



GB Railfreight

99001

CLASS 99	
ROUTE AVAILABILITY	NA7
WEIGHT	113t
BRAKE FORCE	115t
MAX SPEED	75 mph
MAX SPEED	120 km/h
ETH INDEX	0

STADLER

GB Railfreight

99004

GB Railfreight

99005

GB Railfreight

99006

GB Railfreight

99007

SUSTAINABILITY REPORT 2026

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FOREWORD

“ At GB Railfreight, we are proud to present our 2026 Sustainability Report – a reflection of our unwavering commitment to deliver lasting value for our customers, colleagues, communities, and the planet.

Earlier this year, we took the time to reflect on who we are, why we exist, and the difference we want to make. Through open dialogue across our business, one theme stood out: **GB Railfreight is the low-carbon backbone of the UK's national supply chain, delivering the goods for everyday life.** That sense of purpose is more than a statement – it is our guiding compass. It shapes every decision we make, strengthens our resilience in a changing world, and fuels our ambition to lead the UK in sustainable freight services.

Sustainability has always been intrinsic to how we operate. In this report, you will see how we are advancing our efforts – cutting emissions,

protecting nature, empowering our people, and strengthening our communities. We know that real progress demands more than words; it requires action, collaboration, and accountability. That's why we are setting clear targets, measuring our impact, and continually raising our ambitions.

Our journey is powered by the dedication of our people and the strength of our partnerships. Together, we are building a future where freight drives economic growth while safeguarding the world we share.

Thank you for supporting us on this journey

David Golding

Safety & Sustainability Director

”



SUMMARY

This report outlines GB Railfreight's environmental, social, and governance initiatives and targets for 2026 and beyond, showcasing:

Sustainability Commitment and Strategic Approach - reflecting our ongoing efforts to deliver value for our customers, the community and the planet. Focused on action, collaboration and accountability and driven by employee dedication and partnerships.

Emissions Reduction and Management - highlighting the ways in which we aim to significantly cut our greenhouse gas emissions through direct actions and improved data tracking. Our pathway aims for net zero by 2050 and this report shows how we achieve this through targeted reductions.

Climate Risk Assessment and Resilience - system level risk assessments to be carried out in 2026, developing resilience plans for high risk sites by 2028. Plans include engaging landlords and integrating climate risks into core processes.

Class 99 Bi-mode Locomotive - the Class 99 bi-mode locomotive will decrease our reliance on fossil fuels as they enter service, utilising electric traction where available and reducing our emissions by c.58% each journey they undertake.

Energy and Fuels Transition - continuing the transition to renewable fuels will help to reduce our footprint further throughout our journey to net zero. Biodiversity Initiatives - supporting staff led projects to create wildlife gardens and habitats, promoting biodiversity growth and wellbeing for our employees.

Waste Management - focusing on elimination of single use plastics, and promoting on recycling initiatives. Working with suppliers to identify waste stream mapping.

Health & Safety - safety is a core priority, and our strategies to create an accident free environment include active leadership, compliance, facilities improvements, fatigue data management.

Governance - the introduction of new roles, including the Safety & Sustainability Director and General Counsel and People Director, targets the strategic priorities surrounding safety and risk management.

Social Value & Responsibility - communities continue to be supported with successful schools outreach programs alongside thriving charity partnerships and sponsorship of local community groups.



UNDERSTANDING OUR EMISSIONS

Greenhouse gas (GHG) emissions – including carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and other gases – are released into the atmosphere through both natural processes and human activities. In recent decades, human actions – particularly the burning of fossil fuels and changes in land use – have caused a significant increase in GHG levels in the atmosphere.

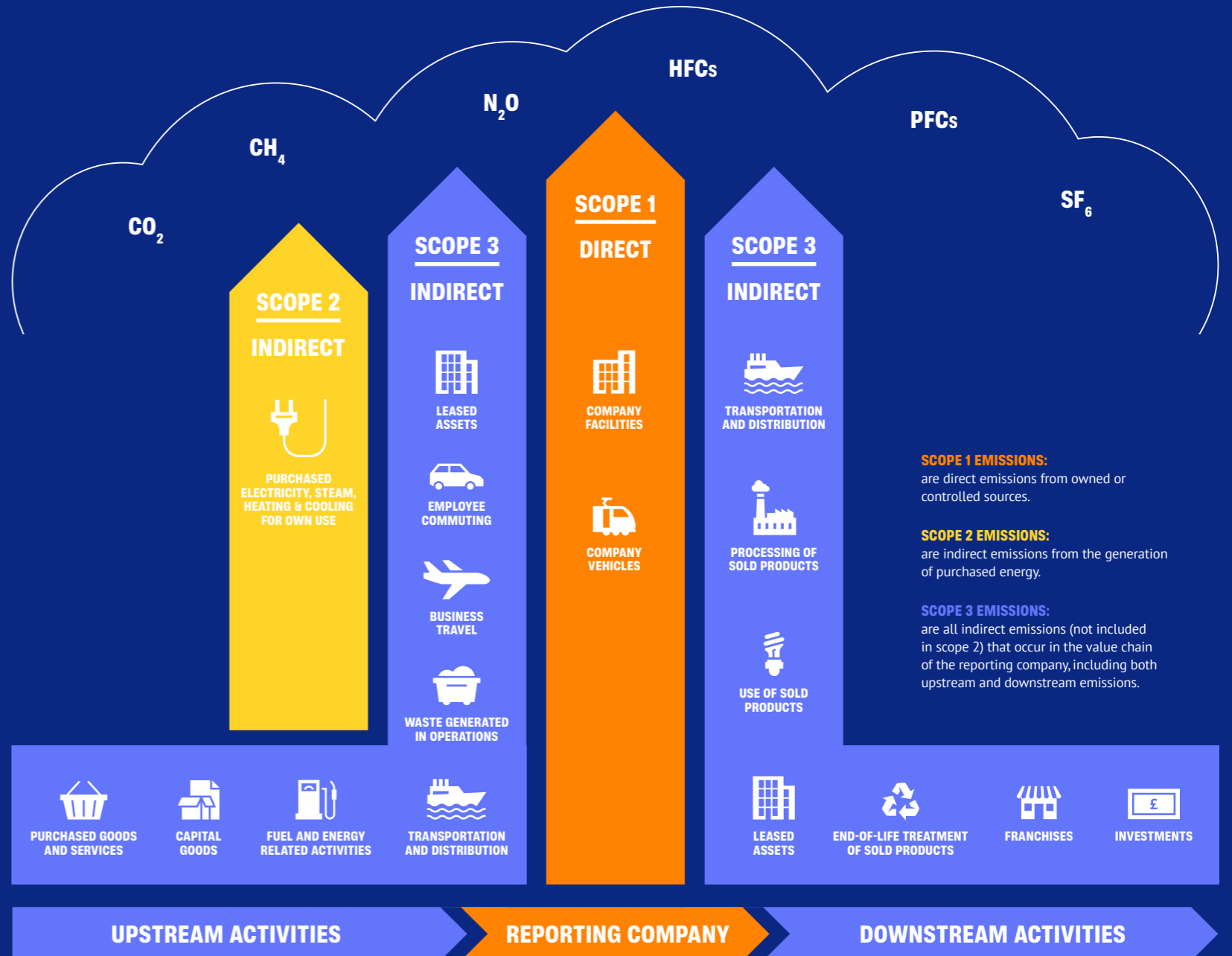
Once emitted, these gases – measured in terms of carbon dioxide equivalent (CO₂e) – can remain in the atmosphere for decades to centuries, depending on the gas. They trap heat and intensify the Earth's natural greenhouse effect, contributing to global warming and long-term climate changes, like shifting weather patterns and more frequent extreme weather events.

To enable consistent reporting, emissions are categorised into three scopes, referred to as Scope 1, 2 and 3. The diagram to the right illustrates the source of emissions and how they are classified within each scope.

We have the greatest influence and ability to reduce our Scope 1 and 2 emissions. These are the areas where we can take direct actions, such as improving efficiency and sourcing renewable energies.

Scope 3 emissions, on the other hand, are outside our direct control. While we can't manage these emissions ourselves, we can work with our suppliers to influence and support meaningful reductions.

At present, our emissions reporting focuses on the areas where we can measure and influence outcomes most effectively. As we receive more complete data from suppliers, our Scope 3 reporting will become more comprehensive. While our Scope 1 and 2 emissions are trending downward, total reported emissions may not decrease at the same rate in the short term, as Scope 3 emissions are influenced by external factors and evolving data quality.



SCOPE 1 EMISSIONS: are direct emissions from owned or controlled sources.

SCOPE 2 EMISSIONS: are indirect emissions from the generation of purchased energy.

SCOPE 3 EMISSIONS: are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

OUR JOURNEY TO BEING SUSTAINABLE

At GB Railfreight, we know that sustainability isn't a destination – it's a continuous journey. Our ambition is to operate in a way that supports the UK's transition to net zero, strengthens the resilience of the rail network, and delivers long-term value for people, the planet, and the economy.

That's why we've structured our approach around three clear phases: Commence, Advance, and Complete. This framework provides a shaped direction across the business – helping us prioritise action, track progress, and stay focused on the bigger picture. Today, we remain in the 'Commence' phase, with momentum building as we prepare to Advance in the coming years.

OUR APPROACH

COMMENCE

ADVANCE

COMPLETE





2024-2028

LAYING THE GROUNDWORK

The first phase has been about putting the right building blocks in place. From emissions and waste monitoring and measurement, to strengthening safety in our operations – we’ve focused on getting the data, tools, and foundations needed to drive real change.

Key highlights include:

- Class 99 bi-mode locomotives entering service from Spring 2026
- All sites transitioned to 100% renewable electricity
- Highland Charity Charter raised £25,000 across three-day rail journey
- Overhaul of Health & Safety System with introduction of three-pillar safety framework

COMMENCING



2029-2035

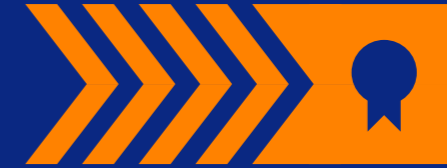
DEEPENING AND SCALING OUR EFFORTS

Looking ahead, we’ll take our actions to the next level – embedding sustainability more deeply across the business and investing in solutions that unlock greater impact.

This phase will see us broaden our environment and people strategies, further invest in and deploy low-carbon technologies to drive deeper impact, and strengthen the integration of sustainability into our governance and reporting.

Progress will be tracked across a series of advancement stages, reflecting continued growth and improvement.

ADVANCING



2036-2050

DELIVERING ON OUR LONG-TERM GOALS

By 2050, we aim to have met our most ambitious sustainability commitments through a combination of strategic interventions and operational excellence.

This stage will focus on ensuring long-term resilience, verifying progress, and adapting to future needs. This may include, investing in verified carbon removals, matured risk management across supply chains, ongoing innovation, and the demonstrable delivery of social and environmental value.

COMPLETING

OUR AMBITION:

To be the most sustainable freight transport option in the UK, delivering low-carbon, resilient logistics for the future.

ENVIRONMENT

CHAPTER 1: EMISSIONS

AT GB RAILFREIGHT, WE TRANSPORT GOODS FOR A WIDE RANGE OF CUSTOMERS, MOVING OVER 52,000 TRAINLOADS EACH YEAR, MAKING US CRITICAL TO THE NATIONAL ECONOMY.

Rail haulage, being more efficient than road, can help to cut the UK's carbon emissions by up to 76% per tonne-kilometre, whilst removing 40,584 lorries from our already congested highways per day – we know that we must take this further.

We are committed to reducing our environmental impact across all operations, placing climate action at the heart of our strategy. From low-carbon locomotives to renewable electricity, we're focused on the most impactful changes, with a clear goal: to reach net zero by 2050 while creating long-term value for people, planet, and the economy.



