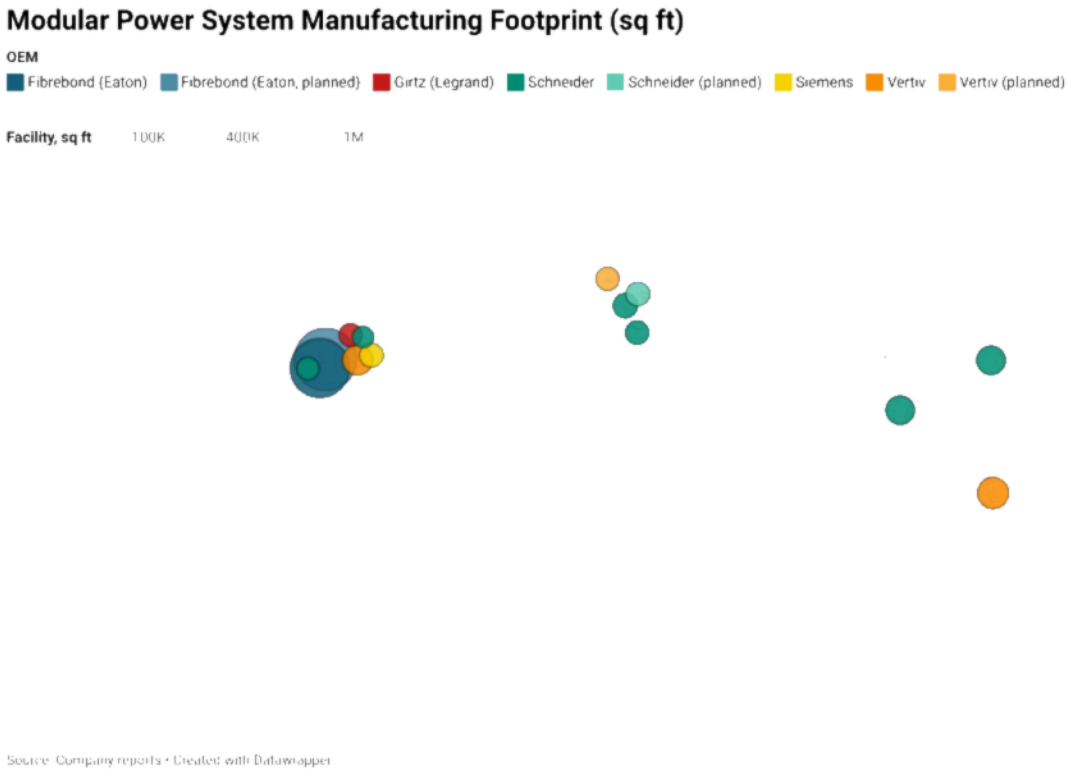


Spotted bars indicate IT pod supports future architectures.
Source: Bernstein analysis, Company reports

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EXHIBIT 55: **We outline dedicated Modular / Prefab. manufacturing capacity across players. Schneider leads globally with >1M sqft, up 270% in 2 years.**

