

# Building tomorrow's railway



## Sustainability Report 2021





# At Porterbrook, sustainability and innovation are integral to everything we do

<b>Contents</b>	<b>Who we are</b>	<b>1</b>
	<b>Our vision, mission and values</b>	<b>2</b>
	<b>A message from Mary Grant, CEO</b>	<b>4</b>
	<b>2021 successes</b>	<b>5</b>
	<b>Managing sustainability</b>	<b>6</b>
	<b>Our performance</b>	<b>12</b>
	<b>GRESB 2021</b>	<b>13</b>
	<b>Environment</b>	<b>14</b>
	<b>Social responsibility</b>	<b>19</b>
	<b>Our people</b>	<b>22</b>
	<b>Sustainability KPIs</b>	<b>27</b>
	<b>Sustainable Development Goals index</b>	<b>28</b>



## Who we are

---

### **At the heart of Britain's railway for over 25 years**

Porterbrook owns almost a quarter of the national passenger rail fleet and currently has around 4,000 vehicles on lease or on order. To date we have invested £3bn in new passenger and freight vehicles and are actively looking to invest a further £1bn in UK rail in the coming years.

Engineering excellence is central to our role as a leading railway asset owner and manager. Porterbrook is a delivery partner, supporting improved industry performance and reliability across the network. Our whole life asset management approach optimises value to passengers and taxpayers and aims to minimise environmental impact.

We have an established reputation for delivering new technologies, such as battery, hybrid and hydrogen powered trains. These innovations support the government's commitment to net zero by 2050, improve air quality, reduce emissions, and enhance network resilience.

In collaboration with our industry partners, we project manage the delivery of regular upgrades to our rolling stock fleets. Each year we invest over £150m in our existing assets, working with 100 UK-based companies and supporting c.7,000 jobs.

Porterbrook employs over 170 people, approximately half of which are based in our asset management team. In addition, 32% of Porterbrook's workforce is female, including a number of our executive team, which compares favourably to the UK rail industry average of 16%.



## Our vision, mission and values

---

**Vision: to be the UK market leading provider of rail leasing and asset management support**

Mission: to provide high-quality, digitally-enabled rolling stock solutions that help to deliver a safe, efficient and sustainable railway.

**Values:**



### Respect

For colleagues, customers and industry partners

---



### Integrity

In all that we do

---



### Excellence

In customer service, engineering innovation and asset management

---



### Delivery

Adding value to our customers and shareholders

---



### Sustainability

Inclusive, ethical, focused on the community and the environment



## A message from Mary Grant, CEO

---

I am delighted to introduce Porterbrook's 2021 sustainability report.

As we race towards 2050, the aim to limit global warming to 1.5 degrees becomes increasingly challenging. Drastic emissions reductions are required, particularly in transport which remains the UK's largest emitting sector. Rail only accounts for 1.4% of transport emissions, but more needs to be done by the industry to mitigate its own impacts and, crucially, to attract passengers back in the wake of the pandemic.

Rebuilding trust with passengers starts by offering rail users a safe, reliable, timely and affordable service. Britain's train fleet plays a key role in this respect and, as a responsible asset owner, we recognise our obligations. In 2021, we were proud to have achieved a fleet reliability that stood 10% above the industry average. We continued to invest in assets for the benefits of passengers, including through our £100m upgrade programme of the Electrostar fleet operated by Govia Thameslink Railway.

Porterbrook is committed to improving its own environmental credentials as we support improvements in the industry. Last year, we achieved accreditation to ISO 14001:2015 to ensure that our environmental impacts are adequately measured and improved.

We partnered with Network Rail and industry to develop and showcase a fully productionised version of HydroFLEX, the UK's first hydrogen-powered train, at COP26. The £10m investment by Porterbrook gave delegates and visitors an insight into how hydrogen technology could help decarbonise the rail network in the future.

In parallel, we have continued to invest in improving the environmental output of our diesel fleet. Our first HybridFLEX unit entered passenger service at Chiltern Railways on 10th February 2022, allowing emissions-free operation in urban areas, including Marylebone station for the first time in over 150 years. Across whole journeys, carbon emissions are reduced by c.25%, noise levels by 75% and NOx and particulate matter by 74% and 90% respectively.

None of this would be possible without great people. Last year, our team expanded as we took over the operations of the Long Marston Rail Innovation Centre (RIC) in Warwickshire. We were proud to be awarded Great Place to Work at the National Rail awards, and to have achieved Investors in People's We Invest in Wellbeing accreditation.

Progress in our sustainability journey has been recognised in the 2021 GRESB assessment, which saw Porterbrook named Global Sector Leader in the Transport category, after achieving 99/100, our highest score to date. We will continue to build on this to embed ESG within all our decision making.



A handwritten signature in black ink, appearing to read 'Mary Grant'.





