Channel Commercials PLC

Sustainability Report – Financial Year 2025

Introduction

This report highlights the key sustainability efforts and initiatives undertaken to ensure environmental responsibility.

Our focus is on reducing the negative environmental impacts of our operations on the local environment, and our contribution to global environmental challenges.

OPERATIONS

Energy, emissions and waste are actively managed across five depots.

COMPLIANCE

ISO 14001 controls, audits and legal registers are maintained across the business.

IMPROVEMENT

Investment is underway in cleaner vehicles, infrastructure and digital processes.

About Us

Channel Commercials PLC is a commercial vehicle dealership, operating 5 depots across Kent.

As holders of the DAF Truck franchise for Kent, we offer a full package: sales of new and used trucks, 24hr all-makes Parts and 24hr workshops to meet customers' repair and maintenance needs.

COMPANY AIMS

-maximise uptime and profitability for our customers' fleets
-continue to offer excellent customer service as the business grows
-maintain our status as a continually profitable, local employer

5	270+	24/7
depots across Kent	people employed	parts and workshop support

Our range of additional services include our Paint, Body and Sign Shop, Specialist Engineering, Truck and Van Conversions and Rail Wagon Maintenance.

Our Environmental Commitment

Our environmental commitment is embedded through policy, leadership review and independently evidenced standards.

1

POLICY

Environmental Management Policy sets the direction.

→

2

ANNUAL REVIEW

Managing Director reviews the commitment each year.

→

3

EVIDENCE

Policy statement and ISO 14001 certificates are published.

Published online: Environmental Management Policy statement and ISO 14001 certificates

Our Environmental Management System

The ISO 14001:2015 EMS forms part of the wider Integrated Management System and drives continual improvement.

PLAN → **OPERATE** → **AUDIT** → **REVIEW** → **IMPROVE**

ISO 14001:2015 accredited

Internal + independent audits

Management review at least twice yearly

Independent assurance: CARSQA and TÜV NORD

Our Environmental Aim & Objectives

Our four environmental aims guide how the business manages environmental risk and improves performance.

01

ISO 14001 compliance

The certified management system requirements are embedded in operations.

02

Beyond minimum compliance

Legal requirements are exceeded wherever reasonably practicable.

03

Pollution prevention

Oils, fuels and hazardous materials are controlled across company activities.

04

Continual improvement

The EMS is used to monitor and strengthen environmental performance.

Our Environmental Targets

Targets are refreshed annually and monitored quarterly through a repeatable management cycle. Progress against 2025's targets is reviewed later in this report.

1 → 2 → 3 → 4

REVIEW

Environmental aspects and impacts are reviewed

SET

Annual performance targets are agreed

MONITOR

Results are tracked every quarter

GOVERN

Results are reviewed by management and directors

Outcome: targets remain relevant to changing operations and environmental impacts

Legal Requirements

A controlled legal register links changing requirements to documented compliance actions and audit evidence.

REGISTER

Applicable environmental legislation is maintained within the IMS.

→

UPDATE

The register is reviewed annually and whenever laws or activities change.

→

ASSURE

Controls, compliance status and audit evidence are documented and reviewed.

Emissions – CO_2e

Scope 1 and 2 emissions improved across total consumption, total CO_2e and intensity in 2025.

−8.3%

ENERGY CONSUMPTION

4,600,464 → 4,218,764 kWh

−11.6%

TOTAL CO_2e

992 → 877 tonnes

−9.1%

EMISSIONS INTENSITY

5.41 → 4.91 tCO_2e / 1,000 hours

SECR reporting • Scope 1 + 2 • intensity based on hours sold

Method: energy use across multiple fuels is converted into carbon dioxide equivalent (CO_2e). The industry intensity ratio of tonnes CO_2e per 1,000 hours sold helps compare performance against business growth and workload. Hours sold decreased by 3% in 2025.

Emissions – CO_2e

The table shows a breakdown of energy use and CO_2 emissions for 2024 and 2025.
Reduced diesel consumption drove the bulk of our improvements.

Note that while our electricity use increased marginally, reduced CO_2e is driven by a higher mix of renewables in the UK electricity grid.

Breakdown			Previous (2024)	2025	% Change YOY
Total Emissions from Scope 1 activities: Fuel combustion for heat & vehicles (tCO2e)			**802.02**	**713.76**	**-11.0%**
Scope 1 Breakdown	Natural Gas	kWh	1,272,874.78	1,289,639.89	1.3%
		CO2e (tonnes)	232.93	236.08	1.4%
	Burning Oil (Heating)	kWh	256,217.66	285,287.92	11.3%
		CO2e (tonnes)	63.22	70.40	11.3%
	Diesel	kWh	1,770,778.76	1,275,028.23	-28.0%
		CO2e (tonnes)	422.02	309.94	-26.6%
	Petroleum	kWh	363,987.28	424,321.98	16.6%
		CO2e (tonnes)	79.87	92.76	16.1%
	Propane	kWh (net cv)	18,572.00	21,386.40	15.2%
		CO2e (tonnes)	3.97	4.58	15.3%
Total Emissions from Scope 2 activities: Purchased electricity (tCO2e)			**190.08**	**163.39**	**-14.0%**
Scope 2 Breakdown	Electricity	kWh (gross CV)	918,034	923,100	0.6%
		CO2e (tonnes)	190.08	163.39	-14.0%

