ESG statement 2025-26

1. Introduction

This statement supplements Commercial's annual sustainability report and provides additional data and detail in line with specific GRI disclosures that may not be fully covered within our main report. The aim is to increase the transparency of our sustainability activities with comparability over time and in line with internationally recognised standards.

The GRI index that forms the appendix to our main sustainability report references where each GRI clause is met. This statement provides only information additional to that not covered in other areas of public reporting.

The scope of this statement covers Commercial Ltd (legal name), commonly known as Commercial, and the reporting period is July 1st 2025 - June 30th 2026. Where data does not directly align with this period, this will be specified.

In this statement our carbon reporting and transition plan reflect our parent company Commercial Corporate Services Ltd of which Commercial Ltd is the substantial entity. All aspects of the transition plan apply in full to Commercial Ltd, and disaggregated data for this entity is reported specifically within our main sustainability report.

The following topics are addressed in this statement:

- General disclosures
- Material topics
- Climate change and energy
- Waste
- Health and safety
- Labour – child, forced and compulsory
- Supplier social assessments
- Customer privacy

2. General disclosures

Our value chain (GRI 2-6-a and b)

Commercial are business service transformation specialists helping to tackle the challenges of an ever-changing business landscape through the sale of solutions focused products and services across 12 different areas of expertise: Workplace Supplies; Retail Reimagined; Corporate Print; PPE and Workwear; Facilities; Business Interiors; Modern Workplace; Cloud and Datacentre; Cyber Security; Digital Workspace; Smart Technology; and ESG Consultancy.

Commercial primarily serves the UK market with a growing client base in Europe. Our largest customer base is in the private sector, and we also work within education, public and third sector entities. Around 40% of our customers are in the retail market (goods not for resale), with other major industries including legal, technology and health care.

Our supplier base is also diverse and we work with a wide range of direct and indirect suppliers, including wholesalers. In the reporting year 2025-26, Commercial worked with 652 direct suppliers including 1 major UK wholesaler, VOW. The total number of indirect suppliers is not currently tracked.

Commercial defines its' operations as the sites from which it operates. During the reporting period, Commercial operated from 4 UK sites in Cheltenham, London, Leeds and Cardiff. All sites are offices with Cheltenham and London also including warehouse operations.

Quantity of product and services sales - not currently reported.

Net sales of products and services = £88,747,062.00 (unaudited figure).

We carry out thorough due diligence processes and ensure no products sold are the subject of any stakeholder concern or public debate.

Employees by gender and region (GRI 2-7-a-e)

The figures below are reported in headcount as an average of the reporting year

Employees by gender data				
Female	Male	Other	Not Disclosed	Total
Number of employees				
91	198	1	0	290
Number of permanent employees				
87	197	0	0	285
Number of temporary employees				
4	1	0	0	5
Number of non-guaranteed hours employees				
0	0	0	0	0
Number of full-time employees				
73	197	0	0	270
Number of part-time employees				
18	2	0	0	20

Employees by region data					
Cheltenham	Leeds	London	Cardiff	Other	Total
Number of employees					
225	12	11	4	38	290
Number of permanent employees					
220	12	11	4	38	285
Number of temporary employees					
5	0	0	0	0	5
Number of non-guaranteed hours employees					
0	0	0	0	0	0
Number of full-time employees					
211	12	11	4	38	238
Number of part-time employees					
14	0	0	0	0	14

Workers who are not employees and whose work is controlled by the organisation (GRI 2-8-a)

Commercial does not work with a large number of workers who are not employees, but we do buy services from some other companies who then carry out work for us – for example electrical installation services. In these instances, we may impose health and safety requirements on the workers, but the overall management of work is the responsibility of the company from which we buy the service.

For the purposes of this disclosure, we distinguish workers who are not employees as follows:

Out of scope	Where we purchase a one-off service from a company where we pay that company for an outcome and that company is responsible for the workers.
In scope	Where we sub-contract to an individual or individuals and manage this labour or expertise as an extension of our own.

During the reporting period, the most common types of non-employee workers were individual freelancers who were employed for specialist projects, additional to the in-house capacity or skill. Examples include a PR specialist and an Energy Saving Opportunity Scheme (ESOS) specialist.

A total of 2 non-employee workers were contracted during the reporting period. This is the first year we have recorded this data so there is no comparable period against which to review any fluctuation. A total of 335 hours were worked across these roles.

Governance body overview (GRI 2-9-c, 2-11 a and b; and 2-12 a and b)

Our board of directors is made up of 100% executive directors consisting of 3 founder-owners and 1 Finance Director appointed by competency-based recruitment in 2023. There are 3 males and 1 female. No members of the board hold any significant positions or commitments that compromise their attention.

Commercial works with an agile and flat decision-making structure and does not have any formal committees of the board. Departmental heads report regularly to the board, and our social dialogue function Comm-Unity acts as a neutral mechanism to raise any issues from across the employee body.

The Chair of the Board is a founder, owner and full-time senior executive, but not Managing Director. The Chair oversees all operations with a focus on financial performance. Any potential conflicts of interest are managed in line with our conflict-of-interest policy.

The board holds ultimate responsibility for all direction and decisions in relation to the organisation's purpose, mission and strategy. All policies are approved at board level. In relation to ESG, the board holds all ultimate responsibility for strategy and associated due diligence, impact, risks and opportunities. They oversee the provision of resource and investment in these areas. The Managing Director is the sponsor of all ESG work. Further information on how the board engages with stakeholders on ESG can be found on page 104 of the sustainability report.

Skills and experience of the governance body - management of ESG impacts (GRI 2-13, 2-14, 2-17, and 2-18)

Day to day responsibility for the oversight and management of ESG is delegated to the Head of Sustainability who leads the Sustainability Team and oversees drives alongside distributed leadership through the ESG steering group which consists of key colleagues from across People and Culture, Sales, Marketing, Health and Safety, Business Ethics, Sustainability, Procurement, and Finance.

The Head of Sustainability reports to the board at least once a quarter with the purpose of reviewing progress against the sustainability strategy and associated targets, discussing and approving any changes to material topics, and agreeing final sign off on reported information.

The Head of Sustainability is also responsible for advancing collective knowledge, skills and experience on sustainability at board level. Wider learning on sustainability across the business is facilitated through regular company-wide learning day presentations and bespoke training with teams.

The board's performance in ESG is evaluated in line with our sustainability strategy in 3 ways 1) director-specific KPIs, 2) KPIs of board member's direct reports, and 3) high-level whole business KPIs such as the achievement of external recognition. Performance is not independently or externally evaluated, but high-level outcomes are communicated transparently through annual sustainability reporting. Actions in relation to performance are reviewed and decided by the board in relation to company success and material stakeholder interests.

Conflicts of interest and critical concerns (GRI 15 and GRI 16)

To prevent or mitigate any conflicts of interest, Commercial operates a conflict-of-interest policy owned by the IT Infrastructure and Security Manager.

All team members and contractors are required to disclose any potential or actual conflicts of interest as soon as they arise. This disclosure is made to their immediate manager and/or the People and Culture department who will decide the appropriate course of action in line with policy. Disclosure of any conflicts of interest to wider stakeholders would only be made in exceptional circumstances where it was considered to be material or a legal requirement. As a privately owned company, Commercial's controlling shareholders are board members and ultimate decisions on relevant disclosures lie with them.

All grievances and critical concerns are reported at board level through the Director of People and Culture who owns the grievance policy.

During the reporting year 2025-26 zero grievances were reported.

Remuneration policies (GRI 2-19, 2-20 and 2-21)

Senior management remuneration includes fixed salary and discretionary performance-related bonuses. Bonus payments are linked to individual performance objectives. At the most senior level, board members who are company owners may also take dividends.

All senior managers and board members will have at least 1 KPI in relation to ESG (the management of Commercial's impacts on the economy, the environment and people) by 2027 in line with our sustainability strategy with a percentage of bonus pay linked to performance against this indicator.

Team members' pay is reviewed annually against individual performance, business performance/market conditions, and external salary benchmarks for each role. This review is led by the Director of People and Culture in consultation with the board. Board members and senior executives who are not company owners do not participate in decisions around their own remuneration. Informal feedback from employees may also be taken into account during remuneration reviews.

We are proud to be a Living Wage employer, demonstrating our commitment to paying wages that exceed the national minimum wage and reflect the real cost of living. All team members receive fair and transparent compensation, including prompt payment, statutory benefits, and appropriate remuneration for overtime.

As part of our commitment to pay transparency and fairness, we include salary bandings on all job advertisements. This ensures that candidates are informed from the outset and supports equitable hiring practices across the business.

The ratio of the annual total compensation for the highest paid individual, to the median annual total compensation for all employees during the reporting year is 1291%. No employees were excluded in the calculation and FTE was not factored. This figure accounts base pay, bonus and commission. The highest job title is a director.

Processes to remediate negative impacts (GRI-2-25 a-e and 2-26)

Commercial is committed to identifying, addressing and remediating any negative impacts where we may have caused or contributed to them, and our ISO 14001, 45001, 27001 and 9001 systems act as a mechanism for continual improvement and accountability in this space.