## 2021 successes

---



### ISO 20400

Sustainable  
Procurement  
aligned



G R E S B<sup>®</sup>  
INFRASTRUCTURE

Global Sector Leader  
for Transport



### ISO 14001

Environmental  
Management certified

### Hybrid**FLEX**

Successfully launched  
with Chiltern Railways

### HYDRO**FLEX**

Hydrogen expertise  
shown at COP26

### **FLEX**

Winner of 'Environment and  
Sustainability' at Modern  
Railways Innovation Awards



Achieved  
**We Invest in  
Wellbeing**  
Silver accreditation



Embedding sustainability  
into the development of  
**Long Marston Rail  
Innovation Centre**



**'Great Place  
to Work'**  
Winner at  
National Rail Awards



# Managing sustainability





## Materiality assessment

### Understanding our impacts and the evolving sustainability landscape is essential to develop the right strategies

In 2019, we commissioned an independent materiality assessment to identify the environmental, social and governance issues that matter most to our business and stakeholders. The assessment involved internal and external interviews, benchmarking our performance, and reviewing macro trends shaping the economy and society.

The outcome of this work is shown in the materiality matrix below and identifies operational safety, climate change mitigation and air quality as our key areas of focus.

The addition of Long Marston Rail Innovation Centre to our portfolio of rail assets means that issues such as biodiversity are now more relevant to our operations. In 2022, we will conduct a new materiality assessment to reflect these changes.

Importance to stakeholders	Relevance to Porterbrook		
	Moderate	Significant	Major
	Major	<ul style="list-style-type: none"><li>Independent review and challenge</li><li>Climate resilience</li><li>Stakeholder engagement and satisfaction</li></ul>	<ul style="list-style-type: none"><li>Climate change mitigations</li><li>Air quality</li><li>Operational safety</li></ul>
	Significant	<ul style="list-style-type: none"><li>Disposal of end of life vehicles</li></ul> <ul style="list-style-type: none"><li>Collaboration and partnerships</li><li>Transparency and engagement</li><li>Ethics value and culture</li><li>Sustainable material use</li><li>Creation of social value</li></ul>	<ul style="list-style-type: none"><li>Carbon measurement and accounting</li><li>Supporting economic growth</li><li>Equality, diversity and inclusion</li><li>Health, safety and well-being of workforce</li></ul>
Moderate	<ul style="list-style-type: none"><li>Waste minimisation</li><li>Water pollution</li><li>Noise pollution</li><li>Land contamination</li><li>Biodiversity</li></ul>	<ul style="list-style-type: none"><li>Equitable labour practices</li><li>Community engagement</li></ul>	<ul style="list-style-type: none"><li>Structured management systems</li><li>Skills and talent management</li></ul>

- Environment
- Social responsibility
- Our people
- Governance and leadership















## Our sustainability framework

### Placing sustainability at the heart of our business strategy

Our sustainability framework covers four pillars, and the supporting themes reflect the priorities identified as material to Porterbrook.

The framework is aligned to RSSB's Rail Industry Sustainable Development Principles, and the United Nations Sustainable Development Goals (SDGs). The report sets out how our projects and initiatives contribute to the SDGs on page 28.

Porterbrook is also supporting the industry in developing the Sustainable Rail Strategy (SRS), led by the Rail Safety and Standards Board. In 2022, we will refresh our sustainability strategy to align closely with the emerging SRS.

Environment	Climate change and air quality 	Air and land pollution 	Natural resource use and circularity 
Social responsibility	Economic contribution 	Community development 	
People	Health, safety and wellbeing 	Diversity & inclusion 	Skills and talent 
Governance and leadership	Transparent ESG reporting 	Robust management systems 	



## Sustainability governance



**Our Code of Practice is a voluntary code setting out Porterbrook's business philosophy and the company's core working values**



**Our Whistleblowing Policy ensures that all employees know that they can raise concerns about practices within our business or supply chain, without fear of reprisals**

**Robust governance and processes are essential to manage our sustainability impacts, risks and opportunities**

### Board ESG oversight

The Board of Directors (1) is responsible for the Group's effective management and strategy for ESG-related risks and opportunities. Responsibility is delegated to the Group Company's board of Porterbrook Leasing Company Limited ("PLCL Board"). The CEO, who serves on the PLCL Board, is responsible for ensuring that material risks are appropriately evaluated and mitigated. The PLCL Board reviews its long-term strategic plan annually to assess the Group's approach, including for ESG matters. The PLCL Board is responsible for setting, maintaining and regularly reviewing policies and processes to manage the Group's exposure to risk, including those that are ESG-related.

