Sustainability Report 2025 Greenhous Group - Truck Operations

Executive Summary

Greenhous Group – Truck Operations continues to advance its sustainability journey with a clear commitment to achieving Net Zero emissions. In 2025, we have prioritised the integration of environmental, social, and governance (ESG) principles across all business areas. This report outlines the key developments, challenges, and forward plans that demonstrate our dedication to building a more sustainable transport operation.

About Greenhous Group - Truck Operations

Greenhous Group operates as a leading dealership and service provider for Heavy Goods Vehicles (HGVs) in the UK. Our operations span new and used truck sales, maintenance and repair workshops, parts distribution, and a responsive roadside breakdown service. With a footprint that covers multiple sites, we play a critical role in enabling logistics and commercial transport across the country.

Our sustainability approach recognises the environmental impact inherent to the transport sector, particularly its reliance on fossil fuels and high carbon outputs. As a result, we have taken proactive steps to reshape our operational model to align with national decarbonisation goals and growing expectations from customers, manufacturers, and regulators.

Our ESG Strategy and Governance

At Greenhous, sustainability is embedded in our governance structure. ESG responsibilities are overseen by dedicated leads within our management team, with regular engagement at the senior leadership level. ESG progress is tracked through action plans, and initiatives are reviewed quarterly to ensure alignment with strategic goals.

We are focused on:

- Embedding ESG risks and opportunities into business planning.
- Aligning closely with manufacturer sustainability targets.
- Meeting regulatory requirements, including gender pay gap reporting and streamlined energy and carbon reporting (SECR).

• Preparing for upcoming legislation such as mandatory supply chain due diligence and ethnicity pay reporting.

This governance model ensures that ESG is not a bolt-on, but an integral part of how we manage risk, reputation, and long-term value creation.

Material Topics and Stakeholder Priorities

A formal materiality assessment conducted in collaboration with RSM identified the most significant ESG topics for Greenhous and its stakeholders. The top priorities include:

- Carbon emissions and Net Zero: Our stakeholders expect leadership in decarbonising our operations and fleet.
- Renewable energy: Investing in solar energy to reduce reliance on the grid.
- **Electric vehicles**: Electrification of our delivery fleet and company vehicles.
- **Employee wellbeing and retention**: Supporting health, safety, and talent development.
- Cybersecurity: Protecting our systems and customer data.
- Responsible sourcing: Ensuring ethical practices across our supply chain.

We continue to refine these focus areas through workshops, peer benchmarking, and customer engagement.

Environmental Impact

Greenhous is committed to achieving Net Zero for Scope 1 and 2 emissions, with the following environmental priorities:

- Fleet Electrification: Nearly all company cars are now electric or hybrid, and delivery vehicles are being phased to electric by 2025. Supporting infrastructure such as charging stations is in place across our facilities.
- Renewable Energy: We are expanding the deployment of solar panels at sites within our Fleet and Retail divisions. These projects are expected to significantly reduce operational emissions over the next 3 years.
- **Energy Efficiency**: We are upgrading HVAC systems and introducing natural ventilation designs to improve energy efficiency. Additionally, we are moving toward

- a fully paperless environment through digitisation of our workshop systems and document workflows.
- **Carbon Reduction Targets**: Formal carbon reduction targets are being set in line with Science-Based Targets principles, supported by internal reporting mechanisms and external audit.

Social Responsibility

Our people are at the heart of our sustainability ambitions. Social impact is driven through:

- **Health and Safety**: Continuous investments in safe working environments and procedures. QR code-based systems now allow real-time reporting of near-misses.
- **Employee Engagement**: Regular satisfaction surveys and feedback loops help shape our wellbeing agenda and improve retention.
- **Diversity and Inclusion**: We are actively promoting diversity through training, internal networks, and inclusive hiring practices.
- **Community and Charity**: We support local charities and encourage volunteering. As part of our responsible business commitment, we also favour local suppliers where possible.

Governance and Risk Management

We have adopted the TCFD framework to identify and manage climate-related risks:

- Physical Risks: We are responding to risks such as extreme weather, flooding, and heat stress by investing in canopy covers, HVAC systems, and infrastructure resilience.
- **Transition Risks**: These include the impact of carbon pricing, evolving technologies, and supply chain vulnerabilities. We are mitigating these through fleet innovation, internal carbon pricing models, and supplier diversification.
- Climate Risk Register: A central risk register maps our exposure to short-, medium, and long-term climate risks. It also documents our adaptation strategies and capital investments aimed at reducing these risks.

Governance is further reinforced by compliance with anti-bribery laws, modern slavery obligations, and cybersecurity protocols.

Performance Metrics and Targets

While 2025 marks the start of a more structured ESG performance approach, we have already made progress in several areas:

- Emissions reductions across Scope 1 and 2
- Deployment of solar energy infrastructure
- Increase in number of electric vehicles in service
- · Workforce ESG training and engagement
- · Waste reduction through digitisation and recycling initiatives

By the end of 2025, we aim to have defined KPIs across all material ESG topics, enabling clearer reporting in future disclosures.

Looking Ahead

Our priorities for the next 3 years include:

- Expanding electric fleet operations and parts management
- Publishing verified Scope 3 emissions data
- Completing our transition to a paperless environment
- Aligning with CDP, SBTi, and other recognised reporting frameworks
- Increasing collaboration with OEMs and supply chain partners on sustainability

Sustainability at Greenhous is not a project with an endpoint. It is a continuous commitment to evolve, adapt, and lead responsibly in the face of a rapidly changing environmental and regulatory landscape.