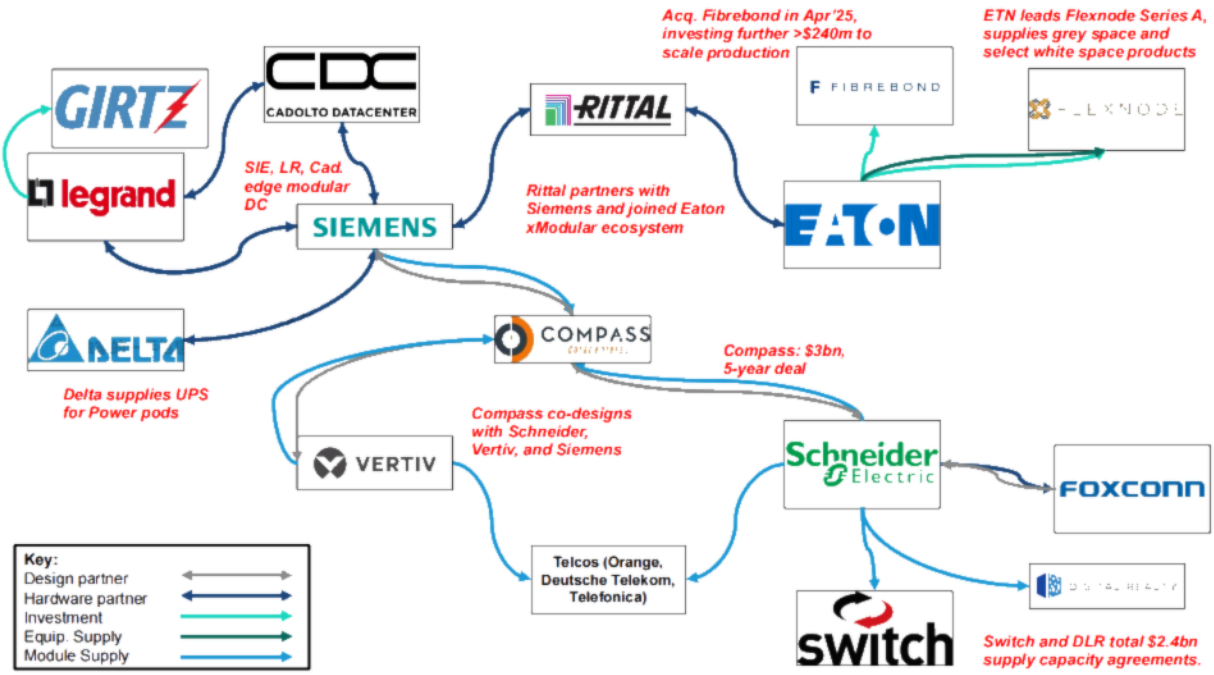
Though not always comparable, seeing as OEMs will also have prefab capabilites joint with regular manufacturing, and as not all prefab is made equal, the exercise demonstrates Schneider's global coverage.



Source: Bernstein analysis, Company reports

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EXHIBIT 56: **A web of modular / prefab data center relationships over the past 5 years.**



Source: Bernstein analysis, Company reports

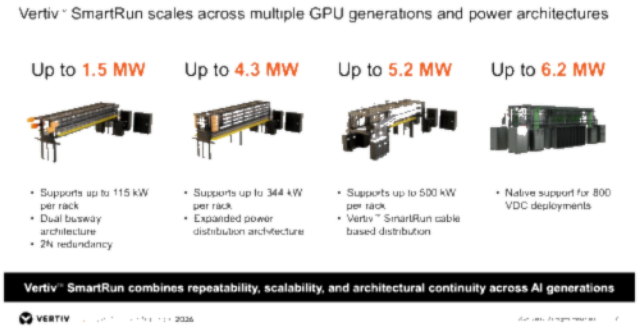
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OFERRINGS AND STRATEGIES BY OEM

Vertiv

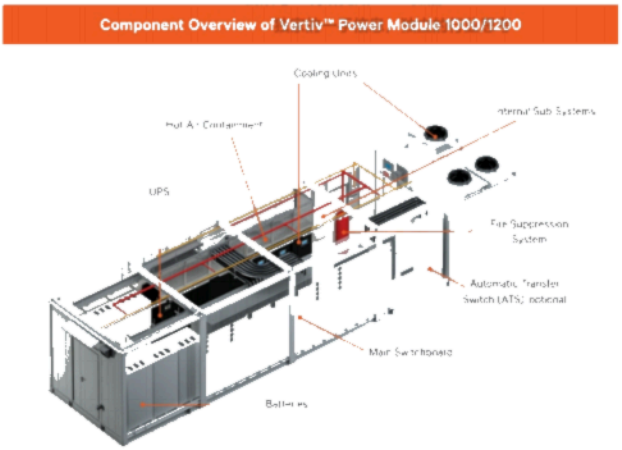
Vertiv's OneCore data center is the most comprehensive foray into fully modular data centers. Vertiv make the case they can scale from as small as a 12.5MW deployment to a 1GW campus through their OneCore approach. Vertiv outline their various module options, including SmartRun which can scale to >6MW per IT Pod, and demonstrate how configurations of their modules can deliver varying-sized, furnished data center centers. Vertiv's vertical integration is not faultless, as their willingness to deliver the whole facility onboards some project risk and exposes them to supply chain issues outside their direct control.