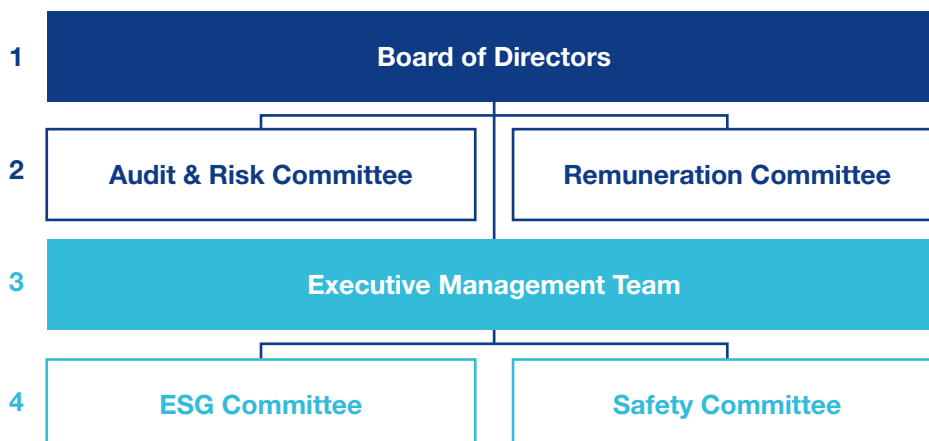
The Audit & Risk Committee (2) reviews the Group's risk register. It oversees disclosures, including those on finance and risk, in the Group's financial statements.

### Management role in overseeing ESG risks and opportunities

The Executive Management Team (3) is the decision-making forum for key sustainability items, with oversight from the PLCL Board.

The Director of Strategy and Sustainability has managerial oversight for the Group's sustainability activities and reports directly to the CEO.

The Environmental, Social and Governance Committee (4) is responsible for overseeing ESG issues, reviewing progress and making recommendations to the Executive Management team and the PLCL Board. The ESG committee is comprised of relevant heads of department and meets quarterly.





## Climate-related risks and opportunities

---

Climate change poses new challenges to businesses. Physical risks arising from the climatic impact of rising temperatures and from the transition to a low carbon economy could have material impacts of the value of companies and their assets.

In 2021, we undertook an initial assessment of climate-related risks and opportunities using the Taskforce on Climate-related Financial Disclosure (TCFD) framework. These were assessed using a 1.5 and a 4 degree scenario, across three timeframes: short term (up to 2030), medium term (up to 2040) and long term (post 2040).

A high-level qualitative scenario analysis was undertaken covering transition (regulatory, technology, legal, reputational) as well as acute and chronic physical risks.

Transition risks include the failure to realise the full economic life of some of our diesel fleets. This is being mitigated through the development of emissions reduction technologies, including options to hybridise existing diesel vehicles.

The physical impact of a changing climate on our assets and operations has been assessed as low to medium in the short, medium and long term.

We are continuing to embed TCFD recommendations across our governance, strategy, risk management, and performance measurement.



## Stakeholder engagement



**Our Lobbying Policy ensures that Porterbrook remains politically neutral as we work with policy makers, elected officials and representatives**

### Engaging with external stakeholders

Key stakeholders are managed via a formal Stakeholder Engagement Plan which covers relationships with customers, key suppliers and wider industry stakeholders including the Department for Transport, Transport Scotland, Transport for Wales, passenger focus groups, the Office of Rail and Road, industry peers and political parties at both national and local levels.

Stakeholders are also provided with regular updates about business activities through our social media channels and press releases.

We encourage our employees to support stakeholders through participation in round tables, seminars, and presentations. We also take part in government and industry consultations as appropriate and submitted six responses in 2021.

In November, we used HydroFLEX, the UK's first hydrogen powered train, to engage with industry stakeholders and policy makers, using our on-board boardroom to host events at COP26.



### Our stakeholder survey

We commission a third-party survey and report annually, which serves to understand the views and experiences of our customers and stakeholders. The feedback from those surveyed helps us to take steps to improve our practices and better meet their needs and aspirations.