OUR JOURNEY SO FAR

Laying the Foundations for Net Zero

In 2022, we published our first Carbon Reduction Plan – a major milestone in our sustainability journey. It provided a comprehensive baseline for Scope 1, 2, and a subset of Scope 3 emissions, establishing a transparent foundation to measure and manage our impact. In 2025, we published an updated version to reflect improved data accuracy, expanded emissions coverage, and progress made to date. Both plans are available on our website and reflect our evolving understanding of the pathways to net zero.

Improving Data and Accountability

We now track our greenhouse gas emissions annually in line with the Greenhouse Gas Protocol, applying UK Government conversion factors to ensure consistency and comparability. Since 2022, we have refined our data collection processes to improve accuracy and transparency.

To strengthen accountability, we are introducing a carbon reduction KPI into our internal reporting systems. This ensures that progress is reviewed consistently at both operational and executive level, and that any variances are clearly explained. By embedding climate performance into our governance and reporting cycles, we are ensuring that emissions reduction remains a core business priority.

From Growth to Greater Efficiency

Our reported emissions have risen since the 2022 baseline, reflecting growth in our operations, and more accurate measurement across all scopes. In 2024, total emissions were

180,582 tCO2e compared to 166,879 tCO2e in 2022. However, emissions intensity has improved: per million total diesel train miles (MTM), emissions fell from 27,267 tCO2e/MTM in 2022 to 25,803 tCO2e/MTM in 2024, demonstrating efficiency gains supported by driver education, fuel management, and the use of biofuel mix.

Turning Commitment into Action

We have already begun delivering meaningful steps to reduce emissions across our business. Current initiatives include:

Greening our sites:

Transitioning to 100% renewable electricity and upgrading facilities with LED lighting.

Changing behaviours:

Reducing unnecessary idling through driver education, introducing an EV salary sacrifice scheme, and encouraging colleagues to reduce sole-occupancy car commuting.

Sustainable supply chains:

Refreshing supplier questionnaires and working with partners to make sustainable choices, extending climate action across our value chain.

Alternative fuels:

Beginning the use of renewable HVO fuels, helping customers lower their freight footprint today.

Together, these actions are already improving our emissions intensity and laying the groundwork for deeper carbon savings in the years ahead. Many of these initiatives are explored further in the Energy & Fuels section of this report.

OUR METRICS AT A GLANCE

<u>EMISSIONS</u>	Total tCO2e for baseline period	Total tCO2e for previous period	Total tCO2e for reporting period	% change baseline and reporting period
SCOPE 1	133,815	146,712	141,705	6%
SCOPE 2	294	907	924	214%
SCOPE 3 (Including Sources)	32,770	37,325	37,953	16%
<u>TOTAL EMISSIONS</u>	166,879	184,944	180,582	8%

<u>INTENSITY RATIO</u>	Baseline period	Previous period	Reporting period
Per million total diesel train miles (MTM)	27,267	27,746	25,803
Per thousand gross tonne miles (KGTM)	0.0237	0.0247	0.0229

CLASS 99 LOCOMOTIVES

A GAME CHANGER FOR
SUSTAINABLE RAIL FREIGHT

SPOTLIGHT 01



POWERED DIFFERENTLY

The Class 99 locomotive programme marks a defining moment for GB Railfreight and the UK freight industry. The Class 99 fleet sets a new gold standard for sustainability in freight movement – offering not only enhanced performance, being specifically designed for heavy-haul work with each mode, but a significantly reduced environmental footprint.

Crucially, the bi-mode capability enables seamless transitions between electrified and non-electrified routes, maximising the use of existing sustainable rail infrastructure while eliminating the need for additional traction. This allows for faster, cleaner journeys with fewer delays and a significantly reduced environmental footprint.

EMISSIONS REDUCTIONS

The bi-mode technology enables c.58% of emissions reduction per journey, compared to a Class 66 diesel engine (comparison made when both vehicles running on diesel only), supporting the UK's clean energy ambitions and reducing the environmental impact of freight transport even further. In addition the Class 99 allows heavier loads to be moved faster, freeing up space on an already congested network.

BUILT FOR NOW – DESIGNED FOR THE FUTURE

While delivering significant immediate sustainability benefits, the Class 99 also represents a long-term investment in decarbonised transport future. It's true innovation lies in its adaptability. The locomotives modular design ensures that the engine can be removed and replaced as new propulsion technologies emerge. Space has already been allocated within the body of the Class 99 to accommodate future solutions – such as hydrogen fuel cells, battery systems, or other low-carbon alternatives – once commercially and operationally viable. This future-proofing approach enables GB Railfreight to take meaningful climate action today without compromising the flexibility to evolve tomorrow.

By balancing near-term carbon reductions with long-term adaptability, the Class 99 positions GB Railfreight at the forefront of the UK's sustainable freight transition.

SPOTLIGHT 01

PROGRAMME MILESTONES

**LOCO 01 AND 02
COMPLETED TESTING AT
THE VELIM TEST FACILITY.**

SPRING 2025

**LOCO 01 AND 02 ARRIVED IN
THE UK AND BEGAN TESTING
AT UK-BASED FACILITIES.**

SUMMER 2025

**LOCO 01 AND 02 ENTER
OPERATIONAL SERVICE ON
KEY FREIGHT ROUTES.**

SPRING 2026

**FULL ROLLOUT OF THE
30-STRONG CLASS 99 FLEET
ACROSS CORE FREIGHT
CORRIDORS.**

2026 - 2027

ADVANCING OUR STRATEGY

As we prepare to transition from the Commence stage to the Advance stage in our sustainability journey, we will sharpen our focus on deep decarbonisation, emissions intensity, and expansion of Scope 3 reporting.

A recent comparison of our strategy with the Rail Safety and Standards Board's (RSSB) Net Zero Rail Routemap, published within their Sustainable Rail Blueprint, shows that we are not only aligned with the national industry's decarbonisation goals, but, in many areas, we are ahead of schedule. From early adoption of bi-mode locomotives to a full transition to renewable electricity at all of our sites, our pathway to net zero reflects both urgency and ambition.

The graphic on the next page highlights how our key milestones and targets compare to broader industry trajectories.

“ **FROM EARLY ADOPTION OF BI-MODE LOCOMOTIVES TO A FULL TRANSITION TO RENEWABLE ELECTRICITY AT ALL OF OUR SITES, OUR PATHWAY TO NET ZERO REFLECTS BOTH URGENCY AND AMBITION.** ”

Key Areas of Focus on the Path to Net Zero

Because fuel and energy account for such a large portion of our carbon footprint, our near-term strategy is focused on accelerating the transition to cleaner traction, renewable fuels, and smarter energy use across our sites and fleet. Much of our emission reduction activity is built on how we power our operations – and these are explored in greater detail in the Energy & Fuels section of this report.

Planning for Residual Emissions and Future Milestones

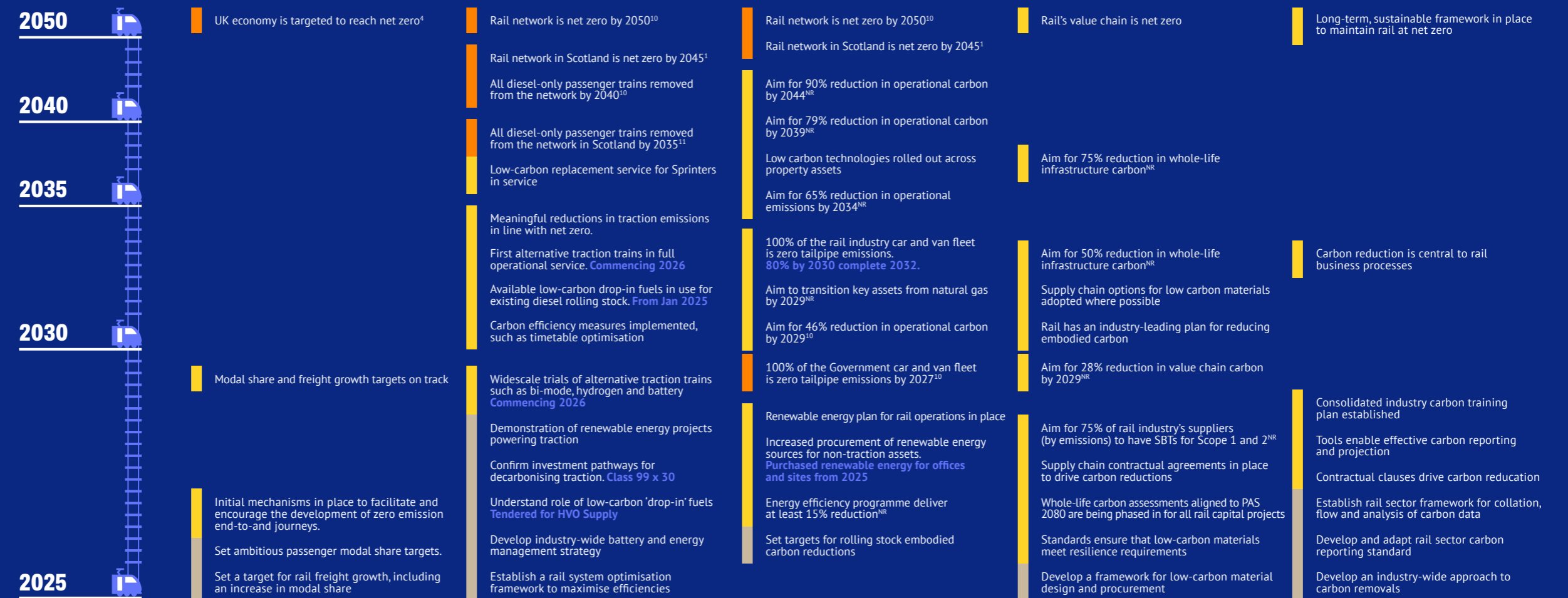
While our focus remains firmly on reducing emissions at source, we recognise that offsetting may play a complementary role in the transition to net zero. As the carbon landscape evolves and our expected residual emissions become clearer, we will consider credible, science-aligned offsetting options to help balance hard-to-abate emissions in the longer term.

Alongside this, we are continuing to monitor emerging sector guidance and data frameworks that will inform how we define and track interim emissions reduction targets. Our net zero commitment remains in place, and we are working to identify appropriate milestones that reflect both our operational reality and the wider decarbonisation pathway for the UK rail freight sector.



NET ZERO CARBON RAIL ROUTEMAP

STRATEGIC AREA	NET ZERO TRANSPORT SYSTEM	NET ZERO RAIL JOURNEYS	NET ZERO ASSETS	NET ZERO VALUE CHAIN	EMBEDDING NET ZERO
STRATEGIC AIM	Shifting transport from air and road to an optimised rail network contributes to the UK's net zero transport system.	Journeys by passengers and goods on the rail system are net zero by 2050.	Rail's directly controllable emissions from property assets and other supporting operations are net zero by 2050.	Rail's wider value chain is net zero by 2050.	Rail has the tools, management systems, governance and resources to deliver net zero.