Where any stakeholder holds a concern, they are encouraged to raise this via appropriate and identified channels including line management, the board, our complaints procedure or whistle blowing procedure. We try to resolve any issues promptly and informally where possible; and where escalation is needed, we follow a formal grievance procedure outlined in our culture code.

We continually monitor our impacts and the effectiveness of any remediation procedures through our ISO systems and any related stakeholder feedback; and strengthen internal controls and risk management where necessary.

Compliance with laws and regulations (GRI 2-27)

During the reporting period there were 0 instances of non-compliance with laws and regulations and therefore no fines or sanctions were received.

Membership associations (GRI 2-28)

Commercial is a member of many organisations but holds no significant roles.

Stakeholder engagement (GRI 2-29)

Continuous stakeholder engagement is a core part of our business culture and how we shape business activity. Our ISO systems hold regularly updated logs of interested parties, and we regularly and proactively engage with suppliers, customers, internal colleagues, and sector networks to understand their sustainability interests - tailoring our approach to engagement by stakeholder needs to ensure meaningful engagement. Where more focused engagement is needed, for example to determine material topics, we gather more formal insights through surveys, focus groups and 1:1 interviews.

Collective bargaining (GRI 2-30)

Commercial has a social dialogue and employee representative forum called the Comm-Unity which provides a means to communicate with the board. The Comm-Unity does not replace any individual's right to join a Trade Union or seek representation through other recognised routes. While Commercial does not currently have a formally recognised union for collective bargaining, the Comm-Unity provides a structured forum for similar negotiations and 100% of employees can access this function.

Working conditions and terms of employment are reviewed regularly by the Board and by the People and Culture team in line with UK legislation, good practice, and employee feedback.

3. Material topics

Process to determine material topics (GRI 3-1 a and b)

In 2026, we undertook a structured Double Materiality Assessment (DMA), supported by IMS Transition and Finance Ltd, to identify the sustainability topics reflecting our most significant impacts on the economy, environment and people, and the risks and opportunities that influence business performance and resilience.

Working with IMS, we took a 7-step process to determine our material topics.

1. **Value chain mapping**

We reviewed our business model and full value chain, and worked with our ESG steering group to map activities across sourcing, logistics, operations and product use. Supplemented by desk-based work; this highlighted that many environmental and social impacts arise upstream in the supply chain, alongside downstream influence through product selection, use and advisory services.

2. **Sustainability matters long list - Impacts, risks and opportunities**

Commercial does not fit any of the GRI sector standards specifically, so a comprehensive long list of sustainability matters and associated impacts, risks and opportunities (IROs) was informed by ESRS 1 AR16 and supplemented with GRI, MSCI and other recognised frameworks, alongside peer benchmarking and industry research.

These IROs were then assessed using defined criteria - impact materiality was evaluated based on severity (scale, scope and irremediability) and likelihood, while financial materiality considered the magnitude and likelihood of potential effects on financial performance, strategy, regulatory compliance and operations. This structured scoring enabled the prioritisation of topics and the removal of those below defined thresholds.

3. **Engagement topics**

To support stakeholder engagement, IROs were translated into clear topic descriptions capturing their associated impacts, risks and opportunities. These informed a combination of internal and external engagement activities.

4. **Stakeholder engagement**

IMS conducted targeted interviews with senior representatives from Commercial, customers and suppliers, and facilitated an ESG Committee workshop drawing on cross-functional input from teams including sales, procurement, IT, finance and sustainability.

In addition, an online stakeholder survey was distributed across employees, customers and suppliers, generating over 200 responses. Survey outputs were analysed using a structured methodology that considers both the importance and relevance of topics, providing a robust view of stakeholder priorities.

5. **Analysis**

Stakeholder input was complemented by wider evidence, including regulatory and policy developments, scientific and industry reports, peer analysis and established standards and frameworks (including IFRS S1 and S2, ESRS and MSCI sector guidance).

All inputs were integrated into a structured analysis, combining impact and financial materiality scoring to prioritise Commercial's material topics.

6. **Management assessment**

The outcomes were reviewed with management and presented to the ESG Committee and board for validation, ensuring senior-level oversight and final determination.

Agreement is now in place to align our new sustainability strategy and reporting to the issues that matter most to stakeholders and long-term business resilience.

List of material topics (GRI 3-2)

Commercial has identified the following material topics and aligning GRI standards:

TOPIC	REPORTING STANDARDS
Decarbonisation, energy management and Net-Zero	GRI 102 – Climate change GRI 103 – Energy
Circularity, plastics and waste	GRI 306 - Waste
Responsible sourcing	GRI 408 – Child labour GRI 409 – Forced or compulsory labour GRI 414 – Supplier Social Assessment
Physical and mental health, safety and wellbeing	GRI 403 – Occupational health and safety
Data security and customer privacy	GRI 418 – Customer privacy
Governance and oversight of sustainability and risk	GRI 2 – General disclosures

In addition to the double material topics, our assessment recognised a number of topics that still merit a degree of reporting, though not in full accordance with GRI. They fell into 3 categories:

1. **Well managed** – well embedded in existing operation, culture and risk management processes. Represent baseline expectation of a well-run business with no evidence of significant risk, stakeholder concern or constraint of performance. These topics were:

    - Fair employment – training, skills and capabilities; diversity and inclusion .
    - Personal safety of customers and end-users.

2. **Emerging** – not currently material but likely to increase in importance over time due to regulatory developments, market expectations or technological change. Require monitoring and readiness. This topic was: physical climate resilience and water use.

3. **High-added value** – support brand, culture and market position. This topic was social value delivered to customers.

Management of material topics (GRI 3-3)

Each of our material topics aligns with our sustainability strategy and to policies managed through our ISO systems (14001, 27001, 45001 and 9001). Within our strategy, and within each relevant policy, we have clear targets with actions in place to meet these. Progress against each of these targets is communicated in our annual sustainability report, and through internal governance mechanisms.

TOPIC	Actual and potential impacts	Key policy	Top objectives and targets	Progress
Decarbonisation, energy management and Net-Zero	Commercial's activities and value chain generate greenhouse gas emissions - primarily from purchased goods, logistics and the use of products supplied - contributing to climate change, while the provision of lower-carbon products and energy-efficient solutions can reduce emissions across customer value chains; these impacts arise mainly through upstream and downstream business relationships, with a smaller contribution from own operational activities.	Net-Zero transition plan	Against a 2024-25 baseline, our short-term transition plan targets to 2030 are to: ▪ Reduce absolute Scope 1 and 2 emissions by 80% from a FY 2024-25 baseline. ▪ Reduce absolute Scope 3 emissions from the use of sold products 21% from a FY 2024-25 baseline. ▪ Ensure the top 85% of suppliers by emissions covering purchased goods and services have a science-based target. ▪ Achieve LCA data availability for products covering 10% of total spend by FY 2029/2030. By 2045, our target is to achieve Net-Zero via a minimum 90% absolute reduction across our full footprint, with residual emissions neutralized by permanent carbon removals.	ESG statement page 24-25 Sustainability report pages 44-45

Circularity, plastics and waste	Commercial's product portfolio drives resource consumption, waste generation and pollution across the lifecycle of products, reflecting a largely linear "take–make–waste" model, while promoting circular solutions such as reuse, recycling and refurbishment can reduce environmental impacts and resource demand; these impacts occur predominantly through upstream and downstream business relationships, influenced by Commercial's product offering and procurement and sales activities. (GRI 306-1)	Environmental policy Responsible sourcing policy	▪ Partner with specialists to ensure responsible reuse or recycling of all waste, including IT equipment and other Waste Electrical and Electronic Equipment (WEEE). ▪ Continue to work towards establishing a circular economy through product design, internal resource sharing programmes, and collection and reuse programmes for customer waste ▪ Maintain Zero Waste to Landfill annually, except where disposal to landfill is required by applicable legislation or regulatory requirements. ▪ Ensure energy recovery accounts for no more than 5 percent of waste arising across all sites each year.	Sustainability report page 50-53
Responsible sourcing	Commercial's reliance on global supply chains creates potential environmental impacts and adverse human rights outcomes, including risks of forced labour and poor working conditions, while responsible sourcing practices and supplier engagement can mitigate harm and improve outcomes for workers and ecosystems; these impacts arise principally through business	Responsible sourcing policy	▪ 95% or more of active Tier 1 suppliers to sign Commercial's Supplier Code of Conduct by the end of FY 2025/2026. ▪ 100% of key suppliers must complete an Ecovadis assessment. ▪ Deliver annual sustainable procurement training to 100% of procurement staff and SRM leads by the end of FY 2025/2026, with refresher modules every 12 months.	Sustainability report pages 58-61

	relationships with suppliers, shaped by Commercial's procurement, due diligence and supplier management activities.			
Physical and mental health, safety and wellbeing	Commercial's operations, particularly in warehousing, logistics and installation activities, create risks of injury, illness and wellbeing impacts for employees and contractors, while effective health, safety and wellbeing practices protect individuals and support operational reliability; these impacts arise primarily from operational activities, directly affecting the workforce and on-site service delivery.	Health and safety policy	▪ Maintain accreditation to the ISO 45001 Occupational Health and Safety Management System Standard through an annual audit, with zero major nonconformities. ▪ Maintain zero reportable incidents to RIDDOR. ▪ Ensure no reported accidents are caused by PPE not being worn or failure to comply to best practice. ▪ Hold a minimum of four Health & Safety Committee meetings per annum. ▪ Ensure the company IOGP LTIF* remains below 1.0. - *IOGP LTIF, lost time injury frequency, is fatalities and lost workday cases per million-man hours, on a 12-month rolling average (over five years). ▪ Ensure the number of trained Mental Health First Aiders across the business remains at seven.	ESG statement pages 37-47 Sustainability report pages 78-79