# Our performance







## GRESB 2021



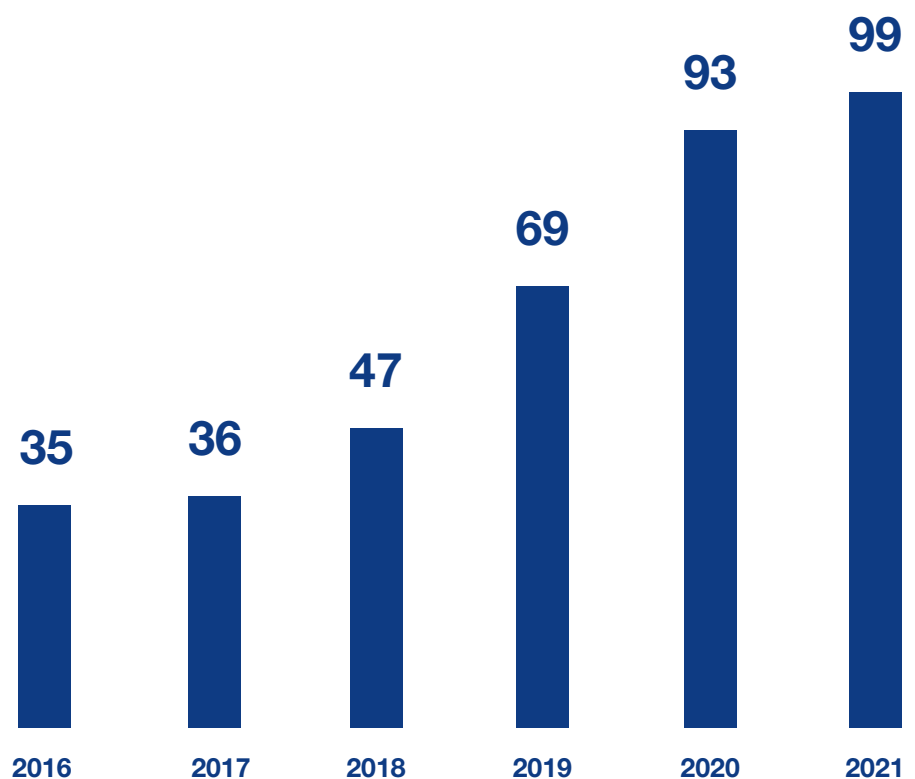
Porterbrook's sustainability is assessed annually through GRESB, which involves scoring and comparing organisations based on their environmental, social and governance management and performance.

In 2021, we were named Global Sector Leader for Transport, having achieved our best performance to date. Our target was to remain in the top 5% of participating entities globally. We were proud to have achieved a score that ranked us 4th out of 549 entities, placing us in the top 1% of all entries.

The assessment is split into two sections. Performance metrics cover aspects such as energy, greenhouse gas emissions and air quality, health and safety, employee diversity, customer satisfaction and awards and certifications. Management metrics focus on leadership, policies, reporting, risk management – including climate change resilience, and stakeholder engagement.

In our sixth year of participation, we achieved full marks in all performance metrics and a near-perfect management score, achieving 99/100 overall.

This year's score marks significant, continued improvement since our first assessment in 2016 and our third consecutive five-star rating. Our target for 2022 is to remain in the top 5%.





## Environment

### We are committed to minimising the impact of our operations and assets on the environment

Our environmental aims include:

#### Climate change mitigation and resilience



To reduce our direct emissions by 46% by 2030

To support the transition to a zero-carbon railway by actively promoting the development and implementation of technologies that reduce the emissions from our assets in use

To prepare for a changing climate by developing adaptation measures and continuously improving the resilience of our operations and assets

#### Air and land pollution



To develop and implement innovative solutions that reduce the emissions of air pollutants from our assets

To minimise the risk of contamination to land from leakage of fluids from vehicles while in storage

#### Natural resource use and the circular economy



To minimise the raw materials that are used in new build rolling stock

Ensuring the waste hierarchy is implemented during heavy maintenance, refurbishment and disposal of our assets



**Our environmental priorities are detailed in our Environment and Energy Policy which is publicly available on our website**

#### Environmental management

Porterbrook operates an environmental management system (EMS) to ensure that environmental aims are underpinned by robust processes and procedures, and measurable through metrics and targets.

Initiatives are in place to ensure that our environmental targets are reached, and KPIs are monitored every quarter by the ESG committee.

To meet our direct emissions targets, our small company car fleet will transition to hybrid vehicles, and Ivatt House will be powered solely by renewable energy by September 2022.

The management system also supports effective communications across the business, ensuring that all staff understand the environmental responsibilities associated with their role.

In June 2021, our EMS was certified to ISO 14001:2015 by DNV.



## Climate change mitigation and resilience

# £10m

investment by Porterbrook

Enough storage on board for

# 227kg

of green hydrogen

# 300+

people worked on the project,  
including apprentices and  
graduates

### HydroFLEX at COP26

In November, nearly 200 countries descended upon Glasgow to secure global net zero by 2050 and limit global warming to 1.5 degrees. In collaboration with Network Rail and industry partners, we used this global stage to showcase the part that rail has to play in the decarbonisation of the wider transport sector.

In just 10 months, Porterbrook, supported by 30 UK-based suppliers, stripped a 30-year-old Cl319 back to its shell and fitted it with an innovative interior and hydrogen fuel cells.

Delegates and special guests were invited onboard to explore HydroFLEX's HydroChamber and the ground-breaking technology that allows the train to operate using green hydrogen in self-powered mode.

Sustainability was a priority in every aspect of the retrofit project, from furniture to light fittings. We were able to demonstrate how eco-friendly innovations such as tables made from recycled plastic bottles and e-leather seats could provide comfortable journeys for passengers, whilst minimising our environmental impact.