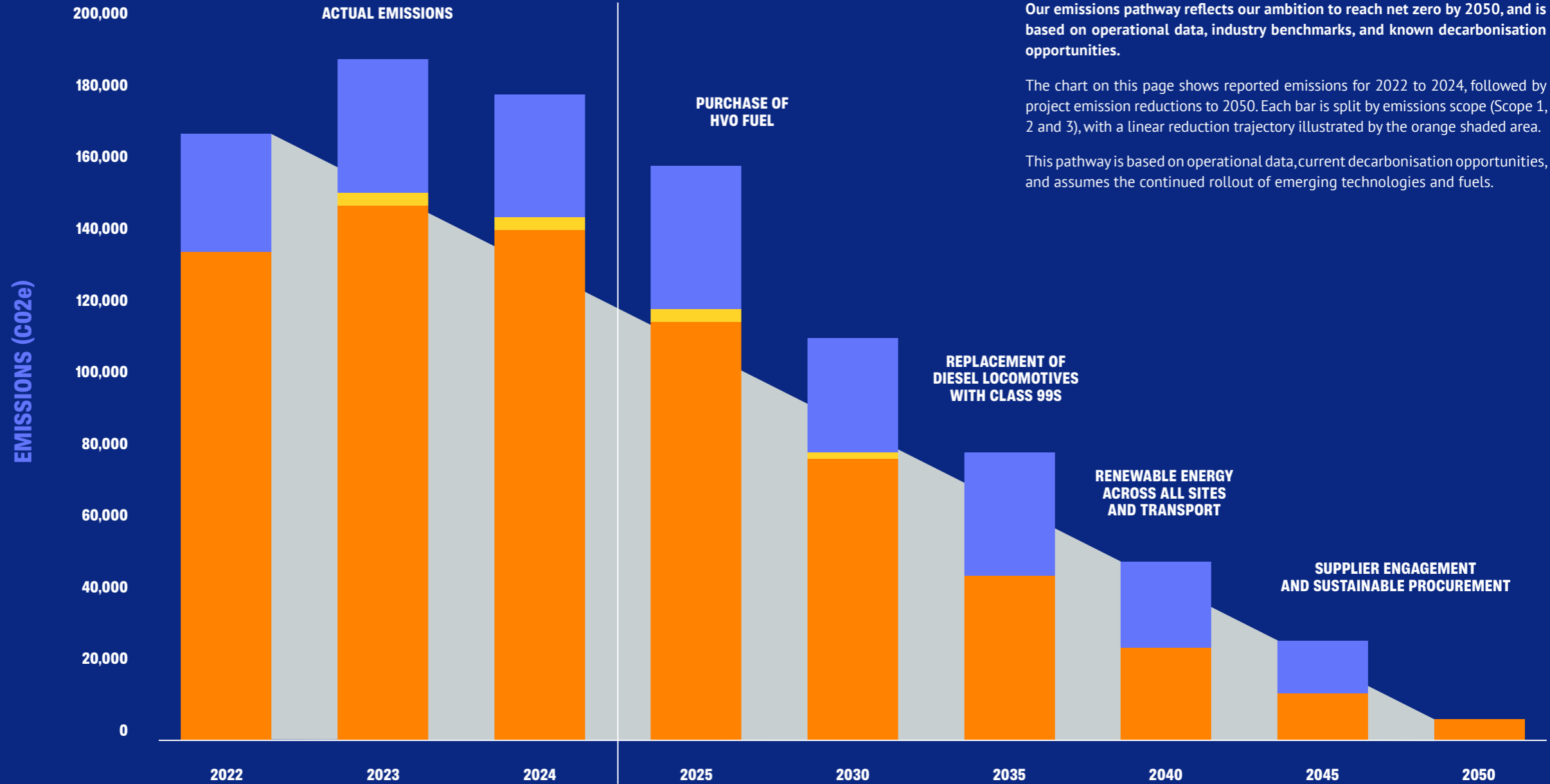


■ POLICY MILESTONES ■ AMBITION ■ PROPOSED INITIATIVES

NR = Ambitions in line with network rail's published targets⁹

NOTES: Industry ambitions are subject to change based on government policy, funding and delivery across rail organisations. Comments in purple show where GB Railfreight goals compare to the RSSB Net Zero trajectory targets.

OUR TARGETS AT A GLANCE



Our emissions pathway reflects our ambition to reach net zero by 2050, and is based on operational data, industry benchmarks, and known decarbonisation opportunities.

The chart on this page shows reported emissions for 2022 to 2024, followed by project emission reductions to 2050. Each bar is split by emissions scope (Scope 1, 2 and 3), with a linear reduction trajectory illustrated by the orange shaded area.

This pathway is based on operational data, current decarbonisation opportunities, and assumes the continued rollout of emerging technologies and fuels.

CHAPTER 2:

CLIMATE RISK

AS A BUSINESS OPERATING CRITICAL TRANSPORT INFRASTRUCTURE ACROSS THE UK, GB RAILFREIGHT IS EXPOSED TO A RANGE OF CLIMATE CHANGE-RELATED RISKS.

Understanding and managing these risks is essential to ensuring long-term operational resilience, protecting our assets, and supporting a safe and reliable rail freight network.

Through detailed climate risk assessments and strategic planning, we are building the foundations for a more climate-resilient future – embedding climate considerations into how we operate, invest, and report.



OUR JOURNEY SO FAR

Physical Risk Assessment

In 2023 we conducted a physical risk assessment across GB Railfreight locations, an analysis that was refreshed in 2024 to reflect the current GB Railfreight portfolio. This assessment modelled the impact of eight major climate-related hazards under two climate scenarios: a lower warming pathway of 1.5oC and a high-risk pathway of 3oC warming. This analysis provided a long-term view of how climate risks could evolve across our sites to 2100.

Flooding – particularly coastal inundation – was identified as the primary driver of physical climate risk across our sites. The risk of damage from extreme wind was also noted, though to a lesser extent.

Generically, the expected cost of climate-related damage is projected to increase by 1.9 to 2.58 times by the end of the century, highlighting the importance of early action.

Projected increase in climate-related damage costs by 2100: 190-285%.

ADVANCING OUR STRATEGY

Follow-Up Engagement

This year we will begin engaging with landlords at high-risk locations. These conversations aim to support joint planning and ensure climate resilience is factored into future site management decisions.

Broadening the Scope of Climate Risk Assessment

Building on our site-level physical risk analysis, we will now work to incorporate system-level climate risks into our assessments. This means evaluating how wider climate-related impacts – such as disrupted infrastructure, supply chain pressures, and changes to energy availability – could affect our operations. By considering both direct and indirect risks, we aim to build a more comprehensive picture of our climate vulnerabilities and resilience needs.

Embedding Risk into Core Business Processes

Climate risk data will be integrated into our risk management framework, ensuring that it informs operational decisions and long-term planning. We will also use the findings to shape adaptation plans at high-risk sites in collaboration with site management and landlords to explore and implement appropriate interventions.

Strengthening Our Risk Disclosures

We are enhancing our approach to climate-related risk to enable us to align our disclosures with the recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD). Over time, this will ensure our stakeholders have access to clear, consistent, and decision-useful information about how we manage and respond to climate risks.

OUR TARGETS AT A GLANCE



BY THE END OF 2026.

COMPLETE SYSTEM-LEVEL CLIMATE RISK ASSESSMENT

Expand beyond site-level to include supply chain, network disruption, and energy availability risks.



BY 2028.

DEVELOP SITE-SPECIFIC RESILIENCE PLANS FOR ALL HIGH-RISK LOCATIONS

Co-created with landlords and site managers to support targeted resilience action.



BY 2028.

ACHIEVE FULL ALIGNMENT WITH TCFD DISCLOSURES

Strengthen transparency and accountability in climate risk management.

CHAPTER 3:

ENERGY & FUELS

REDUCING OUR RELIANCE ON NON-RENEWABLE ENERGY AND FUELS IS THE MOST EFFECTIVE WAY FOR US TO DRIVE POSITIVE CLIMATE IMPACT.

While rail freight is already the least carbon intensive transport solution for UK supply chains, in 2024, these sources accounted for 142,380 tCO₂e of our Scope 1 and 2 emissions.

We are making big strides in this area – transitioning to renewable electricity, offering customers the option to run their journeys on renewable HVO fuel, and investing in technologies that cut emissions today while enabling continued reductions in the years ahead.



OUR JOURNEY SO FAR

Renewable Fuels

As of January 2025, we have entered into agreements with a number of our customers to transport their goods using renewable Hydrotreated Vegetable Oil (HVO) fuel – a lower-carbon alternative to conventional diesel that significantly reduces lifecycle greenhouse gas emissions. Although recently launched, this initiative is already making a huge impact.

To date, HVO accounts for around 10% of our overall fuel purchases, with 5.2 million litres procured in 2025 alone – contributing to a reduction of over 9% in our Scope 1 emissions.

Reduce Wasted Locomotive Fuel Through Idling

Since the production of our first carbon reduction plan in 2022, efforts have been made to make sure that the facilities we provide to our employees aid and promote good rest periods outside of the locomotive environment. This not only helps with wellbeing and workplace culture, but enables locomotives to be switched off, saving fuel and subsequent emissions. To promote this, we will continue to communicate the personal benefits via an open sharing of data with our staff.

We will also continue to dispel the belief that, if switched off, the engine may not restart and will use the information from both our suppliers and internal engineering department to support this.

Replacing Diesel Shunt Engines with Electric

Many of our sites require small shunt engines to operate. These have traditionally been diesel engines, many of which are becoming life-expired, providing a great opportunity for change. Working with Beacon Rail, we are testing battery-electric shunt engines. We will be offering this option in future tenders for any of our customers who wish to make the switch.

“ WE HAVE ENTERED INTO AGREEMENTS WITH A NUMBER OF OUR CUSTOMERS TO TRANSPORT THEIR GOODS USING RENEWABLE HYDROTREATED VEGETABLE OIL (HVO) FUEL...”

OUR METRICS AT A GLANCE

TOTAL FUEL CONSUMPTION FROM FOSSIL FUELS (LOCOMOTIVES ONLY):



TOTAL FUEL CONSUMPTION FROM RENEWABLE:



TOTAL ELECTRICITY CONSUMPTION:



TOTAL NATURAL GAS CONSUMPTION:



* BUDGET FIGURE ** TARGET FIGURE

SPOTLIGHT 02

RENEWABLE ELECTRICITY

At the beginning of 2025, we transitioned all of our sites to 100% renewable electricity contracts – a change projected to deliver annual savings of around 900 tCO₂e going forward.

As part of this shift, we are expanding our on-site generation through additional solar PV at our Peterborough headquarters and ensuring all new builds and refurbishments have renewable energy placed firmly at the heart of their design.

We are conscious that our plans to switch our road fleet to electric by 2032 will increase our requirements on the electricity grid, which is already an in-demand, critical resource. To counteract this, we are looking at installing battery storage facilities where solar panels will be fitted, starting at our Peterborough HQ.

WE TRANSITIONED ALL OF OUR SITES TO 100% RENEWABLE ELECTRICITY CONTRACTS



ADVANCING OUR STRATEGY

Maximise the Impact of Class 99 Locomotives

With the UK's most advanced bi-mode Class 99 locomotives entering service in Spring 2026, we will begin phased rollout across the network through 2026 and 2027. These next-generation locomotives are capable of operating on both electric power and renewable fuel, and we intend to prioritise use of HVO where feasible – subject to operational testing and completion of supporting infrastructure.

These locomotives will be prioritised on core freight corridors to unlock near-term emissions reductions while preparing for a transition to cleaner traction technologies in the years ahead.

Empower Our People to Drive Change

Through targeted driver education and a robust idling reduction programme, we will embed behaviours that cut unnecessary fuel consumption. New tools, communications, and performance data will support drivers in making smarter, lower-impact decisions on the ground.

Grow Our Use of Renewable Fuels

Having introduced HVO options for customers in 2025, we will work to expand uptake across services and maximise usage across the fleet. Our ambition is to make low-carbon fuels the default wherever possible.

“ **THESE NEXT-GENERATION LOCOMOTIVES ARE CAPABLE OF OPERATING ON BOTH ELECTRIC POWER AND RENEWABLE FUEL, AND WE INTEND TO PRIORITISE USE OF HVO WHERE FEASIBLE...** ”

OUR TARGETS AT A GLANCE



100%

RENEWABLE ELECTRICITY

MAINTAIN OUR TRANSITION TO 100% RENEWABLE ELECTRICITY ACROSS ALL GB RAILFREIGHT SITES.