			▪ Ensure 100% of team members receive health and safety induction training, along with role-specific health and safety training.	
Data security and customer privacy	Commercial's provision of IT and digital services involves the handling of sensitive data, creating risks of data breaches, privacy violations and associated harm to individuals and organisations, while robust data security and governance practices protect information and maintain trust; these impacts arise mainly from own activities relating to data handling and IT systems, with exposure extending to downstream business relationships with customers and partners.	Information security policy	▪ 100% of team members to complete annual training on information security, cyber security and GDPR. ▪ Penetration testing performed at least once annually, with full CREST accredited report to demonstrate vulnerabilities and improvements required.	Sustainability report page 114-115
Governance and oversight of sustainability and risk	Commercial's governance structures, policies and data systems shape how environmental, social and ethical impacts are identified and managed, with weak oversight potentially leading to unmanaged impacts, regulatory breaches or unethical conduct, while strong governance enables responsible decision-making and accountability; these impacts arise	Sustainability strategy	▪ Retain and continually improve ISO14001, 45001, 27001 and 9001 including transition to new standards when relevant. ▪ Report ESG data annually in accordance with GRI to ensure full transparency and comparability.	Sustainability report page 109, 116-125

	from organisational activities, with consequences extending across operations and the value chain through oversight of business relationships.			

4. Climate change

Transition plan overview (102-1-a and b)

Commercial has developed a climate transition plan which includes policies, actions, and investments required to reduce greenhouse gas (GHG) emissions across our operations and value chain over the short, medium, and long term.

The plan is built on consideration of a number of possible future scenarios with actions aligned to efforts to limit warming to 1.5 degrees as set out in the International Panel on Climate Change (IPCC) report and Paris Agreement.

Our transition plan is supported by a suite of policies including fleet management, waste, responsible sourcing, and our environmental policy. These policies are reviewed annually as part of our broader sustainability strategy and ISO 14001 Environmental Management System. The full transition plan will be reviewed and revised in 2030.

We pride ourselves on being pace setters in sustainability and for more than 20 years have taken an ‘avoid, reduce, remove’ approach to emissions in line with what’s now SBTi best practice. Since we started our journey in 2006, our actions have included the removal of on-site fossil fuels, the purchase of 100% renewable energy tariffs, the installation of solar panels, and an ongoing commitment to shift our fleet to electric vehicles.

As we continue to raise our game, in our financial year 2025-26, we re-baselined our emissions using 2024-25 data and increased the accuracy of our carbon accounting practices. To set bold and ambitious targets for our next chapter, our baseline and targets cover 100% of our Scope 1, 2, and 3.

Targets in our transition plan have been developed as a reflection of stakeholder expectations and a Double Materiality Assessment which reviewed climate-related impacts, risks and opportunities (IROs) relating to people and the environment.

To support our customers decarbonisation efforts, and to address potential environmental impacts identified; actions in the plan focus on reducing emissions across the full value chain, improving energy efficiency, and shifting product and service offerings towards green technologies, lower-carbon and circular solutions.

To address potential impacts on people; we will build on our established Supplier Relationship Management (SRM) programme to ensure responsible sourcing and supplier engagement to mitigate human rights and labour risks in global supply chains.

Expenditure on transition plan implementation during the reporting period (102-1-c)

In the reporting period 2025-26, our focus was on re-baselining our emissions data and developing a robust transition plan aligned to our strategic ambitions. This new plan is our first formal and costed framework, due for Board approval early in our 2026-27 financial year.

We have not specifically calculated total expenditure on transition-related activities previously, but capital and operational expenditures during the reporting period include investment in energy saving technologies at the Cheltenham head office (AI plug sockets, Voltage Optimisation), new EVs, and carbon accounting software and services. These new investments, in addition to those ongoing are detailed as part of our annual Streamlined Energy and Carbon Report (SECR) in our latest company accounts filed to Companies House.

In the 2026-27 financial year we will report in full our expenditure on the new transition plan, and how this relates to any remaining spend on fossil fuels linked to our fleet.

Alignment of the transition plan with business strategy – roles and responsibilities (GRI 102-d and e)

The Board is ultimately responsible for approving and overseeing our transition plan, with day-to-day responsibility delegated to the Head of Sustainability who is accountable for developing the plan, aligning it with a just transition; and driving and monitoring overall progress.

The Head of Sustainability meets with the Board quarterly to summarise progress and to ensure any emerging impacts, risks or opportunities feed strategic business decision making.

From the 2026-27 financial year, all senior managers and Board members will have bespoke KPIs to support the transition plan, which will be overseen by the Managing Director and Chair of the Board. These will be linked to performance assessment and related bonus opportunities.

Continual learning, research and development are central to Commercial's culture and transforming the way we think, act and grow. Learning and training on our transition plan is no different and we run regular business-wide learning day presentations and off-site workshops to support this.

As an agile company with a strong commitment to sustainability as a top business priority, we don't operate a formal carbon pricing scheme as a means of decision making. However, in deciding which transition plan projects to invest in, the Board reviews a number of factors including financial return on investment and forecasted carbon savings in line with transition plan goals.

Where there is known information about comparable carbon impacts of alternative business decisions, this is reviewed equally with financial considerations.

Targets to achieve the transition plan and progress towards them (GRI 102-1-f)

In 2021 we set and approved Net Zero targets with SBTi through their Small and Medium Sized Enterprise (SME) route – signalling our strong commitment to carbon reduction in the near-term. These targets used 2018 as our baseline and included all carbon scopes and categories measured at that time.

5 years on, we've grown in size and shifted our reporting year from a calendar to July 1st-June 30th. Both of these factors, as well as greater availability of data across our full footprint, make it a natural time to re-baseline, set new near-term targets and put in place solid plans for full Net Zero in the long term.

Against a 2024-25 baseline, our short-term transition plan targets to 2030 are to:

- Eliminate Scope 1 emissions
- Eliminate market-based Scope 2 emissions
- Reduce location-based Scope 2 by 25%
- Ensure the top 85% of suppliers by emissions covering purchased goods and services have a science-based target

By 2045, our target is to achieve Net-Zero via a minimum 90% absolute reduction across our full footprint, with residual emissions neutralized by permanent carbon removals.

Our transition plan and targets include a number of assumptions and dependencies both internally and externally such as UK grid decarbonisation, no non-renewable infrastructure investments, and supplier commitments.

We are committed to rapid action through collaboration, and will review our long-term targets every 5 years, or if there is substantial change in our business model, in line with SBTi guidance.

Just transition and engagement with stakeholders (GRI 102-1-g)

In alignment with our company values, a just transition is core to our plan.

We recognise our most significant climate impacts and opportunities sit within our value chain – particularly in purchased goods, logistics, and product use – and that changes required to decarbonise (such as shifts in product portfolios, supplier requirements and logistics models) may have implications for suppliers, colleagues and customers.

As part of our Double Materiality Assessment, we completed thorough stakeholder engagement through a structured process of desk-based research of our value chain, surveys, workshops, and interviews with customers, colleagues and suppliers. These activities reflected strong expectations for transparent emissions data, low-carbon product options and alignment with customer net zero targets.

These expectations have directly informed our targets, priority actions, and approach, which includes the expansion of our low carbon offering, and enhanced emissions reporting for customers.

We have carefully considered the impacts of our transition plan, including costs and capabilities across our value chain and are committed to mitigating any risks by maintaining collaborative supplier relationships, supporting gradual transition pathways, and aligning expectations with market readiness.

Our approach prioritises learning, listening, collaboration, and customer value, and ongoing feedback is regularly reviewed by the board, the sustainability team, and the ESG steering group to ensure maximum positive outcomes and minimum negative impacts to people and the environment.

Public policy and lobbying activities (GRI 102-1-i)

Commercial and its' board have no formal role with any groups active on public policy or lobbying. Where we engage with any associations or memberships – sector specific bodies or sustainability organisations – these must align with our company values and sustainability ambitions.

Adaptation plan (GRI 102-2)

Our climate transition plan takes a fully integrated approach to mitigation and adaptation – responding to impacts, risks, and opportunities; and aligning to one set of streamlined targets. Our responses to the above disclosure are therefore covered under GRI 102-1.

