

## **FIRSTGROUP PLC CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **Definitions**

References to “Group,” “we” and “our” shall mean FirstGroup plc and its group companies.

### **1. Introduction**

- 1.1 The Group seeks to be a good corporate citizen in everything that it does.
- 1.2 We have therefore determined to bring together our existing operating principles into one framework policy under the heading of Corporate Social Responsibility (CSR). The principles encompassed in this policy cover all areas of the Group’s operations and have been developed and continue to be reviewed against and updated by reference to relevant codes of corporate governance and international standards including the United Nations (UN) Universal Declaration of Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, the Guidelines for Multinational Enterprises established by the Organisation for Economic Cooperation and Development (OECD), the Rio Declaration on Environment and Development and the UN Convention against Corruption.
- 1.3 Our Board of Directors, (“the “Board”) supports the principles set out in those codes and standards and the aim of this policy is to translate that support into a set of guidelines and standards that set a common approach for the Group and provide practical guidance for our managers and employees on the ground.

### **2. Compliance, monitoring and reporting**

- 2.1 Compliance with this policy will be continuously monitored and subject to review by the Board, supported by the Audit Committee. Compliance will be reported to stakeholders through the Group’s Annual Report or its annual Corporate Social Responsibility Report.
- 2.2 Each local manager is responsible for ensuring that the principles set out in this policy are communicated to, understood and observed by all employees and for ensuring compliance in their area of responsibility.
- 2.3 Employees who reasonably suspect that there has been a breach of this policy must report it to their line manager, senior management, or through other mechanisms established by the Group to report such breaches. We recognise that employees may be reluctant to report concerns for fear of retaliation and will take disciplinary action against any employee who threatens or engages in retaliation, retribution or harassment of any person who has reported or is considering reporting a concern in good faith.
- 2.4 The Board will not criticise management for any loss of business resulting from adherence to the principles set out in this policy. All sections of this policy are underpinned by the Group’s Code of Business Ethics, which is set out in Section 3. The other areas covered by this policy are Health and Safety (Section 4), Security (Section 5), Employment (Section 6), Customer and Community (Section 7) and Environment (Section 8).

### **3. Code of Business Ethics**

#### **3.1 General statement**

This Code of Business Ethics sets out the standards we expect from our employees in their internal and external dealings with colleagues, customers, stakeholders and third parties.

#### **3.2 Basic Standards of Conduct**

3.2.1 We will conduct every aspect of our business with honesty, integrity and openness, respecting human rights and the interests of our employees, customers and third parties.

3.2.2 We will respect the legitimate interests of third parties with whom we have dealings in the course of our business.

3.2.3 We will maintain the highest standards of integrity – for example, we will not promise more than we can reasonably deliver or make commitments we cannot or do not intend to keep.

#### **3.3 Employees**

We are committed to:

- a) developing a workforce where there is mutual trust and respect, free from bullying and harassment, where every person feels responsible for the performance and reputation of our company;
- b) respecting the rights of individuals their customs and traditions and their right to freedom of association and the right to decide whether or not to join a trade union. We will negotiate in good faith with properly elected representatives of our employees;
- c) recruiting, employing and promoting employees on the basis of objective criteria and the qualifications and abilities needed for the job to be performed in line with our Equal Opportunities Policy;
- d) maintaining good communications with employees through our information and consultation procedures;
- e) providing our employees with suitable training and assisting them in realising their potential;
- f) ensuring the privacy and confidentiality of our employees' personal information is respected;
- g) suitably rewarding our employees for their contribution to the success of the business;

- h) providing mechanisms whereby employees can raise legitimate concerns confidentially regarding malpractice and ensuring no one will be victimised for a report made in good faith;
- i) providing employees with the appropriate information and training to comply with this Code and the associated policies; and
- j) seeking to protect our employees from third party abuse that might be injurious to their safety, health or well-being.