30

CLASS 99 LOCOMOTIVES IN OPERATION BY 2027.

COMPLETE ROLLOUT OF OUR BI-MODE CLASS 99 FLEET ACROSS KEY FREIGHT CORRIDORS.

CHAPTER 4:

NATURE & BIODIVERSITY

NATURE IS IN CRISIS – AND THE UK IS AMONGST THE WORST AFFECTED.

With just 50.3% of its biodiversity remaining, far below the global average of 75%, the UK ranks as one of the most nature-depleted countries on Earth. Species are vanishing, habitats are shrinking, and ecosystems are under strain.

Yet amidst the decline, railway corridors offer a lifeline. These can be green arteries that cut through landscapes, connecting fragmented habitats and offering safe passage and shelter for wildlife.

At GB Railfreight, we're stepping up. We understand that protecting and restoring nature isn't just about wildlife – it's about healthier communities, resilient ecosystems, and a better future for all. From clean air and water to climate stability and mental wellbeing, biodiversity powers life as we know it.



OUR JOURNEY SO FAR

Mapping Opportunity For Nature

In 2024, we took a fresh look at all of our sites, asking – where can we do the most good for nature, people and place?

Through a full review of our landholdings, we identified the areas where nature enhancements could deliver the greatest ecosystem service benefits – while making sure that any improvements would work alongside the day-to-day needs of our operations. The result is a roadmap for action that blends biodiversity with business and turns underused spaces into thriving green assets.

We're now bringing that vision to life, starting with a flagship nature project at our brand-new head office in Peterborough, launching later this year. From creating habitats, to designing green spaces for staff, this site will be a blueprint for how we can roll out similar nature enhancements across our other sites.

Supporting Local Green Spaces

Beyond our larger projects, we're also supporting nature at the local level – empowering teams to improve and care for their own depot environments. At Bescot, our colleagues created and maintain a thriving depot garden entirely on their own initiative. In recognition of their efforts, we've provided £3,000 to fund new benches, bird feeders, water butts, plant food, and more.

The same grant has been given to our Port of Tyne team, who are enhancing their space with a water feature, bird table, planters, and planting supplies. At Eastleigh, we're installing bird and bat houses, along with new planting and seating.

With these successes underway, we've identified the next three depots where similar enhancements can be made – continuing to grow biodiversity site by site, with people at the heart of the work.

“ WE'RE ALSO SUPPORTING NATURE AT THE LOCAL LEVEL – EMPOWERING TEAMS TO IMPROVE AND CARE FOR THEIR OWN DEPOT ENVIRONMENTS. ”



SPOTLIGHT 03

A STAFF-LED NATURE GARDEN

At our Melton Mowbray depot, staff showcased their initiative and passion by transforming an unused, neglected plot into a vibrant nature garden.

Logs from vegetation clearance and donated Christmas trees were repurposed into wildlife habitats, such as insect hotels, while delivery pallets were repurposed into raised beds and bird boxes.

Raised beds were built from pallet wood and filled with topsoil purchased from local farmers. These beds were planted with native seeds from a nearby nursery. Bird boxes, crafted by a local adult centre using donated pallet wood, were later placed in nearby woodlands and quickly became home to local bird species.

To enhance the space for staff, the garden was equipped with picnic benches, creating a relaxing environment for employees to unwind. Garden maintenance was incorporated into staff routines, turning downtime into opportunities to improve and care for their local working environment.

This project highlights GB Railfreight's staffs' creativity, dedication, and commitment in creating meaningful nature enhancements and demonstrates that impactful biodiversity projects can be achieved by leveraging local partnerships and creative reuse of materials.

This initiative transformed a neglected space into a haven for nature, while also improving staff well-being and strengthening our ties with the community.



ADVANCING OUR STRATEGY

Measure Ecological Condition and Habitat Value of Sites

To take meaningful action for nature, we first need to understand what we have. In 2026, we'll develop and roll out a standardised methodology to assess the biodiversity and habitat condition of all GB Railfreight landholdings. This will form the foundation of a clear, data-driven baseline – helping us to track progress, prioritise interventions, and ensure our efforts deliver real ecological benefits.

Rollout Nature Enhancements Across All Sites

Over the next five years, we'll begin a phased rollout of biodiversity improvements to all GB Railfreight sites where operational conditions allow. These will be tailored to local habitat needs and operational realities. Prioritisation will be informed by our land review and biodiversity baseline.

Deliver a Flagship Nature Project at Peterborough

In 2026, we will make our new head office in Peterborough a flagship example of how nature can be woven into the fabric of our working environments. The site will feature new habitats, biodiversity-friendly landscaping, and green spaces that can enhance both ecological value and employee wellbeing. Lessons learned from this project will directly inform the development of our wider nature strategy, helping us apply successful approaches across GB Railfreight landholdings.

“ IN 2026, WE’LL DEVELOP AND ROLL OUT A STANDARDISED METHODOLOGY TO ASSESS THE BIODIVERSITY AND HABITAT CONDITION OF ALL GB RAILFREIGHT LANDHOLDINGS.



OUR TARGETS AT A GLANCE



BY 2026.

ESTABLISH A BIODIVERSITY AND HABITAT BASELINE.

DEVELOP A SITE-WIDE ASSESSMENT METHODOLOGY TO MAP HABITATS AND EVALUATE BIODIVERSITY POTENTIAL.



BY 2030.

ROLLOUT NATURE ENHANCEMENTS TO ALL GB RAILFREIGHT SITES.

IMPLEMENT TAILORED BIODIVERSITY IMPROVEMENTS ACROSS 100% OF OUR OPERATIONAL LANDHOLDINGS.

SPOTLIGHT 04

OUR WORK WITH THE YORKSHIRE WILDLIFE TRUST

We're proud to be one of the key sponsors of Yorkshire Wildlife Trust's Potteric Carr Nature Reserve, a partnership we've supported for the past two years.

Located next to our Doncaster office, Potteric Carr is home to a rich variety of habitats including wetlands, woodlands, and meadows. It plays a vital role in supporting local biodiversity and offers a peaceful green space for both wildlife and people.

Our sponsorship helps maintain and improve the reserve, supporting habitat restoration and conservation efforts. This isn't a distant partnership – our team can visit the reserve during breaks, experience the benefits of being in nature, and see the positive impact of our support first-hand.

Looking ahead, we're now focused on deepening employee engagement with the initiative through family days, volunteering opportunities, and team-building activities. We're also committed to shining a spotlight on Potteric Carr's events and initiatives, creating space for two-way engagement and making sure our people feel connected to the project and the wide work of the Yorkshire Wildlife Trust.



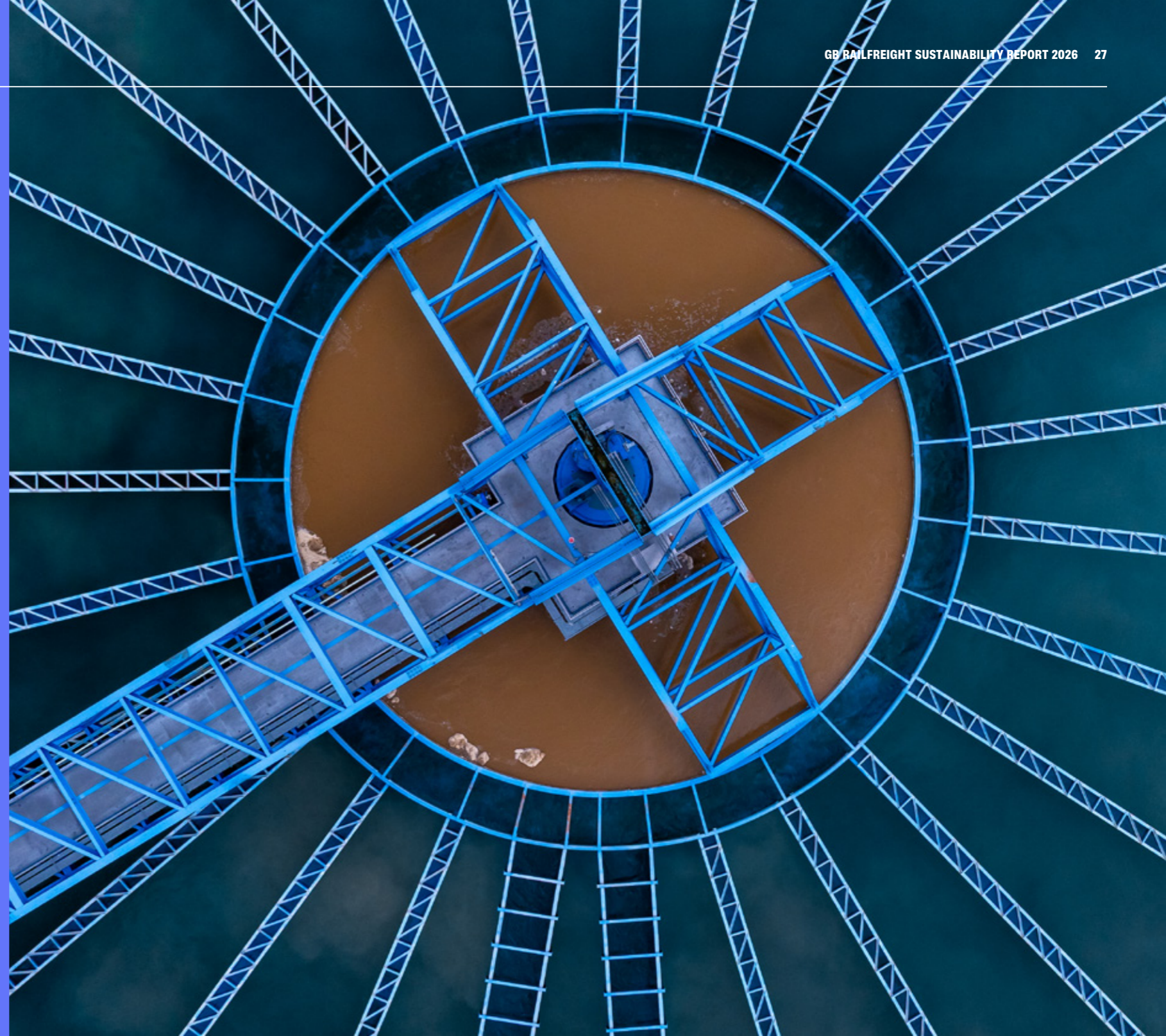
CHAPTER 5:

WATER

SUSTAINABLE WATER MANAGEMENT IS BECOMING A MORE IMPORTANT CONSIDERATION FOR THE RAIL SECTOR AS WATER STRESS, POLLUTION RISKS, AND REGULATORY PRESSURES CONTINUE TO RISE ACROSS THE UK.

While water is not currently one of GB Railfreight's most material impacts, we recognise the need to improve how we manage water use and wastewater across our depots and sites - particularly as climate resilience and environmental performance become more closely linked.

We are in the Commence stage of our approach to water management. We are taking steps to improve visibility over our water impacts and identify practical ways to reduce waste, control risks, and better align water with our wider sustainability goals. A water strategy is currently in development to guide this work and shape our approach in the years ahead.



OUR JOURNEY SO FAR

ADVANCING OUR STRATEGY

Recognising Gaps and Defining Direction

A 2025 review of our current water management practices highlighted that water use and discharge remain low-visibility areas across our estate, with limited monitoring in place. In response, we've begun shaping a more coordinated approach to water management, focused on better governance, improved data, and practical opportunities.