New employees and new workers not employees (GRI 102-3-a – g)

The figures in the table below are provided in totals by head count for the reporting period – at the end of the reporting period (102-3-j)

Total new employees and terminations by gender					
	Men	Women	Other	Not disclosed	Total
Number of new employees recruited (102-3-a-i)	1	0	0	0	1
Number of new workers who are not employees recruited (102-3-e)	1	0	0	0	1
Number of employees whose work was terminated (102-3-b-i)	0	0	0	0	0
Number of workers who are not employees whose work was terminated (102-3-f)	0	0	0	0	0
Number of redeployed employees (102-3-c-i)	0	1	0	0	1
Number of employees who received training for up and re-skilling (102-3-d-i)	1	1	0	0	2

The figures in the table below are provided in totals by head count for the reporting period – at the end of the reporting period (102-3-j)

Total new employees and terminations by employee type						
	Permanent employees	Temporary employees	Non-guaranteed hours employees	Full-time employees	Part-time employees	Total
Number of new employees recruited (102-3-a-ii)	1	0	0	0	0	1
Number of employees whose work was terminated (102-3-b-ii)	0	0	0	0	0	0
Number of redeployed employees (102-3-c-ii)	1	0	0	0	0	1
Number of employees who received training for up and re-skilling (102-3-d-ii)	2	0	0	0	0	2

Commercial has committed to pay 100% of employees at least the real living wage, which is above the UK minimum wage and the National Living Wage.

Impacts on local and indigenous communities (GRI 102-3-h and k and 203-3-i)

Commercial's direct operations are small in infrastructural scale and UK based (Cheltenham, London, Leeds, and Cardiff) – with no direct impact on indigenous communities. Transition activities primarily focus on fleet electrification, energy saving technologies, and supply chain engagement – with potential to impact local air quality and local economic activity. Where the installation of any new green technologies requires planning permission and community consultation, we comply with UK law.

Our greater potential transition impacts come from our supply chain, where we recognise shifts in our product portfolio could lead to impacts in global communities. As part of our salient risk best practice and Supplier Relationship Management, we are committed to carefully screening new suppliers and investigating any potential impacts as our portfolio evolves - including any impacts on indigenous peoples.

Emissions reduction targets and progress (GRI 102-4-a-k)

	Information on target			Information on progress		Information on how the target was set					
GHG emissions reduction targets	**Target year** (102-4-a)	**Target emissions reduction %** (102-4-a)	**Target emissions tCO2e** (102-4-a)	**Progress % reduction** (102-4-i)	**Progress tCO2e emitted** (102-4-i)	**Base year** (102-4-h)	**Base year emissions – tCO2e** (102-4-h-ii)	**Biogenic CO2 emissions included in the target (yes/no)** (102-4-b)	**Gases covered** (102-4-e)	**Scope 3 categories covered** (102-4-d)	**Percentage of emissions included within each scope**
Scope 1 target (102-4-a-i)	2030 – in line with Net-Zero near-term ambitions	100%	0	18.72	223.5	FY 24/25	274.9	Yes	All reporting is in CO2e – dis-aggregating not considered material interest		Not currently reported
Scope 2 target location-based (102-4-c)		25%	62.62	0.67	82.93		83.49	No			
Scope 2 target market based (102-4-c)		100%	0	-1.4	116.4		102.9	No			
Scope 3 (102-4-a-i)		No absolute near term (see page 18)					22,905	Yes		1 and 11	
Scope 1 and 2 target (102-4-a-i)		82.5 (official target minimum 80%)	62.62	14.5	306.43		358.39	Yes			
Scope 1, 2, and 3 target		No absolute near term full footprint reduction (see page 18)									

Our target development considered a number of possible future scenarios and aligns with the IPCC 1.5-degree pathway set out by SBTi. There are a number of dependencies and assumptions in the targets including decarbonisation of the UK grid system, and continued business performance enabling delivery of key actions such as electrifying the fleet. Commercial is expecting to grow substantially throughout the short and long-term target periods through an increase in sales volume. Our long-term Scope 3 target focuses on a commitment to drive this growth in lower carbon ways whilst still meeting customer needs. Our green technologies are a rapidly growing area of the business, offering opportunities to support customers in their own decarbonisation efforts. In line with SBTi expectations we will review our targets every five years, or if there are any substantial business or data changes.

Both our baseline emissions and our reporting year emissions have been calculated in partnership with our carbon accountants, Normative, using a comprehensive emissions methodology in line with science-based targets. Our emissions are not currently validated by a third party, but this is something we will look at in the coming years.

In the reporting year our total market-based emissions increased by 35.5% to 31,558 tCO_2e. While this represents movement in the wrong direction, it is important to recognise that this first year has been focused on building a more complete and accurate understanding of our impact, particularly across Scope 3 emissions, where the greatest opportunities for long-term reduction exist.

The majority of the increase was concentrated in three areas.

1. Purchased goods and services grew as sales volumes increased across product categories such as technology equipment, cleaning consumables and office supplies.
2. Emissions from the use of sold products also increased as the total volume of technology products supplied to customers grew during the year.
3. Emissions from upstream transportation and distribution rose due to higher freight activity – though some of this is associated with one off capital investments and the refurbishment of our Cheltenham Centre of Excellence

Although the figures highlight the scale of the challenge ahead, they also provide something equally valuable: clarity. For the first time, we can identify with confidence where emissions occur across our value chain and focus our efforts on the areas with the greatest potential for impact.

This deeper level of insight has already informed our sustainability strategy, supplier engagement programme, and Net-Zero transition planning. By establishing a robust baseline and strengthening the quality of our data, we have created the foundation needed to target meaningful emission reductions in the years ahead.

Effective climate action starts with understanding where the greatest opportunities for change exist.

Scope 1, 2, and 3 emissions (GRI 102-5-GRI 102-7, GRI 102-8 a and b)

The table below sets out our 2024-25 base year emissions and progress against these in the reporting year 2025-26.

Since the start of our sustainability journey in 2006, Commercial has been making substantial year-on-year carbon reductions. In 2021 we set our first Net-Zero target approved by the Science Based Target Initiative SBTi under the Small and Medium Sized Enterprise (SME) route and by 2024-25 we exceeded our original ambitions. However, we have also grown in size and influence since 2021, and enhanced how we measure, manage and act on carbon emissions, making this an opportune time to re-baseline, and set and validate new targets under the full SBTi corporate standard.

The consolidation approach taken to our emissions accounting is operational.

Scope 1, Scope 2, and Scope 3 GHG emissions	Base year 2024-25		Reporting period -2 2025-26	
	Emissions (tCO_2e)	Biogenic CO_2 eq emissions (metric tons)	Emissions (tCO_2e)	Biogenic CO_2 eq emissions (metric tons)
Scope 1 GHG emissions (102-5-a; 102-5-c)	274.9	16.36	223.5	12.09
Scope 2 GHG emissions (102-6-a; 102-6-c)		0.69		0.78
Location-based	83.49		82.93	
Market-based	102.9		116.4	
Scope 3 GHG emissions (102-7-a; 102-7-c)	22,905	4034.23	31,218	3563.99
Category 1: Purchased goods and services (102-7-b)	18,410	3,974.33	24,123	3486.82
Category 2: Capital goods (102-7-b)	334	4.85	225.5	3.5
Category 3: Fuel- and energy-related activities (not incl. in Scope 1 or Scope 2 emissions) (102-7-b)	100.7	0	85.98	0
Category 4: Upstream transportation and distribution (102-7-b)	799.8	38.26	1,376	52.32
Category 5: Waste generated	1.316	0	0.878	0

in operations (102-7-b)				
Category 6: Business travel (102-7-b)	130	0.8	78.45	0.26
Category 7: Employee commuting (102-7-b)	185.6	12.56	161	12.26
Category 8: Upstream leased assets (102-7-b)	N/A	N/A	N/A	N/A
Category 9: Downstream transportation and distribution (102-7-b)	N/A	N/A	N/A	N/A
Category 10: Processing of sold products (102-7-b)	N/A	N/A	N/A	N/A
Category 11: Use of sold products (102-7-b)	2,867	1 547.15	4,928	2,519.19
Category 12: End-of-life treatment of sold products (102-7-b)	63.56	0	41.79	0
Category 13: Downstream leased assets (102-7-b)	6.201	3.43	15.93	8.83
Category 14: Franchises (102-7-b)	N/A	N/A	N/A	N/A
Category 15: Investments (102-7-b)	7.336	0	181.7	0

We report our emissions intensity in per million pounds of turnover. All measured emissions are included in scope which includes some biogenic emissions.

For the reporting year, our intensities were:

	Intensity (emissions per million pounds turnover* in tonnes CO2e)
Scope 1	2.5
Scope 2	0.93
Scope 3	351.2
Scope 1, 2 and 3	354.7

**Our turnover is an un-audited figure at the point of publication in this statement in August 2026. Any changes will be included in a re-published statement in 2027. Scope 2 emissions are reported as location based.*

Carbon credits (GRI 102-10)

Commercial offsets Scope 1 and 2 emissions, as well as Scope 3 emissions relating to direct operations (waste, business travel and commuting). In the reporting year, Commercial purchased and cancelled carbon credits for 569tCO2e which relate to the reporting year previous (2024-25) calculated with our former carbon accountants. For the reporting year 2025-26, Commercial will offset approximately 626 tCO2e* through carbon credits (*final figure to be verified at point of purchase in summer 2026).

