



Porterbrook Management System

SMS/ENV/T1/07 Issue 5 – May 2021

Environment and Energy Policy

Effective from: May 2021

| | Name | Role | Signature |
|----------------------|--------------|-------------------------------------|-----------|
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Revision history

| Issue | Pages | Date | Details |
|---------|-------|------------|--|
| Issue 1 | ALL | Nov 2007 | Original issue |
| Issue 2 | ALL | June 2018 | Insertion of new policy statement, and change into the new document format |
| Issue 3 | ALL | March 2020 | Updated to new MS format Number changed from STD/T1/41 to ENV/T1/07 |
| Issue 4 | ALL | April 2021 | Addition of paragraphs 6.4.3 and 6.4.4 |
| Issue 5 | 7 | May 2021 | Amended reference in Section 9 from COM/T1/12 – Innovation Process to INV/T2/01 – Innovation Process |

This procedure is applicable to the following functions:

| | | | |
|---|-------------------------------------|---------------------------|-------------------------------------|
| RISAS Applicable? | <input type="checkbox"/> | | |
| Commercial | <input checked="" type="checkbox"/> | Digital Technology | <input checked="" type="checkbox"/> |
| Finance | <input checked="" type="checkbox"/> | Strategy & Sustainability | <input checked="" type="checkbox"/> |
| Legal | <input checked="" type="checkbox"/> | Engineering Services | <input checked="" type="checkbox"/> |
| Public Affairs & Stakeholder Engagement | <input checked="" type="checkbox"/> | Human Resources | <input checked="" type="checkbox"/> |

Revisions made to this document are denoted by a black vertical line against the text

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1. Definitions

| Term | Description |
|-----------------|--|
| ISO 14001 | ISO 14001:2015 specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. |
| ISO 20400 | ISO 20400:2017 provides guidance to organizations on integrating sustainability within procurement. |
| Waste hierarchy | A ranking of waste processes from most favourable to least favourable. The hierarchy favours prevention of waste (reduction), followed by reuse, recycling, recovery and least favourably, disposal. |

2. Flowchart of procedure

2.1. Not applicable.

3. Purpose

3.1. We are committed to minimising and mitigating any impact our business will have on the environment and aim to be open and transparent about our performance in line with the Rail Industry Sustainable Development Principles. The policy sets out our plans to monitor each material environmental consideration and implement changes where necessary.

4. Scope

4.1. The policy extends to all work locations and employees and others affected by our operations.

5. Responsibilities

| Role | Responsibilities |
|---|---|
| ESG Committee | <ul style="list-style-type: none"> • Draft key performance indicators and objectives to be signed off by the Executive team • Conduct a quarterly review of KPIs and plan actions required to ensure continuous improvement of the environmental management system • Complete an annual review of the policy |
| Executive Committee | <ul style="list-style-type: none"> • Sign off on updates to KPIs and objectives |
| Sustainability Advisor | <ul style="list-style-type: none"> • Collect KPI data from relevant departments to present to ESG committee • Share KPI dashboard with all employees quarterly on the intranet Sustainability page • Update policy when deemed necessary by ESG committee |
| Procurement | <ul style="list-style-type: none"> • Share Environment and Energy policy with suppliers |
| Engineering Services | <ul style="list-style-type: none"> • Include Environment and Energy policy briefing in contractor inductions |
| Public Affairs & Stakeholder Engagement | <ul style="list-style-type: none"> • Share updated Environment and Energy policy through intranet news and corporate website |

6. Procedure

6.1. Porterbrook's commitments

- 6.1.1. Comply with all legal and regulatory requirements and aspire to exceed where practicable
- 6.1.2. Ensure that both environmental and energy performance are integral parts of our approach and are considered throughout our business, including through our business risk and business continuity processes
- 6.1.3. Collaborate with colleagues, customers, communities, the supply chain and wider stakeholders
- 6.1.4. Inform our clients about the environmental impacts of our assets and encourage them to be used as efficiently as possible
- 6.1.5. Ensure that our employees have the skills and capabilities available to deliver our objectives
- 6.1.6. Set baselines and subsequent targets for improvement and measure, monitor and review on a regular basis
- 6.1.7. Develop and implement an environmental management system in line with ISO14001:2015 by the end of 2021

6.2. Climate change mitigation and resilience – to ensure that carbon emissions and environmental resilience are considered in the planning and implementation of business activities

- 6.2.1. To measure and monitor non-traction energy usage from our premises and identify annual consumption targets
- 6.2.2. To measure and monitor direct greenhouse gas emissions from the operation of the business (Scope 1 and 2) and identify targets to reduce
- 6.2.3. To measure and monitor the indirect emissions from our value chain (Scope 3), and to actively promote the development and implementation of technologies that reduce the emissions from our assets in use
- 6.2.4. To minimise unnecessary business travel and encourage sustainable transport modes
- 6.2.5. To ensure that the impact of climate change on the business is understood and minimised

6.3. Pollution – to ensure the risk of air and land pollution from our rolling stock is minimised

- 6.3.1. To measure the emissions of NOx and PM from our assets and support the development of innovations to reduce them
- 6.3.2. To minimise the risk of contamination to land from leakage of fluids from vehicles while in storage

6.4. Natural resource use – to minimise waste production and maximise reuse and recycling across the business

- 6.4.1. To work with rolling stock suppliers to address use of natural resources and recyclability of materials in production of new vehicles
- 6.4.2. To minimise the generation of waste during planned vehicle maintenance, through the overhaul and re-use of components where appropriate and by optimising maintenance regimes
- 6.4.3. To implement the waste hierarchy when managing off-lease vehicles, increasing the proportion of vehicles that are re-used and reducing the amount of waste that is sent to landfill
- 6.4.4. To monitor waste and water usage from our premises, identifying annual targets to reduce these where reasonably practicable

6.5. Supply chain – to ensure our supply chain is also following our principles

- 6.5.1. Commit to developing and implementing a sustainable procurement process, in line with ISO20400 by the end of 2021

7. Records

- 7.1. Where there is a requirement to retain records as a result of a procedure, this shall be done in accordance with procedure LEG/T2/05 Standard retention policy.

8. Competence

- 8.1. No specific competency required.

9. Reference and related documents

| | |
|------------|----------------------------|
| INV/T2/01 | Innovation process |
| ENG/T2/16 | Project management process |
| ENG/T2/23 | Obsolescence management |
| PERS/T2/21 | Business continuity |
| SM/T2/210 | Risk assessments |
| STD/T2/03 | Supplier accreditation |
| LEG/T2/05 | Record retention policy |

Appendices

Not applicable.