Improving Oversight and Data

Our near-term focus is on increasing visibility over water use across the estate. This includes mapping current infrastructure, clarifying responsibilities, and gathering more accurate data through expanded monitoring and landlord engagement. Better insight will support smarter decisions and stronger environmental performance over time.

Exploring Practical Opportunities

We are also reviewing options to reduce water waste and manage runoff more effectively through targeted interventions. These may include awareness campaigns, minor site upgrades, or infrastructure solutions such as rainwater harvesting and Sustainable Drainage Systems. Actions will be considered based on practicality, benefit, and alignment with wider operational priorities.

Supporting Broader Goals

Better water management contributes to multiple aspects of our sustainability strategy – including climate resilience, pollution control, and biodiversity. As our approach develops, we aim to embed water considerations more consistently into procurement and planning across our sites.

OUR TARGETS AT A GLANCE

ACHIEVE FULL VISIBILITY OF OUR WATER USE ACROSS THE ESTATE BY THE END OF 2026.

**WITH A SITE-BY-SITE UNDERSTANDING
OF WATER CONSUMPTION, WASTEWATER
DISCHARGE, AND INFRASTRUCTURE
PERFORMANCE.**

ESTABLISH A CLEAR INTERNAL GOVERNANCE STRUCTURE FOR WATER MANAGEMENT BY MID-2026.

**CLARIFYING ROLES, RESPONSIBILITIES,
AND DATA OWNERSHIP TO SUPPORT
CONSISTENT DECISION-MAKING AND
REPORTING.**

CHAPTER 5:

WASTE

MANAGING WASTE RESPONSIBLY IS A KEY PART OF OUR COMMITMENT TO REDUCING OUR NEGATIVE ENVIRONMENTAL IMPACTS.

From office spaces to operational sites, we're focused on cutting down what we send to landfill, increasing recycling rates, and eliminating unnecessary waste wherever possible.

We see waste not just as a challenge, but as an opportunity to operate more efficiently, support a circular economy, and embed sustainability into our day-to-day operations.



OUR JOURNEY SO FAR

Elimination of Single-Use Plastics

In 2023, we committed to eliminating single-use plastics from our operations – and we've made strong progress. All single-use plastics have been removed, with the exception of water bottles provided to our drivers.

This remaining hurdle requires a more strategic approach, as we work to find a solution that is both environmentally friendly and ensures all drivers have reliable access to clean drinking water. We are actively working towards a solution that meets our environmental standards without compromising driver wellbeing.

On-Site Waste Management

Over the past 18 months, we've made significant progress in supporting effective waste management across our sites. We've introduced recycling and organic waste bins at all locations to enable proper waste separation and disposal, making it easier for staff to reduce waste and improve recycling rates.

While this marks an important step forward, we recognise that waste remains a considerable contributor to our overall environmental impact.

THERE IS STILL WORK TO DO TO FULLY UNDERSTAND ALL ASPECTS OF OUR WASTE STREAMS ACROSS THE BUSINESS, AND WE ARE CONSTANTLY LEARNING.



LEADING THE WAY

IN OFFICE RECYCLING

SPOTLIGHT 05



TEST TRACKS IN MELTON HAS BECOME A STANDOUT EXAMPLE OF WHAT'S POSSIBLE WHEN COMMITMENT TO RECYCLING IS PAIRED WITH CREATIVITY AND COMMUNITY ENGAGEMENT.

Not content with standard recycling protocols, Test Tracks has introduced innovative ways to tackle harder-to-recycle waste, making it easy and habitual for staff and visitors to participate.

Even the everyday actions can make a difference. A fantastic example is our approach to crisp packet recycling – an item often destined for landfill. Originally launched in response to a charity appeal, the initiative has continued even after the charity stopped accepting donations. Instead, staff at Test Tracks identified supermarket drop-off points for flexible plastics and introduced clearly labelled collection boxes throughout the site.

Staff and cleaners regularly empty the bins, and full bags are taken to the drop-off points during routine errands – a small but impactful step that helps support a more circular system.

The aluminium can collection scheme is another example of combining sustainability with community benefit: collected cans are delivered weekly to a local charity, where they're crushed and the proceeds donated to the Air Ambulance Fund.

What sets Test Tracks apart is how embedded these practices have become in everyday behaviour. Through gentle but consistent leadership the team has nurtured a culture of accountability and care, and created a model for meaningful, locally rooted waste management.



SPOTLIGHT 05

ADVANCING OUR STRATEGY

Scaling Up Success: Expanding Test Tracks Recycling Model

Following the success of Test Tracks recycling programme, we're rolling out the model across all GB Railfreight locations. This includes clearly labelled collection points for harder-to-recycle items and stronger links with local recycling schemes. By replicating Test Tracks habit-led, community-focused approach, we aim to reduce residual waste and boost recycling rates across our sites.

Creating Smarter Habits

Improving recycling rates isn't just about infrastructure – it's about people. We're focusing on stronger communication and staff engagement to embed good waste practices across all sites. Through targeted campaigns, site-level champions, and regular updates, we're building awareness and encouraging everyone to take part in reducing waste and supporting GB Railfreight's sustainability goals.

Strengthening Data and Decision-Making

We will continue to work with our waste providers to build a clear picture of how our waste is generated and treated. In the year ahead, we'll complete a full waste mapping exercise to inform smarter, more sustainable decisions.



BY REPLICATING TEST TRACKS HABIT-LED, COMMUNITY-FOCUSED APPROACH, WE AIM TO REDUCE RESIDUAL WASTE AND BOOST RECYCLING RATES ACROSS OUR SITES.

OUR TARGETS AT A GLANCE



BY 2026.

COMPLETELY ELIMINATE REMAINING SINGLE-USE PLASTICS FROM GB RAILFREIGHT OPERATIONS.



BY EARLY 2026.

MAP ALL WASTE STREAMS FROM GENERATION TO FINAL TREATMENT ACROSS OUR OPERATIONS.



BY THE END OF 2026.

ROLL OUT TEST TRACKS-STYLE RECYCLING SCHEMES TO ALL GB RAILFREIGHT LOCATIONS.



OUR AMBITION:

To champion a safe, inclusive, and supportive culture that empowers our people and strengthens the communities we serve.

PEOPLE

CHAPTER 7:

HEALTH & SAFETY

AT GB RAILFREIGHT, SAFETY ISN'T JUST A PRIORITY – IT'S A PRIMARY FOCUS THAT UNDERPINS EVERYTHING WE DO.

We are committed to creating an accident-free working environment where every colleague, contractor, customer, and visitor can feel safe and supported.

Over the past year, we've taken significant steps to strengthen our approach and raise standards across all of our operations. We have developed and approved a refreshed Health & Safety strategy that reflects the evolving needs of our workforce and the complex environments in which we operate. This strategy is rooted in a clear vision: to create the conditions for an accident-free working environment.



OUR JOURNEY SO FAR

Redesigning Our Health & Safety Management System

We overhauled our Health & Safety Management System (HSMS) to align with industry best practices, simplify documentation, and ensure accessibility for all colleagues. This update supports better understanding, ownership, and consistency across the business.



ESTABLISHING A THREE-PILLAR SAFETY FRAMEWORK

We introduced a structured safety framework based on three core pillars:

OCCUPATIONAL HEALTH & SAFETY

Enhancing workplace environments, facilities, and wellbeing support.

PILLAR 1

OPERATIONAL STANDARDS & COMPLIANCE

Strengthening risk management in daily operations, with a particular focus on industry-leading fatigue management.

PILLAR 2

ENGINEERING STANDARDS & COMPLIANCE

Lifting standards in asset maintenance and safety-critical systems.

PILLAR 3

SPOTLIGHT 06

OUR TRACTION & ROLLING STOCK MAINTENANCE HUB

Our new maintenance facility in Tonbridge strengthens our commitment to sustainability and health & safety.

Strategically located in the southeast, the depot reduces the need for long-distance travel for routine maintenance, leading to significant cuts in transit mileage, fuel consumption, and associated carbon emissions.

Designed to service our existing rolling stock, the facility enhances operational efficiency and reliability. By enabling on-site maintenance, it minimises the risks associated with moving assets over long-distances, thereby improving safety for our staff and reducing potential disruptions.

Additionally, the Tonbridge depot supports Network Rail's seasonal rail head treatment services, ensuring safer and more reliable passenger journeys across the southeast by effectively managing track conditions affected by weather-related factors.

This investment exemplifies our integrated approach to advancing environmental and social sustainability and operational safety within the rail freight sector.



ADVANCING OUR STRATEGY

Setting A Five-Year Strategic Direction

We defined 12 strategic priorities to guide health & safety improvements over the next five years. These priorities set a clear roadmap for continuous development and operational excellence.

The infographic below shows our 3 strategic priorities and the 12 focus areas set against them in a matrix format.



CHAPTER 8:

SUPPLY CHAIN ENGAGEMENT & MODERN SLAVERY

OUR SUPPLY CHAIN IS CENTRAL TO HOW WE DELIVER SAFE, RELIABLE AND RESPONSIBLE SERVICES – BUT ALSO HOW WE MEET OUR WIDER RESPONSIBILITIES AS A BUSINESS.

With a decentralised buying model, we're working to improve how sustainability, ethics, and risk awareness are factored into procurement decisions.

This is an area of ongoing development, and we're focused on building consistent practices, raising internal awareness, and putting the right tools in place to support better outcomes across our supplier base.



OUR JOURNEY SO FAR

Embedding Broader Supplier Standards

Historically, our assurance efforts concentrated on safety-critical suppliers. Since 2022, we've broadened this to cover a much wider set of Tier 1 suppliers, moving beyond our focus on safety-critical contracts.

Our supplier assurance activity currently operates through two routes. For suppliers already registered under Network Rail's RISQS system, assurance is managed externally – reducing duplication while giving us access to a broad set of pre-qualified data, RISQS is independently undergoing enhancements, including the expansion of its sustainability-related checks and criteria, which we fully support and monitor for relevance to our own supply chain.

For Tier 1 suppliers not covered under RISQS, we apply our own internal supplier assurance process. This currently includes some questions on data protection, cyber security, and wage compliance, and we are now working to expand its scope to more fully reflect environmental and social expectations. As part of this, we're reviewing the content, structure, and underlying platform to ensure it supports our evolving sustainability goals and provides better visibility across our supply chain.

Growing A Culture of Accountability

We've made early progress in shifting supplier assurance from a compliance formality to a meaningful part of the procurement process. We've been working to increase awareness of supplier assurance across the business by providing clear guidance via our SharePoint hub, issuing email updates, and engaging directly with heads of departments. These efforts have helped lay the groundwork, but we recognise the need to build on this and ensure supplier assurance becomes an integral part of procurement decisions across all teams.