### **3.4 Business Integrity**

- 3.4.1 We aim to develop strong relationships with our suppliers, stakeholders and others with whom we have dealings, based on mutual trust, understanding and respect.
- 3.4.2 In those dealings, we expect those with whom we do business to adhere to business principles consistent with our own.
- 3.4.3 We will conduct our operations in accordance with the principles of fair competition and applicable regulations.
- 3.4.4 The Group's accounting and other records and supporting documents must accurately describe and reflect the nature of the underlying transactions.
- 3.4.5 No unrecorded account, fund or asset will be established or maintained.
- 3.4.6 We will comply with the laws and regulations applicable wherever we do business. We will obtain legal advice where felt necessary to comply with this commitment.
- 3.4.7 We will review and track our business risks including social and environmental risks.
- 3.4.8 The Group will not facilitate, support, tolerate or condone any form of money laundering.
- 3.4.9 To ensure that our business is run in an ethical and effective manner we will maintain internal controls in line with the Group's Minimum Standards of Business Control.

### **3.5 National and International Trade**

- 3.5.1 We will seek to compete fairly and ethically within the framework of applicable competition and anti-trust laws and we will not prevent others from competing fairly with us.
- 3.5.2 We will comply with all applicable export control laws and sanctions when conducting business around the world.

### **3.6 Personal Conduct**

- 3.6.1 All employees are expected to behave in accordance with the principles set out in this Code of Business Ethics.
- 3.6.2 Employees are expected to protect and not misuse company assets such as buildings, vehicles, equipment, cash and procurement cards.
- 3.6.3 Employees are expected to use e-mail, internet, IT and telephones in a manner appropriate for business purposes in line with the principles contained in this Code and any applicable IT policies.

### **3.7 Bribery**

- 3.7.1 No Group employee or individual or business working on our behalf must accept or give a bribe, facilitation payment or other improper payment for any reason.
- 3.7.2 This applies to transactions with government officials, any private company or person anywhere in the world. It also applies whether the payment is made or received directly or through a third party.
- 3.7.3 The Group shall ensure that adequate procedures are in place to prevent the risk of bribery and that these are effectively communicated and implemented across the Group in line with the requirements of the Bribery Act 2010 and as set out in the Group Anti-Bribery Policy.

### **3.8 Gifts, Entertainment and Improper Payments**

- 3.8.1 Accepting or giving any entertainment or gift that is designed to, or may be seen to influence business decisions, is not acceptable. No Group company or employee shall offer, give, seek or receive, either directly or indirectly, inducements or other improper advantages for business or financial gain. If an employee is in any doubt as to whether he or she may accept an offer, that employee should discuss the issue with his or her manager, Group Legal Director or General Counsel.
- 3.8.2 Any gift or hospitality given or received by an employee should be reported for inclusion on the Group or Divisional Gifts and Hospitality Registers, as set out in the Group Gifts and Hospitality Policy. In the UK this applies to any gift or hospitality with an estimated or actual value of £50 or more. Similar arrangements are in place in relation to our North American operations.

### **3.9 Conflicts of Interest**

- 3.9.1 Whilst we respect the privacy of our employees, all Group employees are expected to avoid personal relations, activities and financial interests which could conflict with their responsibilities to the Group.
- 3.9.2 Group employees and consultants must not seek gain for themselves or others through misuse of their positions or company property.
- 3.9.3 All actual and potential conflicts (including those arising from the activities or interests of close relatives or partners) should be disclosed to and discussed with an employee's line manager.

- 3.9.4 Employees who have access to price sensitive information are prohibited from being involved in dealings in the Group securities unless given clearance by the Chief Executive or the Company Secretary. There should be no unauthorised disclosure of price sensitive information to third parties.

### **3.10 Confidentiality**

- 3.10.1 Information received by anyone in the course of his or her employment must not be used for personal gain or for any purpose other than that for which it was given.
- 3.10.2 Where confidential information is obtained in the course of business that confidentiality must be respected.

### **3.11 Political Activity**

The Group does not make any donations to political parties or take part in party politics. However, when dealing with Government we do make legitimate concerns known and will seek to influence Government in relation to issues that could affect us, our shareholders, our customers or the local community. These relationships are conducted in accordance with this Code.