For the most recent offsetting period (2024-25), Commercial purchased credits through Climate Impact Partners for the Sabah Rainforest Rehabilitation project in Malaysia. This project holds a third-party rating placing it in the top 6% of all rated Improved Forest Management (IFM) projects - reflecting its strong quality, biodiversity impact, and robust monitoring.

Project Name	Sabah INFAPRO Rainforest IFM, Malaysia
Project ID	672
Project Type	Improved Forest Management
Cancelation serial numbers	▪ 19259-933645143-933645184-VCS-VCU-263-VER-MY-14-672-01012011-31122011-0 ▪ 19260-933671142-933671184-VCS-VCU-263-VER-MY-14-672-01012012-31122012-0 ▪ 19261-933697141-933697181-VCS-VCU-263-VER-MY-14-672-01012013-31122013-0 ▪ 19262-933723141-933723181-VCS-VCU-263-VER-MY-14-672-01012014-31122014-0 ▪ 19263-933749140-933749181-VCS-VCU-263-VER-MY-14-672-01012015-31122015-0 ▪ 19264-933775142-933775183-VCS-VCU-263-VER-MY-14-672-01012016-31122016-0 ▪ 19265-933801141-933801183-VCS-VCU-263-VER-MY-14-672-01012017-31122017-0 ▪ 19266-933827144-933827185-VCS-VCU-263-VER-MY-14-672-01012018-31122018-0 ▪ 19267-933853141-933853183-VCS-VCU-263-VER-MY-14-672-01012019-31122019-0 ▪ 19268-933879144-933879186-VCS-VCU-263-VER-MY-14-672-01012020-31122020-0

	▪ 19269-933905143-933905185-VCS-VCU-263-VER-MY-14-672-01012021-31122021-0 ▪ 19270-933931141-933931182-VCS-VCU-263-VER-MY-14-672-01012022-31122022-0 ▪ 19272-933970141-933970182-VCS-VCU-263-VER-MY-14-672-01012023-31122023-0 ▪ 19271-933953413-933953432-VCS-VCU-263-VER-MY-14-672-01012024-30062024-0
Cancellation Date	24 April 2026
Vintage	The vintages are spread evenly across the 13.5-year monitoring period from the start of 2011 to mid-2024, and credits are also retired evenly across those years in the annualized blocks. This means that when you buy credits from this project, you are supporting the carbon removals delivered across the full period from 2011-2024.
Host country and issuing registry	Malaysia, Sabah, Verified Carbon Standard (VCS)
How the project adheres to: - Additionality - Credible baselines - Permanence - Leakage avoidance - Regular monitoring - Independent validation and verification - GHG program governance	**Additionality:** ▪ The project started in 1992 before forestry policies in Sabah were mandated (post-2012), demonstrating proactive forest conservation. ▪ It prevented a credible alternative baseline scenario of conversion to palm oil plantations that were rapidly expanding in Sabah during the 1990s and early 2000s. ▪ The financial barriers to forgoing a second harvest and funding restoration reinforced additionality. ▪ Supported historically by Sabah Forestry Department, with pioneering activities that set precedents. **Credible Baselines:** ▪ Baselines were determined through established VCS methodologies (e.g., VM0005) identifying the most plausible scenario as relogging with Reduced Impact Logging (RIL) techniques post-2007. ▪ Carbon calculations involve comparing carbon stocks in permanent sampling plots experiencing one cutting round without subsequent silvicultural treatment. ▪ Satellite imagery and historical land use trends are used to benchmark degradation. **Permanence:**

	▪ The forest is legally protected as a Class 1 reserve from 2013 with a Sustainable Forest Management License Agreement obligating protection for 99 years. ▪ Risk mitigation includes governmental oversight, 10% buffer pool contribution, protection from deforestation, logging, conversion, and low disturbance risk from fires or pests. ▪ Despite some hiatus in activities between 2010-2024, ongoing limited forest monitoring and management continue. **Leakage Avoidance:** ▪ The project considers leakage as net GHG emissions outside boundaries attributed to project activities. ▪ Geospatial analysis and monitoring indicate a slower degradation rate within the project area compared to surrounding forests, suggesting effective leakage management. **Regular Monitoring:** ▪ Carbon stock monitoring is based on permanent plots with emissions reductions tracked over time. ▪ Forest monitoring, eco-tourism, nurseries, and climber cutting indicate active management. ▪ Monitoring reports inform project adjustments though limited budget has reduced activity intensity. **Independent Validation and Verification:** ▪ The project complies with VCS and BeZero pre-validation standards. ▪ Subject to third-party validation and verification processes per VCS methodology requirements. **GHG Program Governance:** ▪ The Sabah Forestry Department guides implementation and rules enforcement. ▪ Legal agreements, buffer contributions, and governance framework ensure transparency and accountability. ▪ The project scores highly in governance and safeguards dimensions.

Impacts on people and the environment from the project and how these are being monitored and evaluated, including consideration of: - Stakeholders consulted - Human rights - Socio-economic benefits to local communities and indigenous peoples - Biodiversity conservation - How trade-offs are assessed	**Stakeholders consulted** ▪ Multiple experts and organizations have been involved in the project establishment and development, including FRIM, WWF Malaysia, Earthwatch, CIRAD-FORET, IKEA, GEF, local and overseas universities, and the Sabah Forestry Department. ▪ Community engagement is emphasized through stakeholder meetings, questionnaire-based surveys, and opinion logbooks collected from villages. ▪ Monitoring plans and verification results are publicly disseminated on VCS and CCB websites, with local stakeholders informed through village assemblies. ▪ Contact information is provided to allow stakeholders to raise opinions directly. **Human rights considerations** ▪ All personnel involved in forest activities are trained in first aid to prevent life-threatening conditions, ensuring health and safety. ▪ No Social Impact Assessment was conducted given the absence of local communities within the project area and surroundings. ▪ There is mention of Politically Exposed Persons (PEPs) among project-affiliated organizations but no direct involvement in project activities, with no sanctions as of November 2024. **Socio-economic benefits to local communities and indigenous peoples** ▪ The project has generated employment opportunities, directly improving household incomes and living standards. ▪ Women actively participate in afforestation activities, benefiting economically and contributing to social trust and support for village committees. ▪ Training is provided to villagers on emergency preparedness and response to natural disasters, promoting community resilience. ▪ Enhanced communication through community involvement improves coordination among stakeholders.

	▪ Long-term benefit monitoring is conducted to ensure sustainability and ongoing positive community well-being. **Biodiversity conservation** ▪ The project restores natural habitat and protects biodiversity, with over 120 mammal species, 300 bird species, and 15,000 plant species including towering dipterocarps. ▪ It provides a buffer zone to the Danum Valley conservation area enhancing connectivity between forest reserves. ▪ Biodiversity monitoring includes remote sensing, camera trapping, community interviews, forest inventories, and poaching patrols to monitor forest cover, species presence, and threats. ▪ A Biodiversity Monitoring Plan defines indicators for forest quality, species populations, and anthropogenic pressures such as fires and diseases. ▪ Mitigation measures include sustainable resource extraction training, fuel-efficient cookstoves to reduce pressure on forests, and active forest protection activities. **Assessment of trade-offs** ▪ Environmental Impacts are assessed via Environmental Impact Assessments (EIAs) or critical assessments based on observations and experience. ▪ Negative impacts such as soil erosion, carbon loss, and habitat reduction are mitigated by targeted actions such as using existing road networks, careful construction, and planting indigenous species. ▪ Offsite impacts like resource extraction shifting are mitigated by community involvement in sustainable woodland management. ▪ The project balances carbon sequestration goals with ecological and social considerations by ongoing adaptive management and long-term monitoring.

Possible impacts from energy consumption and transition to renewables (GRI 103-1-b)

Commercial's energy related targets sit in our Net-Zero transition plan and environmental policy and relate to our Scope 1 and 2 targets developed to limit global warming to 1.5 degrees.

We recognise that our current energy consumption can impact people, planet and profit across our operations and value chain. For example, until we can fully transition our fleet to EVs we recognise we may contribute to resource depletion and biodiversity impacts; as well as air pollution and associated health implications. We are also vulnerable to energy price volatility until we can transition away from petrol and diesel.

As we transition towards renewable energy sources, we recognise the positive potential of this on health and business resilience; but remain mindful of responsible sourcing and due diligence around green technologies such as solar which place pressure on finite minerals in regions with poor human rights track records.

Energy-related policies and commitments (GRI 103-a)

Overall, our goals are to:

- Reduce energy consumption at our Cheltenham Head Office by 5% by 2030
- Increase onsite renewables at our Cheltenham Head Office by at least 30% by 2030
- Eliminate fossil fuels (petrol and diesel) in our car fleet

To achieve these goals, we will:

- Optimise and monitor our consumption data better through smart plugs
- Explore further energy saving technologies for high-consumption areas such as heating and cooling
- Expand our renewable energy technologies such as solar

We will continue to purchase 100% renewable electricity for our London, Leeds and Cheltenham offices and aim to switch our leased office space in Cardiff to a renewable tariff by 2030.