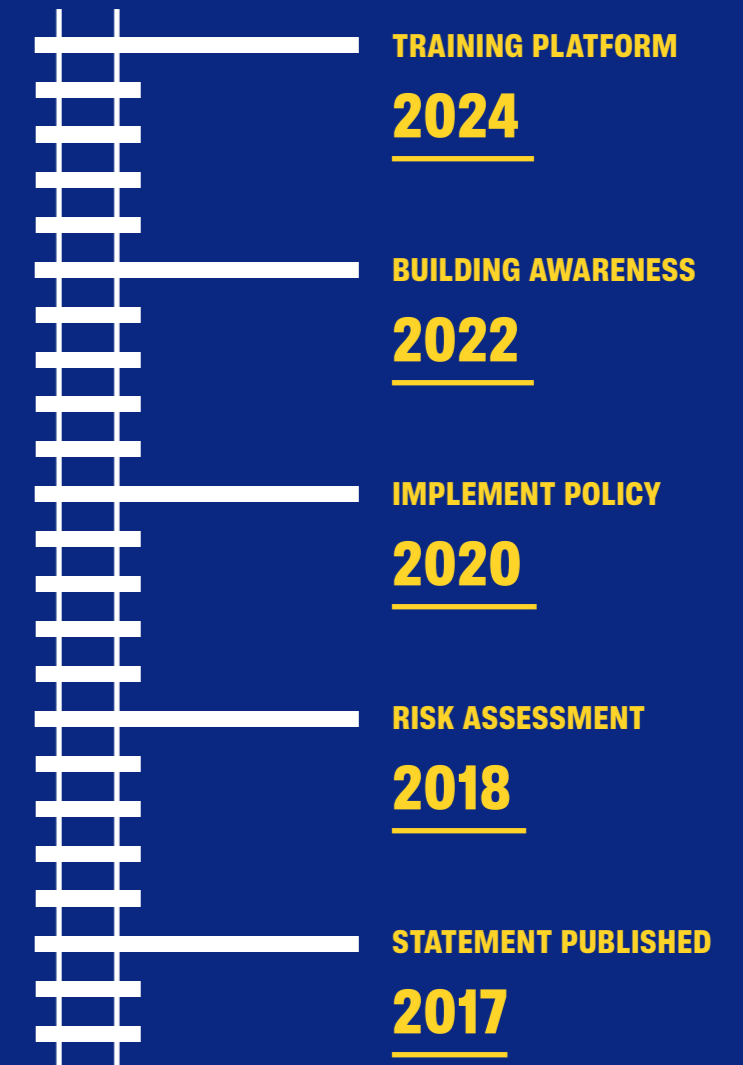
Modern Slavery and Ethical Risk

Our approach to modern slavery has steadily developed over recent years, and we continue to build capability across the business. As shown in the timeline to the right, we published our first Modern Slavery Statement in 2017 and followed it with an internal risk assessment in 2018, and a standalone policy in 2020. Since 2022, we've focused on increasing awareness across the business through internal campaigns, signage at operational sites, and clearer guidance for teams involved in procurement.

In 2024, we introduced two role-specific training modules to help staff recognise and respond to potential risks. While our supplier assurance process already includes basic wage compliance checks, we know there's always more to do to ensure modern slavery risks are consistently addressed – that work is ongoing.

“ WE'RE REVIEWING THE CONTENT, STRUCTURE, AND UNDERLYING PLATFORM TO ENSURE IT SUPPORTS OUR EVOLVING SUSTAINABILITY GOALS... ”

TIMELINE OF OUR PROGRESS



ADVANCING OUR STRATEGY

Improving Supplier Visibility and Assurance

In 2025, we will replace our legacy internal supplier assurance system. This offers an opportunity to improve how we collect, manage, and assess supplier information – particularly around sustainability, labour practices, and other non-financial risks. Where suppliers are already assured through RISQS, we recognise that this is an established framework, currently evolving to incorporate ESG criteria. Our focus is on enhancing supplier assurance for our suppliers outside RISQS, creating a more consistent and joined-up approach across the wider supply base.

Embedding Sustainability into Procurement

We're developing a Sustainable Procurement Policy to guide how environmental and social factors are considered in everyday buying decisions. Alongside this, we're refreshing our supplier risk assessment to help prioritise assurance efforts and better align with the evolving expectations of our customers and industry partners. Together, these initiatives will support more informed and transparent procurement activity across the business.

Deepening Awareness of Modern Slavery Risks

As expectations around ethical sourcing continue to rise, we are working to bring modern slavery considerations into supplier engagement and internal decision-making more consistently. This includes strengthening how labour risks are assessed through assurance and supporting teams across procurement, operations, and compliance to apply expectations in a joined-up way. We are also monitoring how expectations in this space are evolving, ensuring our approach can adapt over time.

Looking Beyond Tier 1

We've begun exploring how to improve visibility beyond our immediate suppliers, starting with categories where known risks or customer expectations require deeper understanding. While still at an early stage, this work marks a shift toward greater supply chain transparency and forms part of our longer-term ambition to raise standards more broadly across our operations.

OUR TARGETS AT A GLANCE



LAUNCH A NEW SUPPLIER ASSURANCE PLATFORM

THAT STRENGTHENS ESG OVERSIGHT ACROSS TIER 1 SUPPLIERS.



PUBLISH A SUSTAINABLE PROCUREMENT POLICY

IN 2026 TO GUIDE RESPONSIBLE BUYING DECISIONS.



BEGIN MAPPING TIER 2 AND TIER 3 SUPPLIERS

IN PRIORITY CATEGORIES TO IMPROVE TRANSPARENCY BEYOND DIRECT CONTRACTORS (2026-2027).

CHAPTER 9:

EQUALITY, DIVERSITY, INCLUSION & EMPLOYEE ENGAGEMENT

OUR PEOPLE ARE THE DRIVING FORCE BEHIND OUR SUCCESS —

and building a workplace where everyone feels valued, respected, and empowered is central to our culture.

At GB Railfreight, we're committed to fostering an environment where every colleague can thrive, regardless of their background or identity. Through ongoing engagement, open communication, and a focus on equality and inclusion, we're creating a stronger, more connected workforce. We know that when our people feel supported and included, they bring their best to work – helping us grow as a business and make a positive impact across the industry.



OUR JOURNEY SO FAR

Our First EDI Survey

In 2024, GB Railfreight introduced EDI (Equality, Diversity, Inclusion) focused questions into our annual staff engagement survey for the first time.

This was a significant step in understanding how colleagues perceive inclusivity, fairness, and belonging across our organisation. With over 1,100 responses, the data has given us valuable insights into the makeup of our workforce and helped identify both strengths and areas for improvement. We are using these findings to inform our ongoing work to create a more inclusive, supportive, and representative workplace culture.

Our Business Briefs

We hold regular Business Briefs where directors update colleagues on key business, safety, and commercial developments. Since 2021, these have been delivered via teams and in-person, meaning colleagues at any location can join. We have introduced a review of the Business Brief process to identify and resolve gaps in participation and communication, including visibility on who is 'in date' for brief attendance.



THE DATA HAS GIVEN US VALUABLE INSIGHTS INTO THE MAKEUP OF OUR WORKFORCE AND HELPED IDENTIFY BOTH STRENGTHS AND AREAS FOR IMPROVEMENT.

WE ARE USING THESE FINDINGS TO INFORM OUR ONGOING WORK TO CREATE A MORE INCLUSIVE, SUPPORTIVE, AND REPRESENTATIVE WORKPLACE CULTURE.

OUR METRICS

BUSINESS BRIEF ATTENDANCE RATIO:

Increased from 32% in March 2025 to 57% as of May 2025 as a result of us beginning to implement our Business Brief engagement plan.

57%

MAY 2025

32%

MARCH 2025

ADVANCING OUR STRATEGY

Increase Employee Engagement

We aim to steadily increase employee engagement over the next 6-12 months by improving the accessibility and flexibility of Business Briefs, with a focus on boosting participation among frontline colleagues, such as train crew.

TO ACHIEVE THIS, WE WILL:

- Develop inclusive engagement tools tailored to diverse roles, locations, and digital confidence levels.
- Launch pre-recorded video briefs via the 'Smart Brief' platform to support flexible, on-demand access.
- Formalise briefing invitations and scheduling, ensuring colleagues receive advance notice and reducing reliance on last-minute email alerts.
- Incorporate Business Brief content into existing frontline compliance and Health & Safety sessions to ensure key messages reach staff in a consistent and effective way.

Building a More Inclusive Workplace

Looking ahead, we will continue to build on the insights from our EDI survey by embedding inclusion into leadership conversations, team planning, and organisational decision-making.

Our goal is to use data to shape practical actions – from training and development through to intensive recruitment and workplace culture. While this work is ongoing, we're committed to creating a culture where difference is valued and every colleague can thrive.



CHAPTER 10: WELLBEING

LOOKING AFTER OUR PEOPLE MEANS SUPPORTING THEIR HEALTH, HAPPINESS, AND LIFE BEYOND WORK.

That's why our wellbeing programme is designed not only for employees, but for their families too.

From expanded health cover and on-site medical facilities, to flexible support services and mental health resources, we're investing in what matters most – helping our people feel healthier, more supported, and better able to thrive in every aspect of life.



OUR JOURNEY SO FAR

Health Centres & Medical Facilities

In 2024, we enhanced our employee health services by establishing dedicated on-site medical facilities at both our London and Doncaster offices.

These centres make it easier and faster for operational staff to complete mandatory medicals, including eyesight, hearing tests, and general health screenings, with visiting nurses available on-site.

This reduces disruption for staff and supports a more proactive approach to occupational health.

Employee Health & Wellbeing Benefits

Through our partnership with Health Shield, GB Railfreight employees and their families have access to a comprehensive range of health services. Benefits include dental and optical care, physiotherapy, osteopathy, counselling services, and a 24/7 GP helpline.

Additionally, our GB Railfreight Rewards platform offers discounts on gyms and wellness sessions, further supporting staff in maintaining a balanced and healthy lifestyle. Employees can also participate in Cycle to Work schemes.

Our Health Roadshow

In 2025, GB Railfreight launched a health roadshow, bringing health and wellbeing support directly to employees across offices and depots. The roadshow offered quick health checks and wellbeing conversations, including BMI assessments and general health advice.

This initiative was designed to make preventative health support more accessible, encourage early intervention, and further embed a culture of wellbeing across the business.

Expanding Access to Wellbeing & Medical Support

In May 2025 we expanded the range of wellbeing and medical benefits available to employees and their families through the Health Shield scheme. With even greater access to consultations, treatments, scans, and counselling, it's now easier than ever for our people to stay healthy and supported.

A focused internal communications campaign will ensure everyone knows what's available and how to make the most of these new benefits.

ADVANCING OUR STRATEGY



CHAPTER 11:

LEARNING & DEVELOPMENT

EMPOWERING PEOPLE TO GROW IN THEIR ROLES AND CAREERS IS CENTRAL TO BUILDING A RESILIENT, SKILLED AND FORWARD-LOOKING WORKFORCE.

Whether through role-specific training, leadership initiatives, development programmes, coaching or mentoring, we're building the tools and culture needed to support continuous growth across the business.



OUR JOURNEY SO FAR

Powering Learning & Development

In 2024, a training needs analysis was conducted and a formal appraisal process to align individual development with business strategy was embedded.

E-Learning & Compliance Training

A new e-learning platform has been introduced, offering a mix of mandatory and voluntary training – all delivered during working hours. Over the past year, there has been a strong internal push to ensure colleagues are up to date with their compliance learning, with recent cycles covering GDPR and modern slavery in procurement. Alongside this, safety-critical and role-specific training remains a core focus, helping maintain high standards across our operations.

Introductory sustainability modules are also being rolled out, laying the foundation for a broader focus on sustainability learning across the business.

Coaching, Apprenticeships & Mentoring

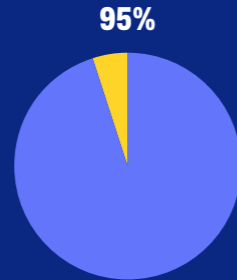
In recent years we have launched a pilot coaching programme aimed at supporting leadership development and internal progression. Early results have been positive, with several participants already moving into more senior roles. We are aware that mentoring takes place informally across the business, and we recognise the value it brings. We are now exploring how to build on this foundation and develop a more structured mentoring approach to support long-term career growth.