### **3.12 Health and Safety**

- 3.12.1 We are committed to creating and maintaining a safe and healthy working environment for our employees, customers and the community.
- 3.12.2 Our commitment to ensuring the safety and security of our employees is set out in our Injury Prevention and Security policies.
- 3.12.3 We strive to avoid emergency situations but recognise the need to be prepared. We are committed to having effective emergency response procedures in place.

### **3.13 The Environment**

- 3.13.1 The Group is committed to making continuous improvement in the management of its environmental impact as set out in our Environmental Policy.
- 3.13.2 All employees are expected to adhere to the requirements of the local environmental management system and support the improvement in our environmental performance.

### **3.14 Customers**

- 3.14.1 The Group is committed to providing safe, value for money, high quality, consistent, accessible and reliable services to its customers.
- 3.14.2 All employees are expected to behave respectfully and honestly in all their dealings with customers and the general public in accordance with the principles set out in this Code.
- 3.14.3 In particular we will safeguard and protect the welfare of vulnerable people who come into contact with our employees. Employees will be made aware that they hold a

position of trust and that they must at all times maintain the highest standards of personal conduct that reflects this trust being placed with them.

### **3.15 Shareholders**

- 3.15.1 The Group will conduct its operations in accordance with the principles of good corporate governance.
- 3.15.2 We will provide timely, regular and reliable information on the business to all our shareholders.

### **3.16 Supply Chain**

- 3.16.1 We purchase a wide range of goods and services required in the operation of our business and we also rely heavily on a number of key suppliers for the delivery of our core services. Good working relationships with our suppliers are therefore central to the success of our business.
- 3.16.2 Whilst we are committed to obtaining and retaining competitive goods and services we will at the same time seek to ensure they are from sources that have not jeopardised human rights, safety or the environment.
- 3.16.3 We expect our suppliers to adhere to business principles consistent with our own. We expect them to adopt and implement acceptable safety, environmental, product quality, product stewardship, labour, human rights, social and legal standards in line with our Supplier Code of Conduct.
- 3.16.4 We will seek to work with our suppliers to develop long-term meaningful relationships to benefit both parties with the aim of improving the quality, environmental performance and sustainability of goods and services.
- 3.16.5 The Group Procurement & Supply Policy sets out clear guidelines in the way that the Group expects procurement and supplier management activities to be carried out.

### **3.17 Community Involvement**

Our operations touch members of the community daily, whether as customers, neighbours, employees, businesses or residents. We are committed to fostering good relationships with the communities in which we work and building community partnerships that deliver positive change.

## **4. Health and Safety Policy**

### **4.1 General Statement**

4.1.1 Injury Prevention is our commitment to health and safety at the Group. It is our core value and part of our way of life and applies to everything we do. Its purpose is to ensure the health and safety of all our employees, our customers and others affected by our businesses.

4.1.2 We believe that:

- a) all injuries are preventable; and
- b) our goal is zero injuries.

### **4.2 Responsibility**

Injury Prevention is the responsibility of every employee and working safely is a condition of employment. Managing Directors, Group Directors, Chief Operating Officers, Chief Executive Officers and Presidents must ensure that all their staff are safe at all times by ensuring:

- a) our Injury Prevention processes are properly organised and appropriately resourced;
- b) staff are given information, instruction and training on risk assessment and Injury Prevention;
- c) there is full compliance with Health and Safety laws and Group policies on Health and Safety; and
- d) performance targets are set for continual improvement in Injury Prevention.

### **4.3 Monitoring and reporting**

We will monitor progress on Injury Prevention in all our operations and will conduct periodic audits to assess performance. In addition:

- a) The Executive Safety Committee will receive and review a report from each of the Divisions at its monthly meetings.
- b) All serious incidents will be reported promptly to our Board of Directors and to the Executive Management Board and reviewed for future Injury Prevention actions.

Remember: Injury Prevention – ‘If you cannot do it safely, don’t do it’.