After COP26, the train returned to Long Marston to be fuelled and commissioned for hydrogen operation with a range of around 300 miles at speeds of up to 100mph.

Looking forward, the project will also enable the upgrade of current in-service trains with hydrogen technology, helping decarbonise the rail network and supporting the emergence of local hydrogen hubs.

***"What you've achieved is amazing, and it's been fantastic to be able to demonstrate this at the conference. It's about planning for the future and doing something right for the environment"***

Martin Frobisher OBE,  
Director of Safety and Engineering,  
Network Rail





## Climate change mitigation and resilience continued

0

emissions in urban areas

-25%

CO<sub>2</sub> emissions

-74%

NO<sub>x</sub> emissions

-90%

particulate emissions

-75%

less noise

***“HybridFLEX trains will make rail travel even greener and the air in our stations cleaner... This is a great example of how innovation and enterprise can help us reach our ambitious target of net zero emissions by 2050.”***

Chris Heaton Harris,  
Former Rail Minister

### HybridFLEX

Diesel bi-mode trains will play a significant role in achieving interim emissions reduction targets before 2050. Coupled with the need to reduce greenhouse gas emissions, air quality impacts are of growing concern to the industry as we make plans to protect the health of passengers, rail staff and communities served by our railways.

To provide an interim decarbonisation solution that improves air quality, we partnered with Rolls Royce and Chiltern Railways to develop HybridFLEX, Britain's first hybrid-powered train.

HybridFLEX is an upgrade of an existing Turbostar train with a new battery pack and a low emission, EU Stage V compliant engine to enable low noise and zero-emissions operation in urban areas. Changeover between diesel and battery mode is triggered automatically by GPS to ensure optimisation of the hybrid mode, helping to achieve zero emissions in urban areas.

In July 2021, Chiltern Railways celebrated its 25th anniversary by launching the first HybridFLEX train. The unit entered passenger service on 10th February 2022.

We are now working with the Department for Transport and train operators to upgrade more units with the technology. We estimate that the rollout of HybridFLEX to Porterbrook's fleet of 497 Turbostars could deliver a carbon saving of c.700 KTonnes CO<sub>2</sub>e by 2040, equivalent to around six months' worth of diesel traction emissions across the industry.

### FLEX

Our bi-mode and tri-mode FLEX units improve operational flexibility across electrified and non-electrified routes by fitting a low emissions engine to an electric train. FLEX allows us to extend the functional life of our assets, whilst supporting the incremental electrification of the railway.

Our FLEX units are in passenger service with Transport for Wales and Northern and will enter commercial service at Great Western Railways in spring 2022.

In October 2021, FLEX won the Environment and Sustainability award in the Modern Railways' Innovation Awards.



## Climate change mitigation and resilience continued

**63%**  
improvement in reliability  
with our DART project

### Improving reliability and resilience

Before the pandemic, rail accounted for one in ten journeys in Britain and only 1.4% of total transport emissions. Analysis shows that a passenger will be responsible of two thirds less emissions when travelling by train rather than by car. Therefore, a modal shift to rail has the potential to contribute significantly to the decarbonisation of the wider transport sector.

We believe that a reliable service is key to encouraging more people out of cars and onto trains. As a responsible asset owner, we are committed to actively driving the reliability of our fleets. In 2021, Porterbrook fleets were 10% more reliable than the national average (miles per technical incidents).

Throughout 2021, our Data to Action Reliability Taskforce (DART) drew on advances in big data, artificial intelligence and data analytics to demonstrate the benefits of proactive, digitally enabled interventions to improve rolling stock reliability.

The project, funded by Porterbrook, was run in collaboration with six train operators and delivered a 63% improvement in reliability for targeted subsystems.

As summers become warmer, ambient temperatures can put additional pressure on asset reliability and result in delays and cancellations for passengers. Working with West Midlands Trains, we have introduced engine software upgrades that improve the resilience of engines on hot summer days.







## Natural resource use and circular economy

---

**50%**  
of end-of-life assets diverted  
from scrap since January 2020

In 2021, we recycled  
**1,978**  
tonnes of metal with SIMs

### End of first life assets

As a responsible asset owner, we are committed to implementing the waste hierarchy for vehicles reaching the end of their useful economic life.

At end-of-first-life, we look to maximise re-use opportunities through commercial sale or donation to heritage railways and community projects.

In 2020, we donated three pacer carriages to the DfT's 'Design a Pacer' competition, run for communities in the North of England. In 2021, the winning entrants saw their designs turned into:

- a recreational space for a men's mental health charity
- additional space for a medical practice
- a school library

Two further carriages were donated to Upshire Primary Foundation School in Waltham Abbey, to be turned into a classroom and library.

### Recycling at end of life

Where re-use is not an option, our assets are sent to our specialist disposal contractor, where vehicles are broken down and materials are recycled. In 2021, 89 vehicles were sent to SIMs Metal Management, and we achieved an 84% recycling rate.