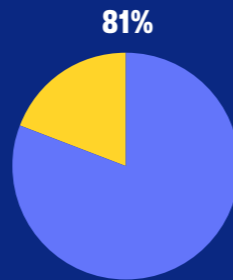
OUR METRICS

COMPLIANCE TRAINING

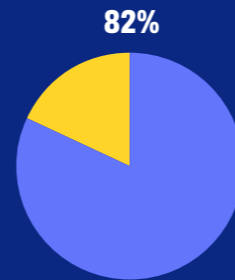
UPTAKE AS OF 2024



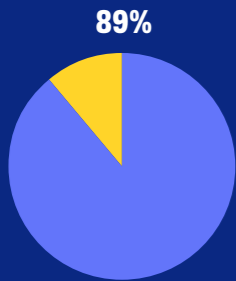
BANTER IN THE WORKPLACE



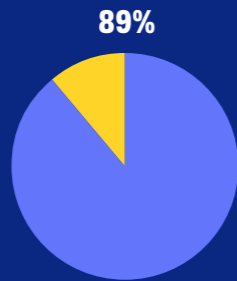
UNDERSTANDING SEXUAL HARASSMENT IN THE WORKPLACE



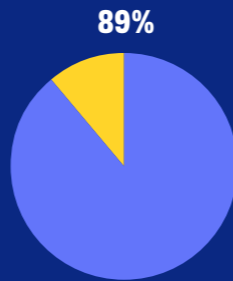
TACKLING SEXUAL HARASSMENT IN THE WORKPLACE (FOR LINE MANAGERS)



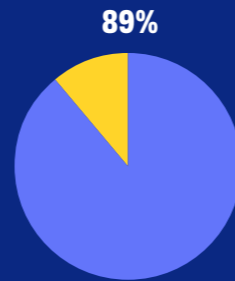
ACT FOR RAIL COUNTER TERRORISM



ANTI BRIBERY FUNDAMENTALS



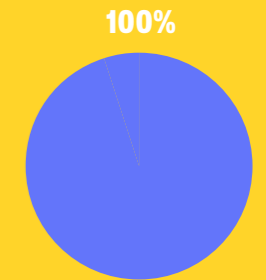
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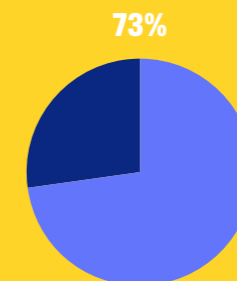
UNDERSTANDING SOCIAL ENGINEERING

LEADERSHIP DEVELOPMENT

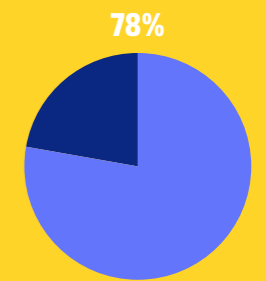
UPTAKE AS OF 2024



DIRECTORS - MOCK TRIAL & LEGAL DEFENSIBILITY DEVELOPMENT



HEADS OF - EXECUTIVE PRESENCE AND DELIVERING FEEDBACK DEVELOPMENT



OPERATIONAL MANAGERS

ADVANCING OUR STRATEGY

Developing Coaching, Mentoring & Apprenticeships Pathways

Following the success of our initial coaching pilot we plan to expand coaching access across the business. We also recognise the value of peer mentoring and are exploring ways to develop a more structured mentoring framework. At the same time, we're looking to make wider use of the apprenticeship levy – this includes exploring new entry-level and mid-career pathways that align with future workforce needs.

Embedding Sustainability into Everyday Learning

Introductory sustainability content is already being rolled out on our e-learning platform, and we are now reviewing how sustainability learning can be more deeply embedded across the business. This includes considering how to integrate sustainability into mandatory training in a way that reflects the needs of different roles – ensuring the content is not just informative but relevant to the day-to-day decisions and responsibilities of our people.

Boosting Engagement & Improving Oversight

Increasing participation in voluntary learning remains a key priority. We want to make it easier for colleagues to access the content that matters to them. We are also reviewing how we track and report on training engagement, with the aim of making learning progress more visible and meaningful to individuals and managers.

OUR TARGETS AT A GLANCE

ACHIEVE 100% COMPLIANCE TRAINING COMPLETION

BY THE END OF 2026.



CHAPTER 12:

COMMUNITY ENGAGEMENT & CHARITIES

**AT GB RAILFREIGHT, WE
RECOGNISE THAT OUR
RESPONSIBILITIES EXTEND
BEYOND THE RAIL NETWORK.**

We're committed to creating lasting value in the communities where we operate – whether through grassroots education initiatives, long-term charity partnerships, or team-led fundraising. Our approach is grounded in people-powered action and guided by a belief that we can deliver positive social impact alongside commercial success.

Our internal Charity Panel, made up of employee representatives, helps select a charity partner each year through an inclusive, company-wide nomination and voting process. Previous partners include Alzheimer's Society, Prostate Cancer UK, and Macmillan. Fundraising is embedded across our business – from charity charters and raffles to creative initiatives like donating £5 for every employee who completes our annual staff survey.



OUR JOURNEY SO FAR

GB Railfreight has a proud history of supporting both national and local charities.

Our people's dedication and creativity have helped raise c.£1m since 2011. This longstanding commitment reflects our company culture – one where charitable giving is championed at every level.

We are extremely proud of the continued generosity and energy of our colleagues bring to these causes – whether running marathons, volunteering time, or coordinating logistics for major fundraising events.

2011
MOTOR NEURONE DISEASE ASSOCIATION

2014/15
BLOOD CANCER UK

2016/17
BRITISH HEART FOUNDATION / RIPPLE PROJECT / WOKING HOMES

£62K

£160K

£13K

2024 TO DATE
GREAT ORMOND STREET HOSPITAL

£205K

2018/20
HEADWAY / MACMILLAN CANCER SUPPORT

£185K

2012/13
AGE UK

2023
ALZHEIMER'S SOCIETY UK

2020/21/22
PROSTATE CANCER UK

£20K

£40K

£201K

* ALL FIGURES ROUNDED TO THE NEAREST THOUSAND.

SPOTLIGHT 07

OUR HIGHLAND CHARITY CHARTER

One of this year's standout fundraising initiatives was our Highland Charity Charter, held in March 2025. Dubbed 'Because We Can 3 – The Far North', the three-day journey took rail enthusiasts on a scenic tour across Scotland.

Organised in partnership with The Branch Line Society, this unique rail tour raised £25,000 for a range of charities, with £20,000 going directly to the Great Ormond Street Hospital Children's Charity.

The event combined a love of rail with a spirit of giving, drawing enthusiasts from across the UK. The route, spanning from Bo'ness to Inverness, Thurso, Wick, and Aberdeen, was staffed entirely by volunteers, including GB Railfreight's own team members.

As part of our ongoing commitment to community impact, the Highland Charter stands as a testament to what's possible when people come together – powered by purpose, passion, and a shared journey.



OUR JOURNEY SO FAR

“ GB RAILFREIGHT HAS A LONG-STANDING TRADITION OF SUPPORTING NATIONAL AND LOCAL CHARITIES.

‘Back on Track’

Our ‘Back on Track’ programme exemplifies our commitment to grassroots engagement. Designed to support students who may not thrive in mainstream educational environments, the programme provides practical, skill-based mentoring through small-group workshops. These sessions focus on building confidence, developing CVs, interview techniques, and exploring career opportunities.

Currently active in schools in Ipswich and Peterborough, Back on Track is delivered by GB Railfreight volunteers, typically in sessions every 4-6 weeks. The programme’s success lies in its hands-on approach, enabling students to engage in real-world scenarios and build life skills.

We are now looking to expand the programme to a third school, located in Doncaster. Feedback from schools, mentors, and students has been overwhelmingly positive – and we’re excited to continue growing the programme’s impact.

Our Partnership with Great Ormond Street Hospital Children’s Charity

Alongside education, charitable giving is at the heart of our social impact strategy. GB Railfreight has a long-standing tradition of supporting national and local charities. Our current partnership with Great Ormond Street Hospital Children’s Charity, represents one of GB Railfreight’s most meaningful commitments to date.

Originally launched in January 2024 and now extended until December 2027, the collaboration supports the development of a world-class Children’s Cancer Centre. As part of this, we’re aiming to raise £400,000 to fund an early year’s classroom within the new facility – a dedicated space that will support young patients through their treatment journey.

In just 24 months, GB Railfreight team has already raised £205,000 towards that goal. Staff across the business have embraced the partnership with incredible energy, taking part in fundraising events, volunteering efforts, and team-building initiatives led by the charity. This collaboration goes beyond financial support – it reflects our shared commitment to improving the lives of seriously ill children and their families.



DIRECTOR-LED FUNDRAISING IN ACTION



SPOTLIGHT 08

As part of our 2026 fundraising efforts, each member of the GB Railfreight Executive Team committed to leading a dedicated charity event, forming the centrepiece of each year's campaign. This initiative was developed by our Charity Panel to bring added focus, visibility, and momentum to our partnership with Great Ormond Street Hospital Children's Charity.

The events themselves reflect a wide range of interests and challenges – from half marathons in Leeds, Richmond, and London to a 100-mile walk along the West Highland Way, as well as a charity music night and a GB Railfreight Hyrox style games event.

Spanning locations across the UK, the programme blends physical challenge with creativity and team spirit, helping to strengthen connections across the business while supporting a shared cause.

These Director-led events represent more than fundraising opportunities; they highlight the visible leadership and hands-on involvement that defines GB Railfreight's approach to social responsibility. The enthusiasm and commitment behind this programme underscore the company's ambition to build lasting impact through collective action.

SPOTLIGHT 08



“ THE ENTHUSIASM AND COMMITMENT BEHIND THIS PROGRAMME UNDERSCORE THE COMPANY'S AMBITION TO BUILD LASTING IMPACT THROUGH COLLECTIVE ACTION. ”

OUR AMBITION:

To embed strong governance practices that drive responsible growth, innovation, and long-term value for all stakeholders.

GOVERNANCE

CHAPTER 13:

NEW ROLES, STRONGER GOVERNANCE

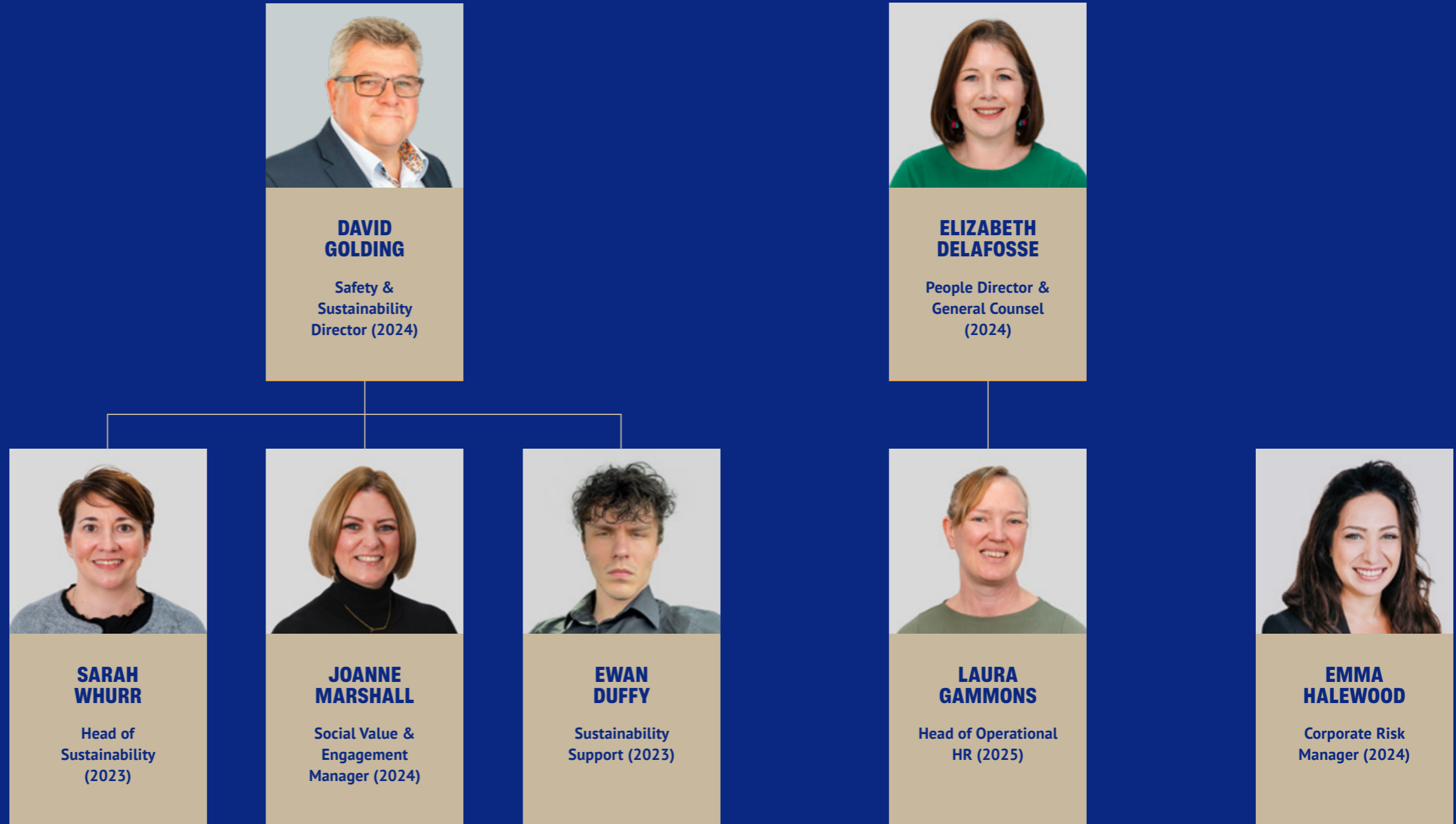
OVER THE PAST THREE YEARS, GB RAILFREIGHT HAS INTRODUCED SEVERAL NEW GOVERNANCE ROLES FOCUSED ON SUSTAINABILITY.