Outside of Scope (emissions from biofuel content of forecourt diesel/petroleum)	CO2e (tonnes)	38.55	16.97	-56.0%

Scope 1 −11%

Scope 2 −14%

Environmental Targets: 2025

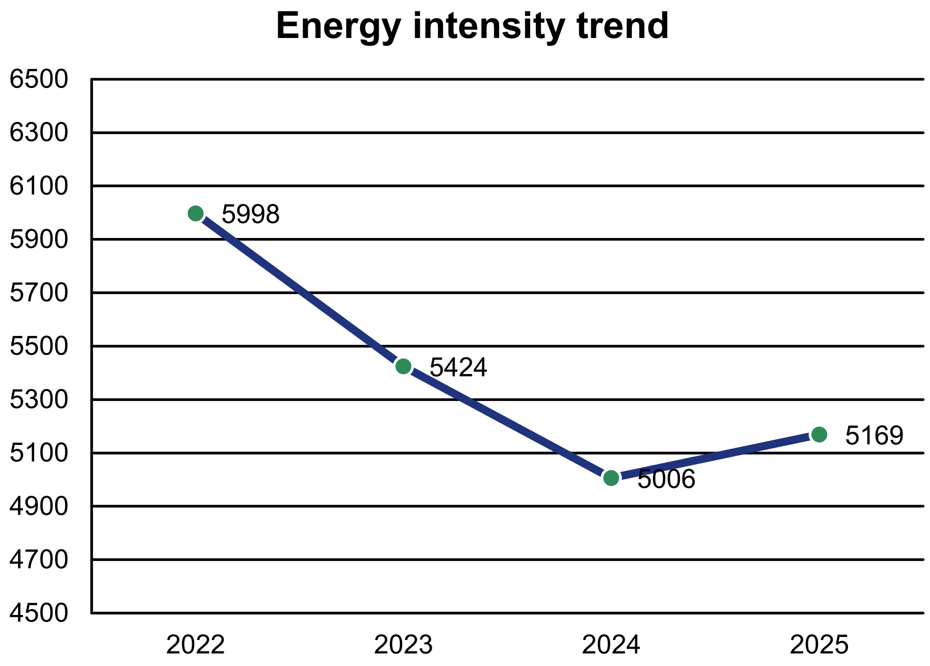
TARGET MET

Energy intensity stayed 14% below the 2022 baseline

Performance is measured as kWh per 1,000 hours sold, so growth in business activity is reflected fairly.

2025: 5,169 kWh / 1,000 hours

Trend chart



Environmental Targets : 2025

Incorrect waste disposal remained comfortably inside the quarterly limit at every depot.

TARGET MET

Limit: ≤6 reports per site / quarter

	Ashford	Strood	Sevenoaks	Canterbury	Maidstone
Q1	0	0	0	0	0
Q2	0	0	0	0	0
Q3	0	0	0	0	1
Q4	0	0	0	1	1

Only three isolated reports were recorded across all sites and quarters.

Environmental Targets : 2025

Oil storage controls met the target at four depots; Maidstone exceeded the limit in Q3.

PARTIALLY MET

Focus action: Maidstone oil-storage controls

	Ashford	Strood	Sevenoaks	Canterbury	Maidstone
Q1	0	2	0	0	0
Q2	0	3	0	0	2
Q3	0	3	0	0	4
Q4	0	0	0	1	1

Q3 Maidstone: 4 reports vs limit of 3

Environmental Targets : 2025

Four depots met the 75% threshold throughout the year; Maidstone missed it in Q3.

PARTIALLY MET

Threshold: ≥75% completed on time

	Ashford	Strood	Sevenoaks	Canterbury	Maidstone
Q1	102%	102%	117%	121%	110%
Q2	115%	134%	93%	134%	83%
Q3	83%	92%	85%	97%	48%
Q4	85%	85%	82%	100%	78%

Maidstone Q3: 48%

Toward a Cleaner Fleet

Fleet renewal accelerated in 2025, expanding electric courtesy vehicles and charging infrastructure across the business.

2022

First fully electric vans added at Paint & Body Shop

2025

16 fully electric courtesy vehicles added at Ashford and Canterbury.

23 charging points installed across all sites.

Most company cars are now hybrid or electric.

Our non-electric courtesy vehicles at Sevenoaks, and several at Strood, are ULEZ compliant - supporting customers operating within and around the M25.

DAF Electric Truck Centres

CHANNEL

Working with DAF as they roll out their new range of electric trucks, our staff are preparing for the future.

