

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.

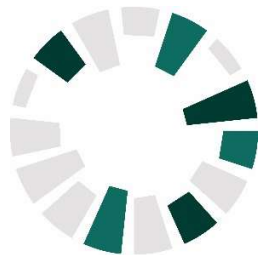
Governance

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.

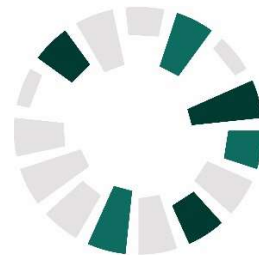
To reflect the growing importance of ESG to its investor base, Rock Rail has integrated ESG into all its business operations. Rock Rail's Chief Investment Officer is the member of Rock Rail's senior management team that is directly responsible for Rock Rail's ESG performance but active participation 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.



G R E S B
★ ★ ★ ★ ★ 2024
Rock Rail Moorgate



G R E S B
★ ★ ★ ★ ★ 2024
Rock Rail East Anglia

ESG objectives

Environmental objectives set for 2025 are:

- Building on strengthened legislative and reporting requirements Rock will seek to engage throughout the lifecycle of its investment projects in order to obtain accurate Greenhouse Gas emissions reporting scoped to each set of assets (i.e. rolling stock or bus fleet).
- Building on strengthened legislative and reporting requirements Rock will seek to engage throughout the lifecycle of its investment projects in order to obtain accurate energy consumption reporting scoped to each set of assets (i.e. rolling stock or bus fleet).
- In order to support accurate and timely provision and use of key ESG data Rock will continue to evolve its GRESB environmental reporting and enhance Rock Star with it. In particular Rockstar will be developed to capture energy consumption data.
- In order to ensure that Rock Group's assets are resilient to the effects of climate change, climate change risk assessment will be subject to regular review and action.

Social objectives set for 2025 are:

- In order to ensure that Rock's asset management activity adequately considers and prioritises the social impact of its investments, it will seek to enhance the provision of regular user feedback across all of its operational assets (rail and bus).

- In order to ensure that Rock Group has sufficiency visibility and awareness of the health and safety risks associated with its German fleets, an appropriate level of safety assurance activity will be determined and formalised within Rock's safety assurance activities.
- To ensure that our bus asset management activities support strategic approaches to safety management, in particular through safety systems that might be applicable, routine safety data reporting is to be incorporated into the bus asset reporting and governance activity.
- In order to ensure that no business activity associated with Rock Group leads to forced labour, modern slavery and trafficking in persons the business will maintain is modern slavery statements, publish additional ones where appropriate and abide by its stated commitment.

Governance objectives set for 2025 are:

- Rock Group will maintain and continue to evolve its management system in compliance with ISO9001 to ensure that all of its ESG related business activities are under rigorous, demonstrable management control.
- Rock Group will review its internal governance structure as it moves to a division-orientated internal structure, with support, oversight and assurance provided through the Group structure. Maintaining current levels of (and enhancing) governance will be a key feature of this review.
- As part of its ongoing Cyber Security assurance activity, Rock should continue to evolve its various systems assurance and competence activities, which in addition should bring it into voluntary alignment with the requirements of the digital operational resilience act, early in 2025.
- As the SWR 701 fleet, the West Coast 805/807 fleet and the Black Forest fleet are introduced into service, they will be incorporated into the operational ESG reporting framework.
- To ensure that all of its assets are being managed with sufficient awareness of potential cyber security vulnerabilities, Rock Group is to continue the roll out of its penetration testing of assets, with the intention of ensuring that all rail assets have been penetration tested by the end of 2025.
- To review and update the Statement of Delegated Authority.



G R E S B

INFRASTRUCTURE

sector leader 2024