These positions – spanning strategic and operational levels – demonstrate our commitment to embedding sustainability across the business.

By enhancing our capacity and leadership in these key areas, we are better equipped to drive progress, manage risk, and deliver on our responsibilities to people, planet, and performance.



ORGANISATION CHART





THE PEOPLE SPEARHEADING ENVIRONMENTAL AND SOCIAL SUSTAINABILITY AT GB RAILFREIGHT

SPOTLIGHT 09

BEHIND EVERY COMMITMENT IN THIS REPORT ARE THE PEOPLE WORKING TO MAKE IT REAL.

From reducing emissions and strengthening reporting, to supporting communities and empowering employees, our sustainability progress is being shaped by individuals driving change across the business.

The reflections to the right offer a personal perspective from two of the people leading this work.

SPOTLIGHT 09



SARAH WHURR

Head of Sustainability



JOANNE MARSHALL

Social Value & Engagement Manager

“Over the past two years, we’ve laid the groundwork to make sustainability part of how GB Railfreight operates – not just something we report on.

That shift is reflected in the growth of our internal sustainability function, the introduction of carbon KPIs, and the improvements we’ve made to data, systems and visibility across the business.

Our emissions reporting is getting stronger year-on-year, and we’ve introduced clearer oversight to help operational teams own and explain their performance. We’ve also strengthened alignment with national frameworks – including the RSSB Net Zero Rail Routemap – so that we’re not just compliant, but forward-looking.

This report highlights how far we’ve come in building the structures to support that progress – from new roles and clearer reporting lines to closer collaboration between functions like procurement, risk, HR and operations. It’s a sign of what’s possible when sustainability is built into the business, not bolted on.”

“There’s already so much great work happening across GB Railfreight – from our charity partnerships and education programmes to the staff-led networks that are creating space for real conversations and change.

A big part of my role has been helping to bring those efforts together, so we can build on what’s working and make our impact more visible and connected.

We’ve strengthened how we support employee-led initiatives – from networks like the Women’s Network, Pride Network and REACH, to site-based projects like the staff-created nature gardens at Melton Mowbray, Port of Tyne and Bescot, and we’re continuing to grow our ‘Back on Track’ education programme and national partnerships like the one with Great Ormond Street Hospital Children’s Charity.

Externally, we’re contributing to the wider industry conversation through the RSSB Social Sustainability Working Group, and we are now integrating the Rail Social Value Tool into our project planning. It’s all part of making sure social value is something we deliver in a way that’s meaningful – not just to the business, but to the people and communities we’re here to support.”

CHAPTER 14:

PEOPLE-LED SUSTAINABILITY AT GB RAILFREIGHT

PEOPLE & CULTURE WORKING GROUP

The People & Culture Working Group is a staff-led initiative at the heart of our sustainability governance. Bringing together colleagues from across the business, the group plays a key role in shaping and championing our approach to sustainability.

At the core of this group are five dedicated categories– Neurodiversity, Women’s, Race, Pride, and Armed Forces – each have an internal leader who champions awareness, action, and engagement across the business. These groups help ensure that sustainability at GB Railfreight is inclusive, meaningful, and truly staff-led, embedding diverse voices and perspectives into every aspect of our approach.



NEURODIVERSITY NETWORK

“ WE’RE WORKING TO CREATE BETTER ENVIRONMENTS FOR NEURODIVERSE COLLEAGUES, RAISE AWARENESS ACROSS THE BUSINESS, AND OFFER MEANINGFUL SUPPORT.

We’ve brought neurodiversity into the spotlight through initiatives like Neurodiversity Week and started collaborating with safety teams to make notices more accessible for people with dyslexia and autism.

EWAN DUFFY

Head of the Neurodiversity Network

Sustainability Support
Based in Doncaster

This network helps to ensure everyone has what they need to feel comfortable and supported in how they work. It is about recognising the many ways people can be intelligent and productive.

At its heart, the group gives a voice to those seeking change, signposts learning opportunities, and encourages the real-life application of accessibility.

”

PRIDE NETWORK

“ THE PRIDE NETWORK GIVES LGBTQ+ COLLEAGUES A PLACE TO BE THEMSELVES, CONNECT WITH ALLIES, AND HAVE OPEN CONVERSATIONS ABOUT HOW WE WANT TO INCREASE INCLUSIVITY AT GB RAILFREIGHT.

It's also a space that allows people to ask questions without judgement and learn more about the community.

We've held our first network meeting to share ideas, discuss how we want to celebrate Pride Month, and plan which awareness days to highlight – starting with our first post on The Loop for LGBTQ+ History Month.

”

CLAIRE HEARLEY
Head of the Pride Network

Personal Assistant
Based in London



RACE, ETHNICITY, AND, CULTURAL, HERITAGE NETWORK

“ REACH IS ABOUT BUILDING A COMMUNITY – A SAFE, WELCOMING SPACE WHERE COLLEAGUES CAN SHARE EXPERIENCES, SUPPORT ONE ANOTHER, AND RAISE AWARENESS AROUND RACE AND CULTURE.

By encouraging open conversations and education, we're helping to deepen understanding and celebrate diversity across GB Railfreight.

We've highlighted a range of cultural and heritage awareness days on The Loop and continue to advocate for meaningful change – not just through policy, but by pushing for fair and inclusive practices throughout the business.”

**GB RAILFREIGHT
SPOKESPERSON**



**WOMEN'S
NETWORK**

“**THE WOMEN'S NETWORK OFFERS A SAFE SPACE FOR WOMEN TO TALK OPENLY ABOUT TOPICS THAT AFFECT WOMEN INSIDE AND OUTSIDE OF WORK – LIKE MENSTRUAL HEALTH, THE GENDER HEALTH GAP, THE IMPACT OF MENOPAUSE, AND OVERALL WELLBEING.**

The group brings together women from all areas of the business, creating a place for shared experiences, advice, and support.

We've run Endometriosis Awareness Sessions open to all, delivered mindfulness sessions focused on resilience and brain fog, and helped introduce free menstrual products across the business, through Female Dignity, who also donate to communities in need.

”

CAROLE GODDING
Head of the Women's Network

HR Project Manager
Based in Peterborough

ARMED FORCES AND RESERVES NETWORK



THE ARMED FORCES AND RESERVES BUSINESS NETWORK IS AN EASY AND MODERN WAY OF CONNECTING PEOPLE WITH MILITARY EXPERIENCE.

Having had similar experiences transitioning out of the military or trying to juggle Reserve commitments whilst holding down a busy job, the group can provide like-minded support and advice to the membership.

The natural outflow of military personnel is also a fertile recruiting ground for the railway industry and ex-forces settle quickly in a profession with similar values and working conditions. There is also a social element to the network, which is an important way of meeting new people and keeping an eye on each other's mental health.



DAVID GOLDING
Head of Armed Forces and Reserves Network

Director of Safety & Sustainability
Based in Peterborough



CHAPTER 15: COLLABORATING FOR SOCIAL IMPACT

**WE'RE ACTIVELY CONTRIBUTING
TO STRONGER SECTOR
GOVERNANCE THROUGH
COLLABORATION AND CROSS-
INDUSTRY INITIATIVES.**



GB Railfreight is committed to playing an active role in strengthening governance through collaboration with industry partners and sector-wide initiatives.

As part of this commitment, we have joined the RSSB Social Sustainability Working Group, a cross-industry forum that supports the development of a consistent, evidence-based approach to delivering and measuring social value in the rail sector.



THE RSSB SOCIAL SUSTAINABILITY WORKING GROUP IS A GREAT OPPORTUNITY TO LEARN FROM OTHERS IN THE INDUSTRY AND SHARE WHAT'S WORKING WELL FOR US – WHETHER THAT'S COMMUNITY ENGAGEMENT, CHARITY WORK, OR SUPPORTING OUR PEOPLE. IT'S A GREAT WAY TO BUILD A MORE COHESIVE APPROACH TO SOCIAL VALUE ACROSS THE RAIL INDUSTRY.



JOANNE MARSHALL

Social Value and Engagement Manager

Looking ahead, we will integrate the Rail Social Value Tool – a key outcome of the group's work – into our project planning and impact assessment processes.

This will enhance transparency, align our reporting with industry standards, and help ensure that GB Railfreight's social contributions continue to deliver real and measurable outcomes for people and places across the UK.



ASSURANCE STATEMENT WANDERLANDS (EUROPE) LTD

Our conclusions

Selected Information

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Data Criteria.

Basis of our conclusion

Selected Information

We are required to plan and perform our work to consider the risk of material misstatement of the Selected Information. Our work included, but was not restricted to:

- **Assessing the appropriateness of the collected data for the Selected Information.**
- **Conducting interviews with GB Railfreight's management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the selected information.**

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Nonfinancial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities.

Our assurance relies on the premise that the data and information provided to us by GB Railfreight have been provided in good faith. Wanderlands (Europe) Ltd expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.



GB Railfreight Ltd (the 'Company'), and its subsidiaries (collectively, 'GB Railfreight') are providing the following cautionary statement:

These forward-looking statements may generally, but not always, be identified by the use of words such as "will", "anticipates", "should", "could", "would", "targets", "aims", "may", "continues", "expects", "is expected to", "estimates", "believes", "intends" or similar expressions.

These forward-looking statements include all matters that are not historical facts or matters of fact at the time of this document. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future and reflect the Company's current expectations and assumptions as to such future events and circumstances that may not prove accurate. Several material factors could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, certain of which are beyond our control and which include, among other things: economic and financial conditions generally in various countries and regions where we operate; the pace of recovery in the overall construction and building materials sector; demand for infrastructure, residential and non-residential construction in our geographic markets; increased competition and its impact on prices; increases in energy and/or raw materials costs; adverse changes to laws and regulations; approval or allocation of funding for infrastructure programmes; adverse political developments in various countries and regions; failure to complete or successfully integrate acquisitions.

