

Environment, Sustainability and Governance (ESG)

Rock Rail's mission is to transform the provision of transport services for the benefit of passengers, national and regional economies, local communities and institutional investors. To achieve this, we are focused on the delivery and ongoing management of passenger focused rolling stock and rail infrastructure which deliver better value, better passenger experiences and support a more sustainable railway. We take a long-term view to developing and managing projects globally, creating investible opportunities for the institutional finance sector, including pension funds and insurance companies, who are looking for responsible investments that meet their long-term requirements while also providing sustainable benefits to the environment, local communities and wider society.

Our assets play a key role in supporting economic prosperity, social wellbeing and addressing climate change and other environmental challenges. We are committed to the role we play in helping deliver a more sustainable future.

Environment

Rock only invests in green forms of transport. For example, rail is key to achieving the UK Government policy of achieving Net Zero by 2050, and the removal of diesel trains by 2040. Rail is lower carbon than other long-distance transport and is becoming even less carbon intensive as the National Grid decarbonises. Since it was established, Rock Rail has played a key role in replacing aging, mainly diesel, fleets with modern, greener trains that are more cost effective to operate and maintain and which provide a better, cleaner passenger environment.

Social

Rail plays a key role in connecting communities, providing social mobility and promoting social inclusion and wellbeing. We are cognisant of our responsibilities to both the individuals and local communities serviced by our trains and to our own people, our rail partners, investors, and other stakeholders. In particular, Rock Rail recognises the role it has to play as asset owner in ensuring that the rail industry is safe for users of its trains.

We seek to provide a safe, inclusive and rewarding environment for our people and to work collaboratively with our stakeholders to make a positive contribution to local communities and wider society.

Governance

Rock Rail is a platform that has allowed institutional investors (life insurers and pension funds) to invest more than £3bn directly in railways. Rock Rail is responsible for the long-term asset management of this investment. As such, it has a responsibility to ensure the highest levels of governance apply to its rail investments.

To reflect the growing importance of ESG to its investor base, Rock Rail has integrated ESG into all its business operations. Rock Rail's Chief Investment Officer is the member of Rock Rail's senior management team that is directly responsible for Rock Rail's ESG performance but active participation and engagement of ESG issues is encouraged at all levels of the business is of great importance to ensure ownership of ESG by all staff. This is embedded through the "Rock Way" values and in personal objectives. Consideration and monitoring of ESG is a key part of Rock Rail's internal governance structure through its inclusion in the terms of reference of all Rock Rail's internal committees.



Rock Rail's operational rail fleets are assessed annually as part of the Global Real Estate Benchmark (GRESB) assessment framework. GRESB is a mission-driven organization that independently benchmarks ESG data for investors, asset managers, and the wider industry. In the latest assessment Rock Rail's two operational rail fleets; Moorgate and East Anglia, both received 5 star ratings.



Rock Rail Moorgate



Rock Rail East Anglia

ESG objectives

Environmental objectives set for 2024 are:

- Review arrangements for monitoring energy consumption of any new bus projects.
- Review arrangements for monitoring energy consumption for Main Weser
- Enhance monitoring of Green House Gas emissions during production.
- Review GRESB environmental reporting and enhance RockStar with it, if possible/appropriate.
- Rock rail to seek information on physical climate change risk from Network Rail.
- Continue to report on Rock internal material usage using data/reports from Capital Tower/Rock Head Office

Social objectives set for 2023 are:

- Obtain regular feedback from the local community for East Anglia through its community representative, and consider how to report it.
- Build links with GTR's community engagement team for Moorgate.
- Undertake review of risks in German rail market, and review related business controls
- Continue to develop risk controls for bus projects.
- Update and publish Modern Slavery Document

Governance objectives set for 2023 are:

- Implement and obtain certification to ISO9001 for Rock Rail Holdings.
- Integration of the SWR 701 fleet, which is due into service in 2023 into the reporting framework.
- Commission phishing exercise and identify refresher training on cyber security.
- Maintain Cyber Essentials Certification
- Undertake Rapid 7 vulnerability analysis.