### Assessing the supply chain

Our suppliers are encouraged to share both project and group level waste data. Where suppliers were able to share data in 2021, we intend to collaborate to develop an improvement plan. Currently this is not a mandatory requirement, however we are committed to driving data improvements in our supply chain, and from 2023, suppliers will be expected to share waste data to win new contracts.



## Social responsibility

### We are committed to being a good corporate citizen of Britain's Railway

Our social responsibility aims include:

#### Economic contribution



To promote collaboration and partnerships to deliver solutions with our customers and suppliers

To develop and support an innovative supply chain, aligned to our sustainability standards and principles

#### Community development



To invest and support the development of communities local to our sites and across Britain's railway



#### Our code of conduct sets out the standard of behaviour expected of suppliers to our business

#### Sustainable procurement

We spend over £150m in our supply chain each year, trusting over 100 UK-based businesses and SMEs and supporting around 7,000 jobs. We recognise our responsibility as a major buyer, which is why we are committed to ensuring that our supply chain adheres to our sustainability principles.

In 2021, our sustainable procurement procedures were assessed against ISO 20400:2017 which provides guidance on embedding sustainability into procurement practices. The review of our procurement procedures found that we presented leading qualities in:

- Sustainability purpose, culture and ethos within the business at all levels
- People development in relation to sustainable procurement principles
- Collaborative relationships with key suppliers to drive sustainability initiatives
- Innovation focus driven through the supply chain

We have updated our Supplier Code of Conduct and an environmental measures section is being introduced to tenders. New procedures also include a questionnaire which allows us to score and compare our suppliers against ESG criteria.



## Community development

---

We invested over  
**£60k**  
into communities in 2021

**At Porterbrook, we strive to have a positive impact on communities that are local to our operations, and actively support specific charity and voluntary initiatives across Britain's railway**

### Three Peaks by Rail

Porterbrook is proud to have remained headline sponsor for the 2021 Three Peaks by Rail Challenge, in aid of the Railway Children. The charity supports children around the world who have found themselves homeless at a young age through poverty, abuse, violence and neglect.

Between 9th and 11th September, nine people from Team Porterbrook took on the challenge, climbing Snowdon, Scafell Pike and Ben Nevis, with their only chance to sleep on the chartered train that ferries participants to the foothills of each. Their individual efforts raised over £8,000 for the charity, whilst we have committed to headline sponsorship for a further five years, delivering over £25,000 for the challenge annually.



Staff spent  
**198**  
hours on volunteering projects  
and charity challenges using our  
volunteer scheme. We aim to  
double this in 2022.

### Supporting our local community

In 2020, we began our volunteer scheme, which enables every employee to take two paid days of volunteering leave to support community projects close to their hearts. Whilst the pandemic delayed the initial success of the scheme, the second half of 2021 saw our team take the opportunity to invest their time in several community initiatives.

For example, four members of Team Porterbrook spent a day transforming a church garden to its pre-pandemic state, and Revenue Accountant, Jay Taylor, spent her allocated days providing afternoon tea for the elderly and assisting at a summer community day for families in her local area.



## Community development continued

---

### Rail community partnerships

Porterbrook recognises the role that organisations in our rail community play in developing careers, promoting diversity, supporting the wellbeing of our employees and wider stakeholders, and ultimately contributing to the long-term sustainability of our industry.

Alongside our corporate partnerships and memberships with rail community organisations, we encourage our team to involve themselves in committees and events that support the development of careers in rail.

In October 2021, the Derby Railway Engineering Society (DRES) elected our Fleet Services Director, Neil Foster, as their new president, following a decade as General Secretary. The role sees Neil promote the Society in delivering its rolling programme of lectures, visits, and networking events. Kamil Hashmi, Project Engineer, was also appointed to lead the DRES Young Members Sub-Committee, which is pivotal to the longer-term success and growth of the Society.

In April, Chris Beales, Principal Reliability Engineer, was elected Chair of the East Midlands Young Rail Professional Committee, with Anna Gray, Fleet Support Engineer, elected as Vice Chair. Their roles include promoting rail industry careers and organising social and technical events for those who have been in the rail industry for less than 10 years.





## Our people

---

### Our comprehensive HR strategy is in place to ensure that we have an engaged and highly motivated team

Our aims include:

---

#### Health, safety and wellbeing



Putting the safety of our colleagues, customers, and the travelling public first

Supporting the mental health and wellbeing of our staff

---

#### Skills and Talent



Developing skills within the business and attracting new talent

---

#### Diversity and inclusion



Ensuring that our workforce is inclusive and diverse, and meets the future needs of the rail industry

---



**Our suite of modern and progressive HR policies complies with UK legislation and in many cases, go beyond the statutory minimum**

#### An award-winning employer

We were delighted to become the first asset owner to win the Great Place to Work award at the 2021 National Rail Awards. Our people are our greatest asset, and we are proud to be recognised for our commitment to providing them with a positive and supportive working environment.