EXHIBIT 57: **Vertiv offer a variety of IT pod options through SmartRun, up to 6.2MW.**



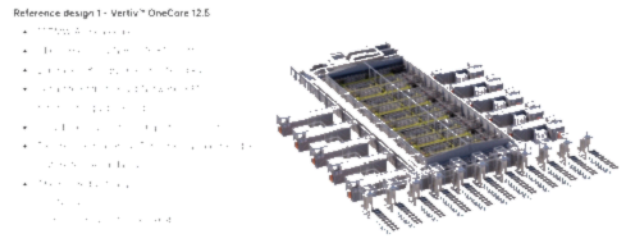
Source: Company reports

EXHIBIT 58: **VRT Power Module.**



Source: Company reports

EXHIBIT 59: **Vertiv's OneCore 12.5, a 12.5MW building block data center.**



Source: Company reports

EXHIBIT 60: **Vertiv's OneCore 50-4, a 50MW modular campus composed of 4 independent OneCore 12.5 data halls.**



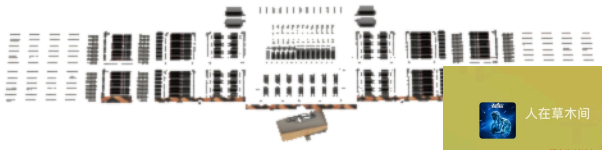
Source: Company reports

EXHIBIT 61: **Vertiv's OneCore 50, a 50MW site for higher compute density and liquid cooling support.**



Source: Company reports

EXHIBIT 62: **Vertiv's OneCore 125, a purpose-built 125MW data center with 4 'Compute' halls totalling 512 VR200 racks.**



Source: Company reports

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Schneider

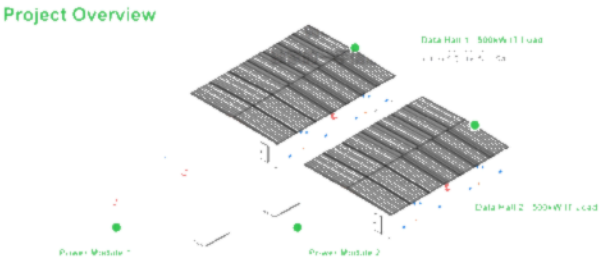
Schneider's EcoStruxure Modular Data Center platform shows similar breadth to Vertiv, though Schneider do not necessarily have a complete building-level architecture, and their IT Pod seems somewhat 'underpowered' compared to Vertiv (Exhibit 63). Schneider's differentiation has been their early partnerships, choosing to, for example, partner with (and in some cases also supply) Compass, Switch, Foxconn (Exhibit 70).