In addition to our own Scope 1 and 2 targets, as part of our commitment to reduce our Scope 3 emissions, we are engaging with our stakeholders as outlined in GRI 2-29 and working with our suppliers and customers to reduce their own energy consumption through green technologies and renewables tariffs.

Fuel purchased and consumed (GRI 103-2-a-f and GRI 103-5-a-f)

Commercial has no onsite fossil fuels in relation to its buildings (heating, cooling or steam) and consumes a mixture of purchased electricity from deep green renewable tariffs, as well as onsite solar generation. Where on site solar is not consumed, this is sold back to the grid.

In line with our Net-Zero transition plan, Commercial is using a new baseline (2024-25) to report progress against. In the reporting year, the breakdown of electricity generation and consumption against base year emissions was:

	Onsite solar generation (kwh)		Onsite solar consumption (kwh)		Purchased electricity renewable (kwh)		Purchased electricity non-renewable (kwh)		Total consumption (kwh)	
	Base year	Reporting year	Base year	Reporting year	Base year	Reporting year	Base year	Reporting year	Base year	Reporting year
Cheltenham	30300	37309	20123	24371	207,078	181506	0	0	227201	205877
Warehouse 2 (Cheltenham)	0	0	0	0	573	1026	36	0	609	1026
London	53073	54530	22913.9	21135	36792	26229	0	0	59706	47364
Leeds	0	0	0	0	8883	9602	0	0	8883	9602
Cardiff	0	0	0	0	13	32	1254	3127	1266	3159

**Figures rounded to nearest whole number*

Purchased renewable electricity for Cheltenham, Warehouse 2, and London is supplied by Ecotricity, and purchased electricity for Leeds is supplied by Energie UK. These tariffs are supported by Energy Attribute Certificates (EACs) managed by the suppliers. Our onsite solar is not currently REGO backed, but we are intending secure REGOs in the near future.

Total energy consumption in kwh went down during the reporting year. This can be explained by the addition of some smart technologies in Cheltenham, but further investigation is needed to understand consumption patterns across sites.

In relation to scope 1, energy purchased for non-EV fleet is not currently calculated.

Energy intensity ratios (GRI 103-4 a-c)

We measure the energy intensity of our buildings in kwh per m2, and in the reporting year these figures were:

Location	Energy intensity
Cheltenham	87.63
Warehouse 2 (Cheltenham)	7.88
London	26.22
Leeds	163.86
Cardiff	39.49

Of our total Scope 1 and 2 emissions, around half comes from our fleet (EV, petrol, diesel and hybrid) and we measure this in kwh per mile driven. In the reporting year, this intensity was: 0.66 kwh per mile

To calculate this intensity, for non-EV fleet, miles driven was converted to kwh using UK Government conversion factors in line with Streamlined Energy and Carbon Reporting (SECR) methodology. This was then added to known kwh charge for the EV fleet, and divided by total miles drive across the fleet.

At present, Commercial doesn't calculate energy intensity emissions beyond its direct operations.

5. Waste

Management of significant waste-related impacts (GRI 306-2 a-c)

In 2007 we pledged to send zero waste to landfill and in 2013, we became the first in our industry to achieve it. We follow the waste hierarchy – reduce, reuse, repurpose, recover – and work with trusted partners to make sure materials are managed responsibly at every stage.

Due to our multi-site operations, we work with a number of different waste contractors who supply waste transfer notes with data for each waste stream collected. We monitor and process this data through monthly dashboard updates to understand how we are doing, and what more we could do in line with the waste hierarchy.

In all our offices we segregate waste in line with UK legislation, and where possible, we go even further - sending our office snack wrappers to a specialist recycling facility for example.

During the reporting year we worked to improve communication and engagement with waste at our Cheltenham Offices and introduced digital signage and an interactive meta-human for more flexible and dynamic engagement.

We know that there is always more we can do, and in the reporting year, we worked to build better data and reporting systems capable of more impactful insights and interventions in the future.

Waste generated (GRI 306-3, 306-4, and 306-5)

All waste generated by Commercial is collected and processed offsite by registered and compliant waste contractors.

During the reporting year 100% of waste that could legally be diverted from landfill was either recycled or sent to energy recovery. The only waste stream that could not be diverted from landfill was a very small amount of asbestos which can only legally be sent to specialist landfill sites.

Total waste arising (tonnes)	95.1
Hazardous waste (tonnes)	11.9
Non-hazardous waste (tonnes)	83.2
Waste sent to recycling (tonnes)	90.8
Waste sent to energy recovery (tonnes)	4.3
Waste sent to landfill – asbestos (tonnes)	0

Waste water (cubic metres)	2003.9

By composition, this waste breaks down as follows:

	Waste generated (kg)	Waste generated (tonnes)	Waste diverted from disposal – recycling (tonnes)	Waste directed to disposal – energy recovery (tonnes)
Batteries	12	0.012	0.012	
Cables	262	0.262	0.262	
Cardboard	13447.94	13.44794	13.44794	
Ceramics	60	0.06	0.06	
Coffee bags (Terracycle)	13	0.013	0.013	
Crisp packets (Terracycle)	26	0.026	0.026	
EPS	1328	1.328	1.328	
Food waste	1776	1.776	1.776	
Furniture	6247	6.247	6.247	
Mixed glass	283	0.283	0.283	
Mixed paper	3286	3.286	3.286	
Mixed recycling	28288.72	28.28872	28.28872	
Non-recyclable materials	4259.07	4.25907	0	4.25907
Paper & card	1166.9	1.1669	1.1669	
Plasterboard	7260	7.26	7.26	
Toner	165	0.165	0.165	
WEEE	11471.5	11.4715	11.4715	
Wood	15750	15.75	15.75	
Total waste	95102.13	95.10213	90.84306	4.25907

6. Health and safety

Occupational Health and Safety Management System (GRI 403-1 and GRI 403-8-a-c)

Commercial operates an Occupational Health and Safety Management System certified to ISO 45001:2018, providing a structured framework to identify, assess and manage health and safety risks and support continual improvement.

The management system applies to all activities under Commercial's operational control, including office, warehouse, fleet, service, installation, SmartTech, interiors and managed print operations across its UK sites and working environments. The system is supported by our Health, Safety and Welfare Policy, Health & Safety Support Manual, risk assessment programme, incident reporting arrangements and Health & Safety Committee.

During the reporting year, all employees (average headcount: 290) were covered by the Occupational Health and Safety Management System, with no significant categories of employees excluded from coverage.

Commercial also manages health and safety risks relating to workers who are not employees, but whose work activities are conducted under the organisation's control or influence. Contractors, subcontractors, visitors and other workers on Commercial-controlled premises are covered through contractor due diligence, site inductions, risk assessments, review of RAMS, permit-to-work arrangements, PPE requirements, site rules and access controls.

The management system supports compliance with applicable UK health and safety legislation, including the Health and Safety at Work etc. Act 1974 and associated regulations covering areas such as risk assessment, fire safety, manual handling, COSHH and display screen equipment. Core system elements include risk assessment, training, occupational health support, inspections, incident and near-miss reporting, contractor management, corrective actions and management review.

System effectiveness is independently assessed through annual external audits, with an internal objective of maintaining ISO 45001 certification with no major non-conformities.

Processes to identify work-related hazards and assess risks (GRI 403-2-a)

Commercial has established processes to identify work-related hazards, assess occupational health and safety risks, and implement controls to eliminate hazards or minimise risks across its' operations. Risk assessments are undertaken for routine activities and reviewed periodically, with additional assessments completed where there are changes to activities, workplaces, equipment, substances, processes, projects, working environments or following incidents, near misses or audit findings.

Commercial maintains a document-controlled risk assessment schedule covering areas including DSE, first aid, driving for work, slips, trips and falls, lone working, home working, office tasks, COVID-19 exposure, COSHH, young persons, sexual harassment, return to work, tail lifts, forklift operation, loading and unloading, hand-operated pallet trucks, hand tools, battery-powered tools, manual handling, dynamic off-site work, MPS and SmartTech electrical works, field engineer site visits, install engineer dynamic assessments, Legionella, working at height, ladders, car parks, fire, racking and asbestos.

Risk assessments and inspections are completed by trained and competent personnel, with responsibilities assigned to relevant business owners including People & Culture, Operations, Warehouse, SmartTech and Interiors leads. Where specialist expertise is required, Commercial uses external support, including Assured ISO and other competent providers. Commercial applies the hierarchy of controls, prioritising elimination, and reduction of risks through design, engineering controls, safe systems of work and administrative controls before relying on PPE as a final measure.

Findings from risk assessments, audits, workplace inspections, incidents and near-miss reporting are analysed to improve the OH&S Management System. Examples include strengthened RAMS reviews, contractor due diligence, warehouse segregation controls, training improvements, fire safety actions, Legionella controls, manual handling review and dynamic risk assessment processes.

Process for worker to report hazards (GRI 403-2 b)

Commercial has established processes for workers to report work-related hazards, hazardous situations, near misses, incidents and health and safety concerns. Employees can raise issues with line managers, team leaders, Health & Safety Representatives, the Health & Safety Team, H&S Committee representatives, first aiders, fire marshals or through formal reporting processes including the Accident, Incident and Near Miss form, BambooHR and other digital or fleet safety reporting systems.