In 2021, Best Companies ranked us:

- 17th in The Financial Services 30 Best Companies to work for
- 53rd in The Midlands 100 Best Companies to work for
- 65th in the UK's 100 Best Mid-Sized Companies

Our continuous improvement in employee engagement, skills, inclusion, and wellbeing strategy has seen us shortlisted in CIPD's 'Best Change Management Initiative' category at their annual People Management Awards, and in the 'Employee Experience' category at the Personnel Today Awards.

Porterbrook embarked on the Investors in People (IiP) pathway in 2018, achieving Gold in 2020, and expanded this in 2021 with We Invest in Wellbeing Silver accreditation. We believe investment in this area is crucial to ensuring Porterbrook remains an award-winning employer and aim to achieve IiP platinum by 2023.





## Health and safety



### Health & Safety at Porterbrook

Work Safe Act Safe Home Safe



**Our Health and Safety  
Policy enables safe working  
conditions for all employees  
and contractors, and includes  
appropriate training**

**The health and safety of our colleagues, customers and the travelling public is our number one priority**

#### Health and safety plan 2021-2024

Our 2021-2024 safety plan was developed using the RSSB's 'Leading Health and Safety on Britain's Railway' strategy. Designed to assist in achieving key milestones in safety management, the plan covers management systems, health and wellbeing, workforce safety and fatigue risk management, as well as public behaviour, train operations infrastructure and rolling stock asset integrity.

The safety plan allows us to continuously improve our health and safety performance for our colleagues, suppliers, contractors, and industry partners.

#### Our safety plan is underpinned by five pillars



To select and manage competent suppliers who understand their safety obligations



To provide specifications and procedures which are clear and unambiguous



To implement effective management of ongoing activities



To implement effective management of change



To carry out relevant audits with our supply chain and customers



## Wellbeing

---

### Health and wellbeing focus group

Throughout the Covid-19 pandemic, and during the return to office, the health and wellbeing focus group has allowed our HR team to tailor initiatives to ensure they fit the needs of our team. The focus group is made up of representatives from every department in Porterbrook, which gives the opportunity for all employees to be heard.

All managers are provided with health and wellbeing training to ensure that they are equipped to deal with their team's needs.

### Wellbeing Week 2021

Our wellbeing week returned in November with a range of activities designed to encourage employees to focus on their mental, physical, social and financial wellness. Activities included physical challenges, webinars and focused professional development time, as well as the distribution of resources such as gym discounts and offers, wellbeing planners and the launch of a new quiet room for employees at our Derby office.



### Mental health and wellbeing

During Wellbeing Week, Porterbrook signed the Railway Mental Health Charter. The charter supports member companies in preventing and addressing mental health issues, encouraging conversation, and reducing stigma. We are proud to sign a charter that aligns with our own values, having introduced mental health first aiders in 2020.

Our mental health first aiders are trained staff who support their colleagues by listening to their concerns and signposting support services. The scheme's introduction has already had a positive impact and we are planning to expand the number of first aiders within the business in 2022.



## Skills and talent

*"My work experience was great. You all made me feel very welcome, it really helped me get an idea of what kind of place I'd like to work in."*

Eve, work experience student

**At Porterbrook, we encourage young people to join the rail industry and support their development throughout their career**

### Investing in future talent

In 2021, we developed our early careers programme to target high-school age pupils who are looking to explore careers in rail. Work experience students receive a timetable that is tailored to their interests whilst covering a wide range of roles that they may not yet have considered.

This year we began to develop our relationship with London-based organisation Reed in Partnership, as well as Stratford-Upon-Avon College and Warwick University to complement our existing work in Derby. Supported by National Skills Academy for Rail, we will build an integrated approach to early careers engagement across these sites in 2022.



In 2021 we spent

**£523**

on training per full time  
equivalent employee

In 2021

**15%**

of our employees were in  
apprenticeships and graduate  
development schemes

### Professional development

In 2021 we joined 'The 5% Club', which commits us to a minimum proportion of our workforce enrolled on formalised apprentice, sponsored student, or graduate development schemes within five years.

We encourage employees to take responsibility for steering their own career. We offer a wide range of ongoing training and development to all employees, including apprenticeships in disciplines ranging from finance and business administration to engineering.

Ten of our chartered engineers are enrolled as mentors, supporting our early-career engineers as they progress through their new roles and further studies. Mentors volunteer to provide guidance and act as a sounding board to give our young engineers the confidence to excel in their roles. Our mentors' commitment to voluntary support for their young colleagues highlights the best of Porterbrook's culture.