EXHIBIT 63: **Schneider's Prefabricated Modular EcoStruxure Pod tops out at c.1.2MW per pod.**



Source: Company reports, Bernstein analysis

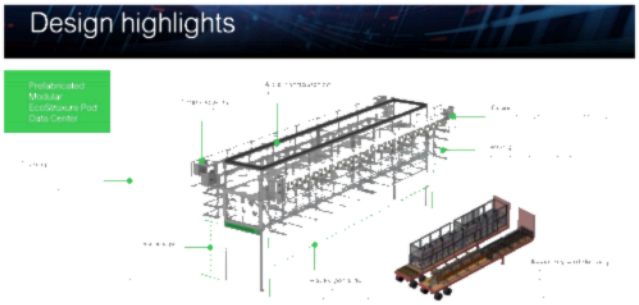
EXHIBIT 64: **Schneider cross-sell Power Module and prefab Data Hall solutions for Digital Realty HER 1 data center (1 MW total IT capacity).**



Source: Company reports, Bernstein analysis



Source: Company data, Bernstein analysis



Source: Company data, Bernstein analysis

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Speed, savings, and AI-ready performance

A Prefabricated Modular EcoStruxure Pod Data Center supports **up to 36 racks, and power density to support the latest generation AI workloads.** The customizable design accommodates various cooling methods such as

- Containment
- Hybrid cooling approaches
- Liquid cooling
- Rear door heat exchangers
- In-row cooling

The modular approach accelerates deployment **upward of 30%** and reduces capital expenditures **by at least 15%** from traditional deployment methods. The pod supports heavy infrastructure **up to 4000+ lb (1814 kg)**, such as cables, busways, and technical water piping, which would otherwise have to hang from costly reinforced and laborious data center ceilings.



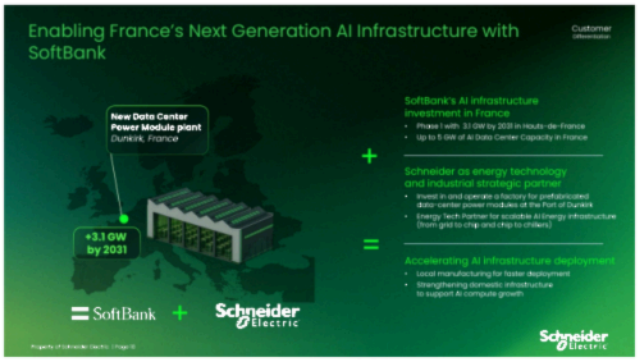
Prefabricated Modular EcoStruxure Pod Data Center for AI

- Up to 36 racks
- Rack capacity up to 142 kW with liquid cooling
- Assembly in days versus months
- Shipped in 3 or 4 sections
- 30% or more timeline reduction over traditional
- Costs savings of 15% or more over traditional
- Support 4000+ pounds of equipment

Source: Company data, Bernstein analysis

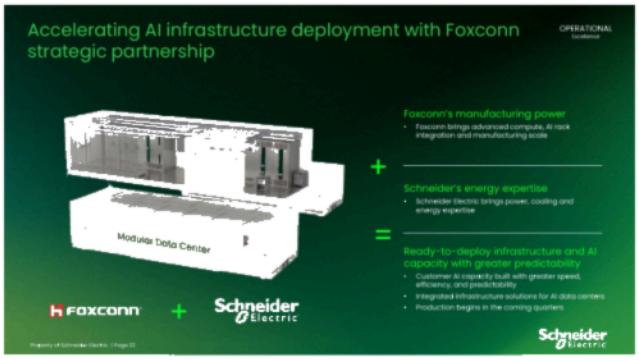
Source: Company data, Bernstein analysis

EXHIBIT 69: **Prefabricated 'Power Module' plant to be located close to Softbank's investment in France.**



Source: Company reports

EXHIBIT 70: **Foxconn strategic partnership to accelerate modular data center offering.**



Source: Company reports

Eaton

Eaton lean on acquisitions and partnerships to deliver the full suite (Power + IT); own-brand whitespace modular offering is 'underpowered'. Eaton offer both IT pods and Power pods for data centers, though we could not find any MW-class, own-brand IT pods, with Eaton's offering seemingly focused on cloud and distributed IT applications. Eaton acquired Fibrebond in Apr'25, a *'designer and builder of pre-integrated modular power enclosures'*, and has partnered with Flexnode in Jan'26 for their NX Compute Module (4.5MW IT Pod, Exhibit 71 - Exhibit 74).

