



Sustainability Policy

Updated January 2025



Foreword

As a leading owner of UK rolling stock, we invest in maintaining the performance, safety, quality and reliability of our assets, and in innovations that will support the UK's 2050 net zero goal. Through our technical expertise, and our strong relationships with our customers and suppliers we are able to foresee technological developments and better understand our customers' commercial priorities. We are well positioned to help support the UK Government to deliver on its environmental and social ambitions.

At Eversholt Rail, sustainability has always been embedded in how we manage our assets and our business. Our approach to sustainability and managing environmental, social and governance (ESG) topics informs our investment strategy. This includes enabling innovations for our assets that align with the UK's decarbonisation agenda. We are also committed to managing our assets responsibly, providing a great workplace for our people and delivering results effectively and ethically. As part of this, we take our responsibility to the rail industry and the wider community seriously.

Introduction

Our business strategy, to invest and grow our portfolio whilst embracing the green agenda, is supported by the four pillars of our sustainability agenda:

Innovating to support transport's decarbonisation journey



Leading as a responsible asset owner



Providing a great workplace



Delivering results with integrity



This policy sets out how we manage our assets and business sustainably. It also describes how the way we work delivers value to our staff, investors, customers, rail passengers, communities and wider stakeholders.

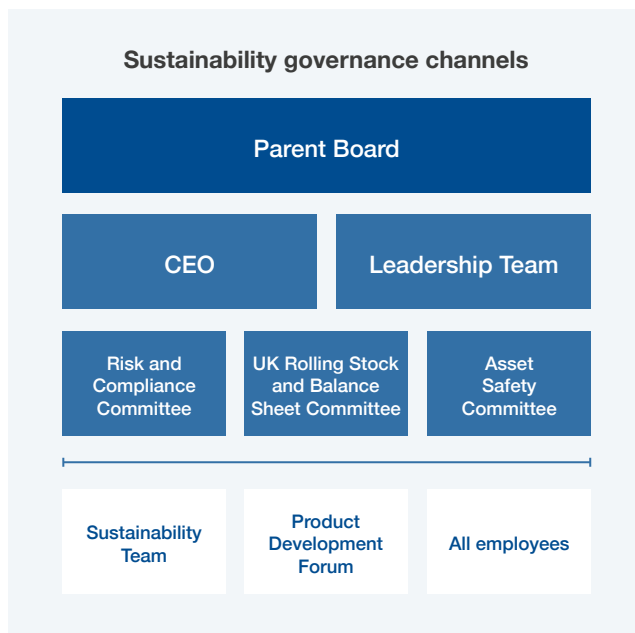
The scope of this policy covers all our operations. It is endorsed by our entire Leadership Team.

ESG governance

To ensure the effectiveness of our sustainability policy, we have a clear governance framework, supported by a wider suite of policies and procedures.

Setting out clear roles for maintaining a sustainable business

At Eversholt Rail, we all have a part to play in maintaining sustainable business practices.



- **Parent Board:** The Parent Board comprises our CEO and representatives from our shareholders. It is responsible for setting the Group's overall strategy and maintaining oversight of its activities.
- **Leadership Team:** The Leadership Team (LT) is responsible for our sustainability agenda. It receives regular monthly updates on our progress against key sustainability programmes.
- **Operational committees of the LT:** Specific environmental, social and governance (ESG) topics are monitored by:
 - **the Risk and Compliance Committee (RCC)**, chaired by our Legal Director, monitors existing and emerging risks, including those relating to the Bribery Act, the Modern Slavery Act and cybersecurity. The RCC also receives quarterly reports on emerging ESG-related risks and issues and reviews proposed mitigation measures;
 - **the Rolling Stock and Balance Sheet Committee**, chaired by our CFO. The Committee decisions around through-life asset management and investment in innovative, green technologies; and

- **the Asset Safety Committee (ASC)**, chaired by our Client Services Director, is tasked with safety risk management and ensuring the effectiveness of relevant controls.
- **Sustainability Team:** Overseen by our Head of Corporate Services, who reports directly to our CFO. The team is responsible for effective development and implementation of our sustainability agenda. Our Sustainability Lead supports all business functions to ensure that relevant sustainability processes are embedded in the business.
- **Product Development Forum:** Our approach to managing climate-related risk and opportunities is supported by our Product Development Forum, a working group that monitors and assesses the technical feasibility of deploying innovative technologies. The forum then reports any recommendations around which technologies to consider investing in to the UK Rolling Stock and Balance Sheet Committee for further consideration and approvals.
- **All employees:** From driving innovation to support the transport industry's decarbonisation journey to leading as a responsible asset owner, we all have a part to play in delivering results in line with our sustainability agenda.