#### 4.4 Injury Prevention Principles

- 1 Prevent injury to myself and to others.**  
Be aware of any hazardous condition or practice that may cause injury to people or damage to property or the environment. Use your Injury Prevention Handbook to record and report.
- 2 Perform all necessary safety checks. Risk assess my work area and the job before I do any work.**  
Speak to your supervisor before you start work if you are unsure.
- 3 Follow all safety procedures, signs and instructions.**  
If you do not understand, speak to your supervisor before you start work.
- 4 Keep my work area clean and tidy at all times.**  
Untidy areas could cause injury to you or to your colleagues and waste time and energy.
- 5 Wear my protective clothing and equipment as required.**  
Keep it in good condition, wear it correctly and ask for a replacement if it becomes damaged or unfit for your use.
- 6 Use only the correct tools and equipment that I am authorised and trained to use for the job.**  
Check that they are in good condition before use and use them safely.
- 7 Only adjust and repair any piece of work equipment if I am trained and authorised to do so.**  
Never modify any equipment which changes the designed use of the equipment.
- 8 Assess my capability to move any load before lifting.**  
Make sure you get help with any heavy or awkward items and follow the correct techniques.
- 9 Report all injuries, incidents and near misses to my supervisor.**  
Seek help immediately and first aid if necessary.
- 10 Tell my supervisor if I have any suggestions to prevent injuries in my workplace.**  
Use your Injury Prevention Handbook to record your suggestion and discuss with your supervisor.

## **5 Security Policy**

### **5.1 General Statement**

- 5.1.1 Security is a key issue for our passengers, our staff and our business. We recognise the range of security issues which can arise and have implemented the following high level security policy.
- 5.1.2 The Board is committed to ensuring, so far as is reasonably practicable, the security of passengers using our services, our employees at work and our property.
- 5.1.3 The threats to security are wide-ranging, significant and, in the main, driven by external influences. The ability to control risks varies. However, we have the ability to address or mitigate all of the threats we face. To be successful in this we need the co-operation and engagement of all of our staff and our passengers.
- 5.1.4 Security is an area in which we seek continuous development and improvement and compliance with existing and emerging legislation. We shall ensure all members of staff understand why they should and how they can play their part. We shall also work on ways to involve passengers. Our efforts shall bring greater personal and corporate security and business benefit.
- 5.1.5 This statement provides guidance and direction to all employees on what is both required and expected of them. We are confident our staff will appreciate the reasons for this and the benefits to them, their colleagues, our passengers and our property.
- 5.1.6 The Managing Directors (UK Bus and Rail) and the Presidents of our US businesses are asked to achieve, so far as is reasonably practicable:
- a) a secure environment for passengers using our services;
  - b) a secure environment for staff in their work;
  - c) security of our property; and
  - d) security of our systems and processes.
- 5.1.7 We shall monitor our performance on security within our operations. All operations will be subject to periodic inspection and review.
- 5.1.8 The Group Head of Security will provide regular reports on Group security to the Executive Safety Committee.

### **5.2 Monitoring and Reporting**

- 5.2.1 The Group recognises that this security policy needs to be supported by actions and processes to ensure delivery. The following measures are in place to assist this:
- a) A security strategy is in place, which underpins our policy, identifies the key strategic security issues for the business and the approach being taken to address these. This is designed to provide a structure, which allows measurement, review and ongoing refinement.
  - b) A specialist security department has been developed which operates across all of our United Kingdom and North American operations.
  - c) The importance of security is emphasised to all staff through regular security briefings and a 'Security' section has been created on our intranet system. This provides security advice and guidance and contact details for

key security personnel. It also ensures our security specialists can be accessed by all our staff when they are needed.