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EXHIBIT 71: **Flexnode's scalable NX Compute Module.**



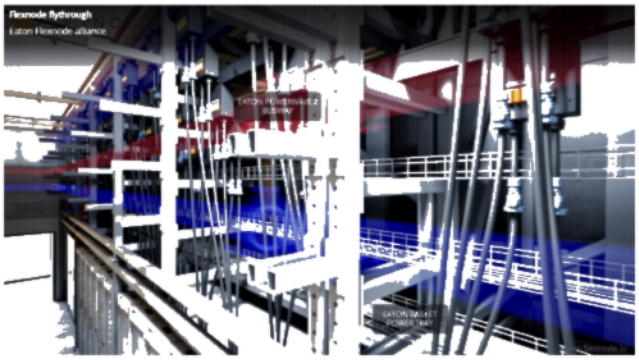
Source: Company reports

EXHIBIT 72: **Flexnode opting for Eaton racks / enclosures.**



Source: Company reports

EXHIBIT 73: **Eaton Busway used in Flexnode IT pod.**



Source: Company reports

EXHIBIT 74: **CDU's likely to be supplied by Boyd.**



Source: Company reports

Legrand

Legrand have the building blocks for a full modular data center offering, and could put them together with some effort. The Girtz acquisition (Jun'26), bolsters Legrand's offering of *'highly customized modular power integration solutions (Power Pods)'*. Legrand have very deliberately expanded their Grey space exposure from <1% of 2023 sales to c.8% as of H1'26, and we think the technical breadth of their offering is likely underappreciated. With the containerisation and integration capabilities of Girtz and their broad Grey and White space offering, we think we some effort Legrand could emerge with a compelling full suite (Power + IT) modular offering. Until then, Legrand rely on 'best-in-breed' procurement to win orders, and may lose share to integrated module providers.

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EXHIBIT 75: **Legrand 'AI pod' with Starline busway, Raritan PDUs, and ColdLogik RDHx.**



Source: Company reports

EXHIBIT 76: **Girtz offer modular genset and grey space power solutions.**



Source: Company reports

EXHIBIT 77: **Legrand have acquired a broad (geographic & product) portfolio of modular capabilities.**

Benoît Coquart, Chief Executive Officer, Legrand - H1'26 Earnings Call

'It is a fact that prefab, even though within the world you have different types of systems, **is gaining ground** because it helps our customers to optimize their supply chain and to open faster data centers.'

'Worldwide **we do have already modular capabilities in a number of geographies**. So in the **US** for example, we are able to provide genset modules with **Girtz** indeed, which are gas powered or diesel powered and which can be used even as a main source of power, especially in zones such as Texas and elsewhere. We are also providing skids, so pre-mounted physical powertrain with **Kratos** in the **US**. In **Colombia**, we have a unit fully dedicated to modules which is called **Teknica**. In **Europe** we have a couple of units doing that, especially a new unit in Ireland called **TES** and so on and so forth. In **Malaysia** we just acquired **SRS** which has the ability to do skids and modules for power, medium voltage and low voltage. So **we have progressively acquired a number of capabilities to do modules,** not to mention the ability to do full rack, hot aisle containment, including racks, busway, [tap-off] box and so on.'