Empowering our employees to drive sustainability

We want to make sure all our employees have a clear understanding of the behaviour we expect from them, including acting with integrity and respecting our differences, both when interacting with each other and with our stakeholders. These responsibilities are all set out in our Employee Handbook, which is issued to all colleagues as part of their induction. The handbook is complemented with relevant training throughout the year around various ESG topics, including cybersecurity and how to prevent bribery and corruption.

Our robust series of policies and procedures complement this policy document and our Employee Handbook in setting out our commitment, the expected behaviours of our employees and desired ways of working to support individual ESG topics. These include our Anti-Bribery Policy, which outlines Eversholt Rail's zero-tolerance stance against bribery and corruption, and our Code of Practice, (which sets out our service commitment to our customers), and our Charity and Charitable Donations Procedure.



Find out more about our policies at:

<https://eversholtrail.co.uk/downloads>

Our commitment to maintaining sustainable business practices

To help enable a modal shift to railway and further decarbonisation opportunities, our sustainability agenda sits at the heart of our core business.

Innovating to support transport's decarbonisation journey



We seek to develop low-carbon solutions to position railway as the preferred method of transport – both for passengers and for freight.

We do this by:

- exploring opportunities to future-proof our existing assets and developing greener solutions, from hybridising diesel trains to extending the electric network range by adding batteries to electric trains;
- investing in new technologies that support a modal shift for passengers and freight through our innovative solutions, such as Revolution Very Light Rail (RVLR); and
- bringing a comprehensive view as we explore alternative fuels like hydrogen, and working on opportunities with our partners to not only deliver hydrogen trains but also enable a rail network that can accommodate storage and easy access to fuelling.

Leading as a responsible asset owner



With decades of through-life asset management expertise, we use our experience to purchase, lease and manage assets responsibly.

We do this by:

- supporting safe and efficient rail services, as we deploy strong standards and processes that promote and continuously assess asset safety, and safe working practices of our suppliers;
- building and maintaining insight-driven relationships that keep us aligned with industry developments;
- playing our part in driving a circular economy as we aim to efficiently store end-of-lease assets, explore ways to extend their life cycle and manage their safe disposal and recycling; and
- offering a number of development and modification options to our customers, including those which reduce air pollution or improve climate resilience.

Providing a great workplace



Great people are key to our business strategy, and we want to be a great place to work. We do this by:

- supporting our people in building fulfilling careers through targeted learning and development initiatives that support growth for employees;
- fostering a culture of diversity and inclusion, as we continuously explore and implement ways to make our workplace more diverse and inclusive, including training and open engagement for employee feedback; and
- safeguarding employee safety and wellbeing, while striving to provide safe workspaces and investing in programmes and benefits that enhance the wellbeing of our people.

Delivering results with integrity



We deliver results, and always strive to do so responsibly. We do this by:

- aligning with industry-leading standards, and adopting robust governance channels, such as policies and procedures, regular risk monitoring and management oversight;
- promoting cybersecurity and protecting data privacy, through a range of procedures and checks, as well as equipping our employees with tools and knowledge that help us effectively manage any risk; and
- contributing to the communities we impact by participating in community activities, enabling our staff to volunteer and develop their skills, fundraising for our chosen charity and sponsoring initiatives which generate demonstrable social value. We collaborate with schools and other institutions to inspire pupils to pursue careers in engineering or the railway.

Playing our part in a future-fit rail industry

We believe the rail industry can play a significant role in delivering the UK Government's net zero ambitions. A future-fit railway will also enable a modal shift, with more passengers and freight moving away from roads and air, to rail as a preferred mode of transport.

We have unique strengths to help power the UK's net zero agenda through our investment in green technologies and innovations. In particular, the supplier and customer relationships we have fostered will help us stay abreast of engineering excellence. These will also enable us to work with our partners and bring a holistic approach, as rail can only be truly future-fit when the rolling stock and infrastructure solutions work well together.

To help establish rail as an industry of choice for young people, our sponsorships aim to connect young people with the rail and engineering sectors and to promote rail careers.

We are also committed to continue monitoring and addressing what our stakeholders expect of us in delivering against our sustainability agenda. We will report our progress in a stand-alone [sustainability report](#).

We have a robust set of policies to ensure we align with best practice and legislative requirements.



You can download these from our website at:

<https://eversholtrail.co.uk/downloads/>

From tailored training to help our employees enact our policies to management-level monitoring, we have a range of controls in place to uphold our culture of integrity. Our speak up procedure is available in our Employee Handbook, issued to all employees at the start of their employment and is also on our intranet. This includes details of Safecall, an independent, confidential external reporting service, available 24 hours a day, seven days a week. An employee reporting a concern has the ability to remain anonymous throughout the process, if they prefer to do so.



Find out more about our ongoing ESG work at:

<https://eversholtrail.co.uk/sustainability>