- d) Staff are actively encouraged to report security concerns. To support this there is a confidential telephone reporting system which allows staff to report any concerns with anonymity. This is specifically designed to give staff the confidence to report their concerns even in circumstances where they may find conventional line management routes difficult.
- e) This approach to security allows us to ensure we have a process to translate our policy into effective implementation within the business. It also allows us to formally recognise and demonstrate our commitment to the need for continuous development and improvement in this important aspect of our business.
- f) We also require contractors to comply with this policy whilst they are working at our premises.
- g) We are committed to operating in a safe and secure way. Within this commitment it is recognised that, despite our best efforts and perhaps due to events beyond our control, an emergency situation may occur. In these circumstances it is appropriate that, however remote the possibility, the business is able to respond effectively if such a situation does arise.
- h) The Group has developed an overarching emergency response procedure which applies in all of our constituent businesses. Our approach is designed to prioritise the needs of our passengers, our staff and any members of the public who may become involved.

## **6. Employment**

### **6.1 General Statement**

In formulating its employment policies, the Group is guided by the framework established by the OECD in its Guidelines for Multinational Enterprises. The Guidelines encourage companies to foster openness, sustainability and respect for employee rights. The policies set the standard for equal opportunities and diversity and cover all employees of the Group.

### **6.2 Equal Opportunities and Diversity Policy**

6.2.1 The Board is committed to equality of opportunity both in the provision of services to the public and as an employer. The purpose of this policy is to ensure that all employees, customers, contractors and those who come into contact with the Group are treated equally and with fairness and consistency at all times.

6.2.2 This policy seeks continuous improvement and compliance with legislation. It is based on the principles that:

- a) all people have the right to be treated with dignity and respect;
- b) we will not discriminate on the grounds of race, gender, disability, nationality, religion, philosophical belief, political belief, age, sexual orientation, family status, trade union activity or any other factor;
- c) we will adopt fair and inclusive practices throughout our operations and will eliminate all prejudice, discrimination, bullying and harassment;
- d) all employees have a personal responsibility for the practical application of this policy in their day-to-day activities and must support the policy at all times; and
- e) non-compliance with this policy will be treated seriously and will not be tolerated.

6.2.3 The Board and the Managing Directors and Presidents of the separate business units of the Group are tasked to ensure that they:

- a) create a productive and safe working environment, promoting diversity and inclusion in their workforce;
- b) actively demonstrate the Group's diversity policy and practices;
- c) develop new practices to ensure inclusion for employees, contractors and customers; and
- d) demonstrate continuous improvement in diversity and equal opportunities for all.

### **6.3 Legislation and Codes of Practice**

This policy conforms to the current international legislation and relevant codes of practice in the countries within which the Group operates. We will continually monitor this policy to ensure we are compliant with the requirements of relevant underpinning legislation; however our aim is to exceed the requirements of legislation wherever possible.

#### **6.4 Partner Organisations**

We are committed to actively working with partner organisations to ensure its policies, procedures and practices are inclusive for all. In the United Kingdom the Group is a member of the Employers Forum on Disability, Opportunity Now and Race For Opportunity with representatives sitting on the Executive Board and National Quality Board of the National Centre for Diversity.

#### **6.5 Reporting**

We will present an annual report on our actions and achievements reflecting this Diversity policy to the Board, and report on our performance in the Group's Corporate Social Responsibility report.

#### **6.6 Complaints**

Any employee who feels that he or she has grounds for complaint in relation to bullying, discrimination, harassment or victimisation has the right to pursue the complaint through the Group's grievance procedure. Customers who feel they have grounds for complaint may pursue these through the customer complaints procedure. The Group's complaints procedure must be accessible to all.

#### **6.7 Practices and Standard Operating Procedures**

Detailed practices and standard operating procedures which support this policy will be particular to the operation they support, and will at all times act in support of this policy.

#### **6.8 Access to Company Premises**

We will take all reasonable steps to ensure that our buildings and premises are accessible to disabled employees, customers and visitors as required by the Disability Discrimination Act (DDA) in the United Kingdom and the Americans with Disabilities Act (ADA) in the United States of America.

#### **6.9 Access to Vehicles**

We will also take reasonable steps to ensure that our vehicles are accessible to customers and staff and comply with the relevant legislation for the country in which they operate.

#### **6.10 Access to Information**

We will seek to ensure that information is made available to our customers and employees in alternative formats as required.