Ashford is now a certified DAF Electric Truck Centre, and our remaining four workshops are working toward this status for 2027.

Across the group, we're investing in staff training and equipment to ensure we're ready to meet customer demand through this exciting technological and operational transition.

ASHFORD: CERTIFIED ELECTRIC TRUCK CENTRE

REMAINING WORKSHOPS ON TRACK FOR 2027 ACCREDITATION

Emissions – VOC

Volatile Organic Compound (VOC) emissions are an environmental aspect for the Paintshop side of the operation.

1 **EMISSIONS MONITORING**

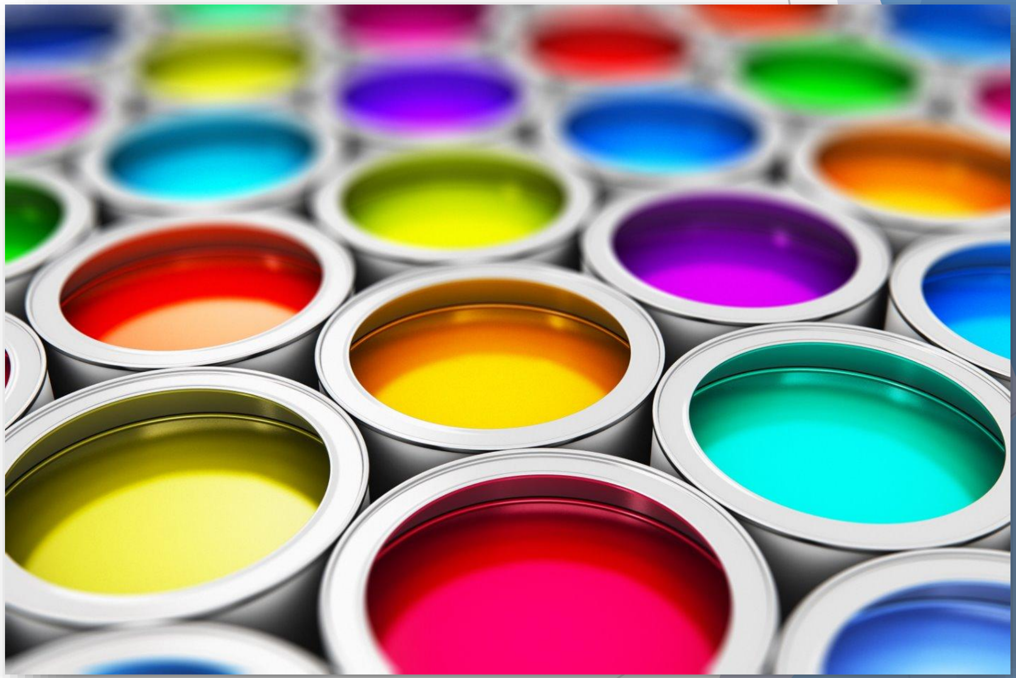
Paintshop emissions are monitored under the Ashford Borough Council licence.

2 **LOWER-VOC PRODUCTS**

Lower-VOC products are sourced where they maintain the required quality.

3 **WATER-BASED MATERIALS**

Water-based paints and low-VOC fillers are used wherever viable.



Waste Management

New recycling facilities were rolled out in 2025.

In 2025, dry-mixed recycling bins were installed at Canterbury, Strood, Maidstone and Sevenoaks.

Staff awareness training covers reducing and segregating waste.

Weekly checks of waste areas and segregation feed into the quarterly IMS KPIs.

+3% general waste tonnage year-on-year, including the first full operational year of the Maidstone depot

−4% general waste at the established depots on a like-for-like basis

Moving Forward

The 2026 programme combines ongoing energy-efficiency upgrades with electrification and paper-reducing digital processes.

ONGOING

Lighting upgrades
Workshop door sensors linked to heater cut-offs
Onboarding of solar arrays at newly acquired sites

2026 TARGETS

- **175kW truck charger installation at Ashford**
- Electronic customer contracts for hire vehicles and R&M contracts
- Digital HR onboarding document rollout
- Courtesy vehicle process digitisation to reduce reliance on duplicate books

Direction of travel: lower energy use • more digitisation • less paper

Conclusion / Summary

2025 delivered lower overall energy consumption and CO_2e per hour sold, alongside practical investment in a lower-carbon fleet, electric-truck readiness and recycling infrastructure.

Key achievements included:

- Significant reductions in overall energy consumption and CO_2e emitted per hour sold
- Expansion of the recycling programme across all sites
- Significant investment in electric courtesy vehicles and EV charging points
- Certification of the Ashford depot as a DAF Electric Truck Centre

We recognise that there are still many opportunities for improvement open to us, and that we have a responsibility to operate with care and reduce our impacts where we can.

We therefore reconfirm our commitment to continual improvement and to reducing the environmental impacts of our operations on the natural environment.