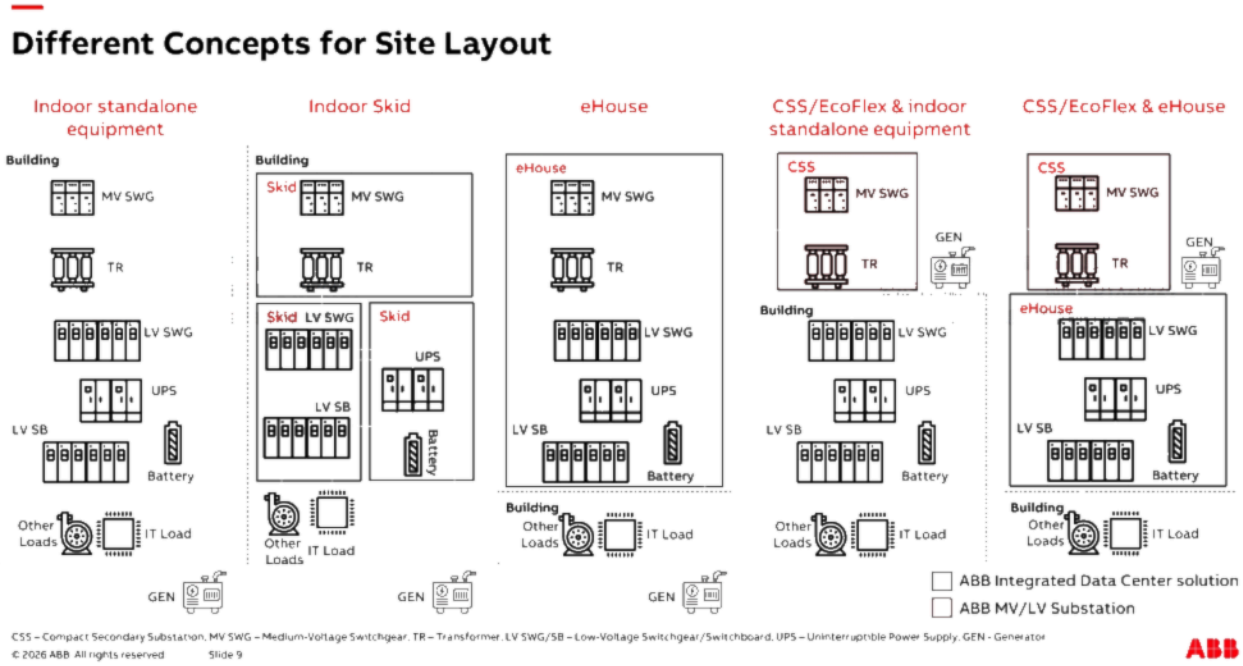
Source: Company reports, AlphaSense

ABB

ABB have the components for a Power pod, but their marketing (to us) could do with some work. ABB's compact secondary substation (CSS) and eHouse can serve data center applications (Exhibit 78) but their respective brochures market the two solutions as serving plethora end markets, of which data centers are one. Marketing their Power pod offering better, if only for investors' benefit, could help differentiate against solely product (as opposed to module) providers. ABB will likely have to sell their busway, PDUs, and other white space products into what is left of the 'stick-built' / traditional construction model, given their sparse product coverage (Exhibit 53).