#### **6.11 Recruitment**

All recruitment will be carried out with regard to fairness, equality and consistency for all candidates at all times. Recruitment practices will be inclusive and any barriers to employment removed under the relevant legislation.

#### **6.12 Staff Training**

Guidance and training will be provided to all staff with regard to diversity awareness and equality to ensure we are both an inclusive employer and service provider.

#### **6.13 Audit**

We are committed to ensuring that our operations comply with the requirements of this policy. We aim to ensure compliance via regular audits and reviewing of action plans with the relevant managers and directors.

#### **6.14 Human Rights**

The Group supports the principles of the UN Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. We will adhere to the following principles in respect of our staff:

- a) We will treat all employees fairly and honestly, regardless of where they work. All staff will have agreed terms and conditions in accordance with local law or practice and will be given appropriate job skills training.
- b) We will pay a fair wage reflecting local markets and conditions. We will always meet any national minimum wage.
- c) Working hours shall not be excessive. They shall comply with industry guidelines and national standards where they exist.
- d) Employment must be freely chosen. We will not employ illegal child labour, forced or bonded labour, forced overtime or condone illegal child labour.
- e) Employees have the rights of freedom of association and collective bargaining. We respect the right of our employees to choose whether or not to join a trade union without influence or interference from management. Furthermore we support the right of our employees to exercise that right through a secret ballot.
- f) We will negotiate in good faith with the properly elected representatives of our employees.
- g) We will abide by the non-discrimination laws in every country where we operate.
- h) We will not use or condone the use of corporal punishment, mental or physical coercion or verbal abuse. We have disciplinary procedures for any member of staff whose conduct falls below the required standard.
- i) We have formal grievance procedures through which staff can raise personal and work-related issues.
- j) All staff will be given reasonable access to bathroom and rest facilities.

#### **6.15 Data Protection**

We will comply with the relevant principles governing data protection in each country in which we operate.

## **7. Customer and Community**

### **7.1 Customers**

7.1.1 Customer Service: Delivering our promise to our customers is one of our core values. Our commitment is to provide safe, reliable, customer focused, innovative and sustainable transport services.

7.1.2 We will:

- a) act in accordance with fair business, marketing and advertising practices and take all reasonable steps to ensure the safety of our services;
- b) respect the human rights of our customers;
- c) ensure our security and revenue protection arrangements are consistent with international standards for law enforcement;
- d) provide transparent and effective procedures that address customer complaints and contribute to fair and timely resolution of disputes without undue cost or burden;
- e) not make representations or omissions nor engage in any other practices that are deceptive, misleading, fraudulent or unfair; and
- f) respect customer privacy and provide protection for personal data in accordance with the relevant local law.

### **7.2 Stakeholders**

We are committed to maintaining open and regular dialogue with all our stakeholder groups in matters that affect their interests. These range from formal consultation to regular informal contact on a day-to-day or week-to-week basis.

### **7.3 Community**

7.3.1 As a public transport operator, we provide an essential service to the community. We play a role in connecting people with each other, with other communities and key community services. The operation of our services touches on all members of the community with the potential to impact positively on quality of life. We also operate from a significant number of properties and have responsibility to those living and working nearby as well as being a significant employer.

7.3.2 Our relationships with the local communities we serve are therefore very important to us and are an essential part in the growth of our business. When developing our services, we have a role to play in improving services for the community as a whole and not just our individual customers.

7.3.3 Through our community strategy, we therefore engage with the community at a range of levels as customers, neighbours, potential employees, businesses and residents. Through our community strategy, we seek to play our part in promoting socially inclusive policies, encouraging the young and disadvantaged and helping older members of the community and the disabled.