The Safety Policy requires employees to report incidents, near misses and hazards that have or could have resulted in injury or damage and confirms that employees should follow the near miss reporting procedure without fear of intimidation, discrimination or reprisal. Reported hazards, incidents and near misses are reviewed through investigation and corrective action processes, with findings used to update risk assessments, training requirements, operational controls and committee-level discussions.

Policies and processes for workers to remove themselves from situations that could cause injury or ill health (GRI 403-2-c)

Commercial operates a WorkSafe/Refusal to Work Policy for employees, contractors and subcontractors working on its sites. Where the use or operation of a machine, method of working or other factors could endanger the life, health or safety of a worker or another person, the worker may refuse to operate the machine or carry out the work. Commercial's policy confirms that workers who refuse unsafe work on health and safety grounds will be supported and will not be subject to disciplinary action, financial penalty, or other penalty.

Unsafe work is escalated to the senior person on site in the first instance. Reports of unsafe working are investigated, relevant decisions are communicated to the worker raising the concern, and appropriate remedial action is taken before work resumes. This process is supported by risk assessments, safe systems of work, contractor controls, incident investigation procedures, the H&S Committee and management oversight.

Processes to investigate work-related incidents and corrective actions (GRI 402-3-d)

Commercial investigates work-related accidents, incidents, near misses and dangerous occurrences to identify immediate and root causes, determine corrective actions and prevent recurrence. All injuries, including those involving contractors, visitors, and members of the public, must be reported and recorded. Where incidents are reportable under RIDDOR, the responsible person reports them to the enforcing authority within the required timescales.

The accident investigation procedure requires competent persons to preserve the scene where appropriate, gather evidence, take witness statements, review previous accident records and trends, review and revise risk assessments, introduce controls to reduce or eliminate immediate causes, investigate root causes, and review training arrangements, procedures, documentation and processes.

Accident statistics are periodically analysed to compare performance, identify trends, determine additional training needs, review procedures, update risk assessments, revise method statements and improve safe systems of work. Findings are presented to senior management and discussed through quarterly Health & Safety Committee meetings. Where training is identified as a contributory factor, relevant training is provided before the employee undertakes the task again.

Occupational health services (GRI 403-3)

Commercial provides occupational health services and support designed to identify and eliminate hazards, minimise occupational health risks and maintain safe working environments. These services include first aid provision, mental health first aid support, DSE assessments, COSHH management, fire safety management, Legionella control, workplace inspections, health and safety audits, risk assessments, incident investigation and health surveillance where risk assessments identify a need.

Health surveillance arrangements include provision for DSE users, eyesight testing on request where applicable, noise-related audiometric testing where workers are exposed above relevant thresholds, HAVS surveillance where vibration exposure exceeds action values, COSHH-related health monitoring, dermatitis checks, respiratory sensitiser controls, solvent and chromate exposure controls, and occupational health referral where appropriate. Commercial also uses annual health questionnaires where applicable to support early identification of occupational health concerns.

The quality of occupational health services is supported through competent persons, IOSH Managing Safely qualified managers, trained first aiders and Mental Health First Aiders, external consultancy support from Assured ISO, specialist assessments and ISO 45001 audit processes. Workers can access support through first aiders, Mental Health First Aiders, line managers, Health & Safety Representatives, People & Culture, the Health & Safety Team and established communication and reporting channels. Personal health-related information should be managed confidentially and only used for health, safety and wellbeing support, not for unfavourable treatment.

Worker participation, consultation and communication (GRI 403-4 a and b)

Commercial promotes worker participation and consultation in the development, implementation and continual improvement of its OH&S Management System. Employees are encouraged to raise health and safety concerns, report hazards and near misses, contribute to risk assessments, participate in incident investigations and provide feedback on workplace health and safety matters. Commercial's consultation policy confirms that employee views should be considered before decisions are made on health, safety and wellbeing matters that may affect them.

Health and safety information is communicated through policies, induction, training, BambooHR communications, learning days, surveys, direct communication, safety signs, the Health & Safety

Virtual Noticeboard, internal communications platforms, H&S support team materials and quarterly H&S memos. Urgent H&S issues are communicated as required.

Formal consultation takes place through Commercial's quarterly Health & Safety Committee. Meetings are open to all employees, with attendance available in person or via Microsoft Teams. Meeting dates and minutes are published on the H&S Virtual Noticeboard and minutes are shared with the whole company. No employees are excluded from representation or participation. The committee includes a broad range of representatives from senior management and operational teams, and the Comm-Unity employee representative group also participates to support two-way consultation.

The Health & Safety Committee reviews performance, incidents, audits, risk assessments, corrective actions, training, emerging risks, legal register updates and improvement actions. Commercial does not currently have formal trade union agreements covering occupational health and safety.

Worker training on occupational health and safety (GRI 403-5)

Commercial provides occupational health and safety training to workers so they have the knowledge and skills required to work safely and fulfil their responsibilities under the OH&S Management System. Health and safety training requirements are managed through induction, job-specific training, role-specific training matrices, refresher programmes and competence records held in BambooHR.

All employees receive relevant health and safety information and training during onboarding, including their responsibilities, duty of care, emergency procedures, fire exits, first aid arrangements, accident and near miss reporting, workplace hazards, risk assessments, role-specific controls and access to the H&S Virtual Noticeboard. Additional training is provided based on role-specific risks and responsibilities.

Training programmes include first aid, mental health first aid, fire marshal training, manual handling, advanced manual handling, working at height, ladder safety, PASMA, forklift operation, electrical safety, PUWER, SEMA racking inspection, Legionella awareness, DSE, COSHH controls, dynamic risk assessment and PPE instruction. PPE users receive instruction on the correct use, maintenance and reporting of defects for PPE issued for their roles.

Training needs are identified through risk assessments, job-role requirements, audits, incident investigations, changes in equipment or processes, legislative requirements and management review. Internal and external trainers are required to hold appropriate qualifications. Refreshers and competence certificates are tracked in BambooHR, with reminders issued to employees and line managers. Training effectiveness is supported through competency checks, management oversight, training evaluation forms and ongoing monitoring through the ISO 45001 management system and Health & Safety Committee.

Promotion of worker health (GRI 403-6-a and b)

Commercial facilitates access to non-occupational health and wellbeing support through trained first aiders, Mental Health First Aiders, line manager support, People & Culture, wellbeing resources and access to external healthcare services available through the UK public healthcare system. Employees also have access to additional support resources referenced through BambooHR and company wellbeing arrangements, including Help@Hand, Cancer Assist and confidential counselling support, where applicable.

Commercial promotes employee health and wellbeing through voluntary initiatives supporting physical and mental health. These include mental health first aid provision, confidential counselling support, stress management arrangements, illness and flu-awareness communications, hygiene and sanitisation measures, DSE assessments, wellbeing communications, workplace facilities and the development of dedicated wellbeing spaces at the Cheltenham office.

Commercial's Safety Policy includes commitments to support mental health and wellbeing, promote healthy ergonomic work practices, address work-related stress and maintain an adequate number of Mental Health First Aiders. Wellbeing matters are reviewed through People & Culture, management processes, communications and Health & Safety Committee discussions. Participation in wellbeing services should be voluntary and personal health-related information should be handled confidentially and not used for favourable or unfavourable treatment.

Health and safety impacts linked by business relationships (GRI 403-7)

Commercial works to prevent and mitigate occupational health and safety impacts linked to contractors, subcontractors, suppliers, installation partners, customers and customer-controlled sites through its OH&S Management System, contractor management processes and project planning controls. Health and safety requirements, including customer-specific safety requirements, are considered during planning of work.

Before work begins, contractors and subcontractors are required to provide relevant evidence including their health and safety policy, insurance certificates, RAMS, appointed safety lead details, information on young persons where applicable, and information relating to hazards associated with plant operations and materials. Contractors are required to demonstrate competence and resources, provide PPE to their workforce, ensure employees are trained and competent, notify hazards, cooperate with inspections and comply with site rules.

Commercial applies controls including contractor due diligence, contractor approval, site induction, 3rd Party Access to Work / permit-to-work procedures, review of RAMS, site-specific risk assessments, safety inspections, accident and near-miss reporting, CHAS assurance requirements, post-project performance reviews and at least annual subcontractor performance reviews. For construction-related activities, Commercial applies CDM 2015 cooperation principles, including planning work, ensuring the right people are in place, coordinating with duty holders, sharing health and safety information and consulting workers on risks and controls.

Key risks linked to business relationships include installation activities, customer-controlled work environments, manual handling, working at height, vehicle movements, electrical works, work equipment, contractor competence, site conditions that differ from agreed scope, and failure to follow RAMS or PPE requirements. These risks are monitored through project planning, contractor due diligence, inspections, incident investigations, H&S Committee oversight and continuous improvement actions.

Work related injuries and ill health (GRI 403-9 and GRI 403-10)

Commercial records and investigates all work-related injuries, incidents and near misses through its Occupational Health and Safety Management System. Incidents are reviewed by Health & Safety representatives, monitored through the accident and near-miss reporting process and reviewed by the Health & Safety Committee to identify trends, determine corrective actions and support continual improvement. Risk assessments, workplace inspections, training programmes and operational controls are used to prevent injuries and reduce workplace risks.