## Diversity and inclusion

Female employees account for

# 32%

of our workforce



### Equal Opportunities and Diversity Policy

**We are committed to developing a culture of sustainable inclusivity, creating excellence by removing barriers and embracing a diverse, skilled workforce that meets the future needs of the rail industry, regardless of gender, ethnicity, disability, or circumstance**

In 2021, female employees accounted for 32% of our workforce, double the industry average.

Ethnicity data has been collected on a voluntary basis since 2020. In 2021, 9% of employees identified themselves as part of Black, Asian and Minority ethnic groups.

As signatories of Women and Rail and the Railway Industry Association's Equality, Diversity and Inclusion Charter, we are taking steps to ensure that our actions align with our values.

In October, we updated our Equal Opportunities and Diversity Policy, and introduced a focus group to share experiences and develop plans to make our workplace more inclusive.

To ensure that we mitigate against unconscious bias, all employees have access to online training on Diversity and Inclusion, with mandatory training for hiring managers. We also achieved level 2 'Disability Confident Employer' status.

In 2022, we will continue to drive our diversity ambition by:

- Implementing a gender decoder to remove unintentional gender bias from adverts
- Ensuring diverse attraction through specialist platforms and forums
- Ensuring that recruitment agencies are aligned to our Equal Opportunities and Diversity Policy
- Celebrating international days to build awareness internally and externally





## KPIs

Metric	2021	2020	Details
<b>GRESB score</b>	99	93	Score awarded by GRESB for assessment response
<b>Energy consumption (KWh)</b>	218,778	209,991	Data taken from meter readings and invoices for London and Derby offices
<b>GHG emissions</b>			
<b>Scope 1 (TCO2e)</b>	40	45	Emissions from company car, refrigerant and natural gas use
<b>Scope 2 (TCO2e)</b>	46	49	Emissions from energy use (market based)
<b>Scope 3 (traction, TCO2e)</b>	530,000	560,000	Traction emissions estimated using specially developed emissions factors for each fleet type and mileage data
<b>Water use (Derby only, m3)</b>	44	305	Data provided from invoices for Derby office only
<b>End-of-life recycling rate (%)</b>	84	-	Percentage of end-of-life vehicles taken for scrap metal recycling (new metric for 2021)
<b>End-of-Life vehicles reused (%)</b>	13	64	Percentage of end-of-life vehicles donated or sold
<b>Community investment (£)</b>	£60,246	£71,047	Total monetary donations and sponsorship of charitable organisations
<b>Volunteering hours</b>	198	-	Number of hours used by staff for volunteering activities (new metric for 2021)
<b>Absentee rate (%)</b>	1	1	Percentage time lost to sickness
<b>Training spend per employee (£)</b>	523	578	Total training spend divided by the numbers of FTEs
<b>Workforce apprentices and graduates (%)</b>	15	11	Percentage of employees in apprenticeships and graduate development schemes
<b>Gender diversity (%)</b>	32	34	Percentage of female employees
<b>ESG-related incidents</b>	0	0	ESG-related misconduct, penalties, incidents or accidents










## Sustainable Development Goals index

SDG	Target	How we contribute
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	HydroFLEX (p. 15) HybridFLEX (p. 16)
 <p><b>4</b> QUALITY EDUCATION</p>	4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	Skills and talent (p. 25)
 <p><b>5</b> GENDER EQUALITY</p>	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Diversity and inclusion (p. 26)
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p>	Diversity and inclusion (p. 26)
 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities (direct relevance and contribution)	HydroFLEX (p. 15) HybridFLEX (p. 16) FLEX (p. 16)



SDG	Target	How we contribute
	<p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p>	<p>Diversity and inclusion (p. 26)</p>
	<p>11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p> <p>11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management (direct relevance and contribution).</p>	<p>HydroFLEX (p. 15)</p> <p>HybridFLEX (p. 16)</p> <p>FLEX (p. 16)</p>
	<p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>	<p>Natural resource use and circular economy (p. 18)</p> <p>Sustainable procurement (p. 19)</p>
	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.2 Integrate climate change measures into national policies, strategies and planning</p>	<p>Climate-related risks and opportunities (p. 10)</p> <p>HydroFLEX (p. 15)</p> <p>HybridFLEX (p. 16)</p> <p>FLEX (p. 16)</p> <p>Environmental management (p. 14)</p>
	<p>16.5 Substantially reduce corruption and bribery in all their forms</p> <p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels (indirect relevance)</p>	<p>Sustainability governance (p. 9)</p> <p>Sustainable procurement (p. 19)</p>



## Contact

---

You can find out more about how Porterbrook manages sustainability by visiting our website:

**[Porterbrook.co.uk/sustainability](https://porterbrook.co.uk/sustainability)**

We welcome feedback from our stakeholders. Should you have any comments, thoughts and ideas on how we might improve, please write to:

**[sustainability@porterbrook.co.uk](mailto:sustainability@porterbrook.co.uk)**