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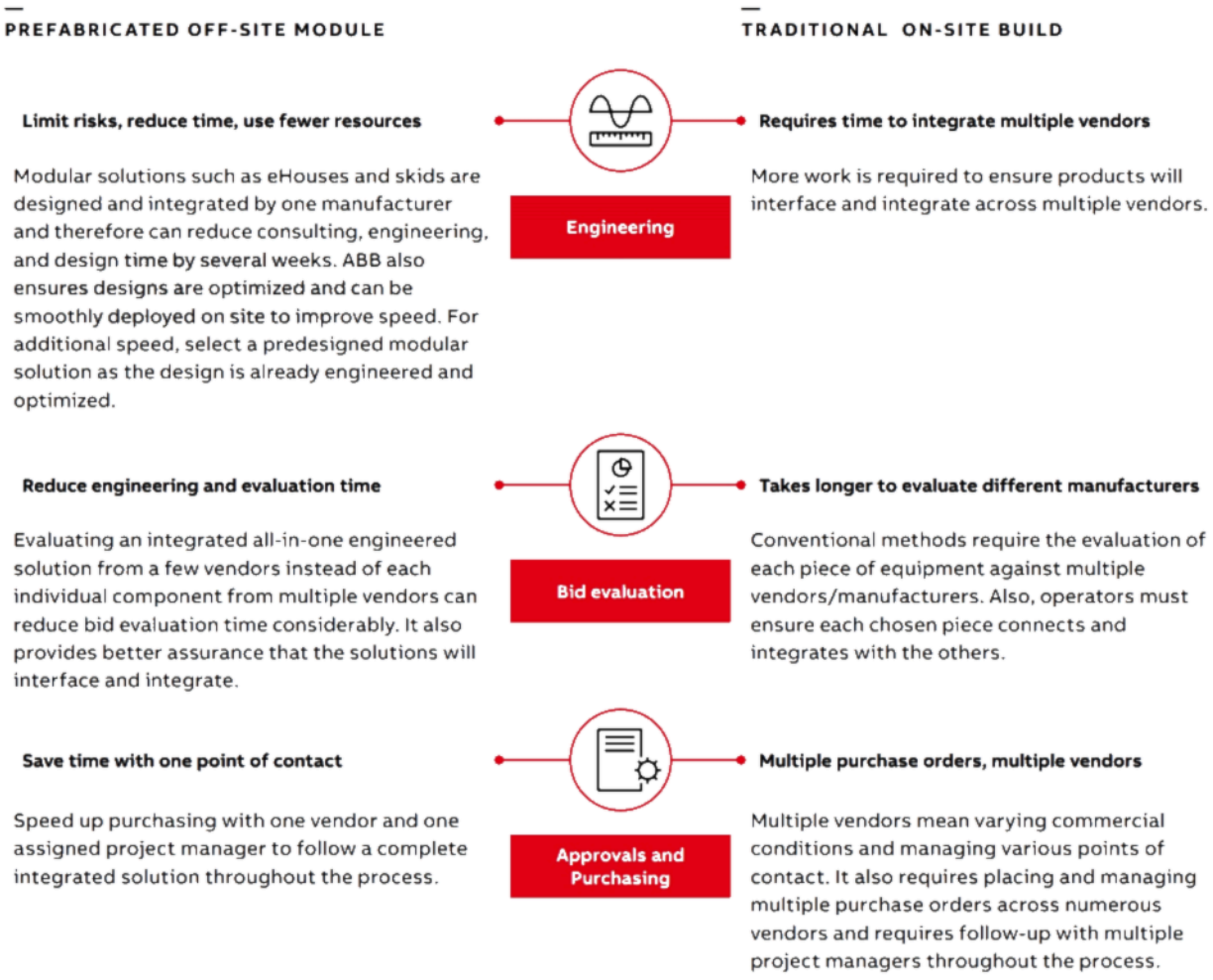
EXHIBIT 78: **ABB offer a range of modular Power pod offerings across skids, eHouses, and CSS.**



Source: Company reports

on 14-Sep-2026

EXHIBIT 79: **ABB argue prefab off-site modules speed up 'bid evaluation time', as data center operators compare entire modules from fewer vendors against individual components from multiple vendors.**



Source: Company reports

Siemens

Siemens have relied on partnerships to plug product portfolio gaps, though on balance appear a laggard against peers. Siemens have partnered with Delta (Nov'25) to produce a power module, plugging their UPS gap, and partnered with Cadolto and Legrand (Jun'25) to produce an 'all-in-one' modular edge data center. Siemens also implement their Building Information Modelling (BIM) software, digital twins, and fire safety solutions, though the extent to which they need to rely on partners to produce either Power or IT modules (in terms of $B / GW) restricts some of the same upside their better integrated peers may see.

on 14-Sep-2026

EXHIBIT 80: **Siemens and Delta sign strategic partnership over Power modules.**



Source: Company reports

EXHIBIT 81: **Siemens' partnership with Legrand and Cadolto for the modular edge data center.**



Source: Company reports