The most significant injury risks across Commercial's operations relate to manual handling activities, warehouse operations, vehicle movements, use of work equipment, slips, trips and falls, and installation activities. These hazards are managed through risk assessments, training, PPE, safe systems of work, workplace inspections, equipment maintenance and contractor controls.

Employee injury statistics

Metric	FY 2025-26	FY 2024-25
Number of fatalities as a result of work-related injury	0	0
Rate of fatalities	0	0
Number of high-consequence work-related injuries (excluding fatalities)	0	0
Rate of high-consequence work-related injuries	0	0
Number of recordable work-related injuries	8.5	2
Rate of recordable work-related injuries	3.2	0.8
Main types of work-related injury	PPE not worn & best practice non-compliance	PPE not worn & best practice non-compliance
Number of hours worked	5,29,200	5,34,600
Number of fatalities resulting from work-related ill health	0	0
Number of recordable cases of work-related ill health	0	0
Main types of work-related ill health	N/A	N/A

No fatalities or RIDDOR-reportable incidents were recorded during the reporting period

Data has been compiled from Commercial's accident, incident and near-miss reporting processes, as well as occupational health records, DSE assessments, COSHH monitoring and employee health reporting processes.

Commercial does not have a high number of workers who are not employees so does not consider data for this category to be material and therefore does not collect data beyond full employees.

Work-related hazards and actions taken

Potential hazards are identified through risk assessments, workplace inspections, audits, incident investigations, near-miss reporting and employee consultation.

Hazards that pose a potential risk of high-consequence injury include manual handling, forklift operations, vehicle movements, working at height, warehouse activities, work equipment, poor workstation ergonomics, hazardous substances, workplace stress, lone working and physical workplace conditions and installation activities

To minimise risk, a number of controls are in place including:

- Documented best practice
- Manual handling training
- PPE provision
- Warehouse segregation
- Contractor management
- Equipment inspections
- Driver safety monitoring
- Working at height protocols
- DSE assessments
- COSHH assessments
- Employee feedback
- Incident investigations
- Regular internal audits and spot checks

During the reporting period, failure to comply to best practice and not wearing allocated PPE were the most significant causes of accidents. These were resolved through additional training, consultation with the individual and consultation with the line manager.

7. Labour – child, forced and compulsory

Operations and suppliers at significant risk (GRI 408-1 and GRI 409-1)

Commercial identifies operations and suppliers at significant risk of child labour, young workers undertaking hazardous work, and forced or compulsory labour through a structured, risk-based due diligence process combining supplier onboarding, supply chain risk assessment and ongoing monitoring.

Supplier onboarding captures key risk indicators including industry sector, product type, sourcing locations, origin of raw materials, and manufacturing or production sites. This information is retained as documented evidence and used to assess exposure to sector-specific and geography-specific labour risks. Commercial's modern slavery risk assessment framework further supports this process by identifying higher-risk supplier categories, including technology products, IT hardware, smart technologies and complex multi-tier manufacturing supply chains, alongside higher-risk sourcing regions such as China, Bangladesh, Türkiye and the Democratic Republic of Congo. External risk indicators, including the ITUC Global Rights Index, are used alongside internal risk-mapping methodologies to assess and prioritise suppliers with elevated exposure to labour rights risks.

This identification process is strengthened through EcoVadis assessments, which provide supplier scorecards, risk ratings, performance benchmarks and corrective action tracking across labour and human rights criteria. EcoVadis 360° News Watch is also used to identify adverse media and emerging supplier risks. Commercial additionally reviews supplier Modern Slavery Statements and other labour-related disclosures to understand how suppliers manage risks relating to child labour, forced labour, working conditions and wider human rights impacts. Together, onboarding data, third-party assessments, supplier disclosures and adverse media monitoring enable Commercial to identify and prioritise supplier categories, operational activities and geographic areas where these risks are most likely to occur.

Commercial contributes to the effective abolition of child labour and forced or compulsory labour through a comprehensive due diligence and supplier management framework. This includes mandatory supplier onboarding requirements, disclosure of sourcing practices and production locations prior to approval, enhanced due diligence for higher-risk suppliers, SMETA audits, EcoVadis corrective action plans, supplier scorecards, and ongoing monitoring through the Supplier Relationship Management system. Additional mitigation measures include strengthened tender requirements, responsible sourcing practices such as favouring ethically certified and remanufactured products, participation in multi-stakeholder initiatives including the Ethical Trade Initiative, and internal training to improve awareness and capability in identifying and responding to modern slavery risks.

These controls provide a documented and risk-based evidence base for identifying, monitoring and managing operations, supplier types and geographic areas with elevated risk of child labour and forced or compulsory labour. While Commercial's existing approach addresses labour standards and safe working conditions within higher-risk supply chains, a minor enhancement opportunity remains to make explicit reference to the specific risk of young workers undertaking hazardous work within future due diligence documentation and supplier assessment processes.

8. Supplier social assessments

New suppliers screened using social criteria (GRI 414-1)

Commercial manages social impacts within its supply chain through a structured due diligence and supplier governance framework. Expectations relating to labour standards, human rights, modern slavery, ethical conduct, health and safety, and workforce welfare are established through our Supplier Code of Conduct and associated procurement policies.

All suppliers are subject to onboarding due diligence, with assessments tailored according to risk. Supplier onboarding forms capture key indicators including geography, sector, sourcing model, manufacturing location, product category, raw material origin, and supply chain transparency. These assessments are supported by externally validated EcoVadis assessments, EcoVadis 360° News Watch monitoring, Supplier Relationship Management (SRM) reviews, and supplier audits, including SMETA audits where appropriate.

Commercial uses this information to identify and prioritise suppliers operating in higher-risk sectors, product categories, and geographies for enhanced due diligence and engagement. Assessment criteria include risks relating to forced labour, child labour, working conditions, wages, working hours, discrimination, freedom of association, grievance mechanisms, and worker health and safety.

Supplier Screening Metrics

Metric	2025/26
New suppliers engaged during the reporting period	114
New suppliers screened using social criteria prior to approval	98
Percentage of new suppliers screened using social criteria	86%
Total suppliers that have signed Commercial's Supplier Code of Conduct	69%
Tier 1 and 2 suppliers that have signed Commercial's Supplier Code of Conduct	42%

Negative Social Impacts in the Supply Chain and Actions Taken (GRI 414-2)

Commercial applies a risk-based approach to identifying and managing actual and potential negative social impacts across its supply chain. Risk identification combines supplier onboarding assessments, geographic and sector risk mapping, EcoVadis assessments, EcoVadis 360° News Watch monitoring, SRM reviews, supplier audits, and review of supplier modern slavery disclosures where available.

The most significant actual and potential social impacts identified within Commercial's supply chain relate to risks of forced labour, child labour, excessive working hours, discrimination, restrictions on freedom of association and unsafe working conditions within higher-risk sectors and geographies

Supplier location data is mapped against recognised external benchmarks, including the ITUC Global Rights Index and Global Slavery Index, helping identify suppliers operating in higher-risk geographies such as China, Bangladesh, Turkey, and the Democratic Republic of Congo. These insights are combined with supplier-level assessments to identify exposure to salient risks including forced labour, child labour, excessive working hours, discrimination, restrictions on freedom of association, and unsafe working conditions.

Where actual or potential impacts are identified, Commercial works collaboratively with suppliers to implement corrective action plans, establishing defined actions, responsibilities and timescales. Progress is monitored through follow-up assessments, supplier engagement, SRM scorecards, audit outcomes and EcoVadis reassessments. Escalation measures may include enhanced monitoring, corrective action requirements, or termination of supplier relationships where severe or persistent issues are identified.

Metric	2025/26
Suppliers assessed for social impacts	98
Suppliers identified as having actual or potential negative social impacts	0
Suppliers with agreed corrective action or improvement plans	18
Supplier relationships terminated due to severe social impacts	0

During Q1 2025, Commercial undertook a targeted tender process for its own-brand toner and ink category, applying enhanced due diligence to suppliers operating in a higher-risk manufacturing environment. As part of the evaluation process, bidders were required to provide independent audit evidence relating to labour practices.

The successful supplier provided a recent SMETA audit covering its' China-based production facility. The audit identified no non-compliances relating to discrimination, freedom of association, wages, or excessive working hours. Worker interviews confirmed that overtime was voluntary, refusal of overtime did not result in penalty, and workers had access to effective grievance mechanisms. The audit also demonstrated management systems aligned to the ETI Base Code and generally positive worker sentiment.

This example demonstrates how Commercial incorporates social due diligence into procurement decisions and uses independent verification to support the identification, mitigation and prevention of potential social impacts within its supply chain.

9. Customer privacy (GRI 418)

During the reporting period, Commercial received 0 substantiated complaints concerning breaches of customer privacy, 0 substantiated complaints from regulatory bodies, and identified 0 material incidents of customer data loss, theft or leakage. Commercial maintains policies, procedures, training programmes and technical security controls to protect customer information and manage privacy risks.