7.3.4 In line with our core values, our community strategy incorporates the following elements:

- a) Engagement with the local communities in which we operate on the quality of our services and any changes to those services;

- b) Working with local authorities, businesses and other interested parties to promote sustainable travel to reduce congestion and improve quality of life;
- c) Offering employment opportunities to all sectors of the community through non-discriminatory policies and promoting opportunities to disadvantaged and vulnerable groups;
- d) Promoting engagement between our staff and the community;
- e) Supporting local community groups and charities;
- f) Improving the environment in and around our operations;
- g) Promoting broader opportunities for workplace learning;
- h) Supporting local initiatives for the development and education of young people in the areas we serve; and
- i) Working closely with local law enforcement agencies to address anti-social behaviour, crime and vandalism as well as promoting road safety.

7.3.5 In addition, local companies provide support to community based charities and projects in their respective areas including support for employees' efforts in fund raising and for small-scale projects.

## **8. Environment**

### **8.1 Environmental Policy**

8.1.1 Through our core business activities we are committed to providing good quality, reliable and cost effective public transport to all of our customers. Our core business strategy is to increase passenger numbers and encourage a greater move towards the use of bus and rail transport. This will in turn support the needs of society to achieve more sustainable travel. At the same time we recognise the environmental impacts arising from our business activities and are committed to reducing these through effective environmental management.

8.1.2 The Group policy is to achieve continual improvement in environmental performance.

8.1.3 We are committed to:

- a) maintaining an internal management structure for environmental issues which includes clearly defined responsibilities;
- b) complying with, and where possible exceeding, applicable legal and other requirements relating to the organisation;
- c) preventing pollution and reducing the overall impact of our operations on the environment;
- d) monitoring our environmental performance and setting objectives and targets for improvement;
- e) providing appropriate training and awareness programmes for our staff.

8.1.4 This policy applies to all the Group operations and will be communicated to all those working for or on behalf of the company. The policy is made available to members of the public on request.

### **8.2 Climate Change Policy**

8.2.1 Climate change has now been recognised as an international issue. As a major transport operator we have a role in supporting governments and communities to reduce the impacts of climate change from road transport.

8.2.2 We are committed to reducing the greenhouse gas emissions from our operations in a way which supports Government strategies and in line with our commitment to our passengers to provide safe, efficient and reliable services. We also assess the potential risk to our business from evolving climate change policies as part of our ongoing risk management processes.

8.2.3 Our key climate change commitments are:

- a) to work actively with our suppliers to improve the fuel efficiency of our vehicles;
- b) to report annually on our greenhouse gas emissions from all vehicles and property that we own;
- c) to actively promote improved energy efficiency and fuel efficiency within the business;
- d) to support research into transport policy and the use of alternative fuels;

- e) to stay abreast of alternative fuel developments and continue to assess their commercial viability.

### **8.3 Biodiversity Policy**

8.3.1 The following policy sets out the Group's commitment to conserving and promoting biodiversity where it is practical to do so. Conserving and promoting biodiversity is consistent with our commitment to furthering the aims of sustainable development in the management and development of our business. This Biodiversity Policy is consistent with our broader Environmental Policy, which includes a stated commitment to minimise the environmental impacts of our operations and prevent pollution.

8.3.2 The Group policy is to strive to enhance biodiversity where practicable.

8.3.3 Our commitment:

- a) Where we operate from sites which are designated as being of importance due to their natural habitats, we will work with the relevant organisations to ensure protection of these habitats through effective pollution control measures and management plans with the aim of conserving or enhancing the biodiversity of these sites;
- b) Where we are involved in the development of new sites, we shall comply with all relevant statutory requirements and guidelines in respect of designated areas on any of our landholdings. Where significant areas of landscaping are proposed, we shall take account of any local biodiversity networks or action plans;
- c) Where we operate from existing sites the potential to promote biodiversity is likely to be limited. The nature of the operations conducted at our sites is such that they are largely covered in hard standing. We shall however seek to identify any sites where the potential exists for enhancing biodiversity and over time develop appropriate actions plans to achieve this;
- d) Where we consider it appropriate to do so, we shall support the implementation of the UK Biodiversity Action Plan and Local Biodiversity Action Plans which define areas that require special protection and management. We shall seek to do this in partnership with organisations, who promote biodiversity on a local and national level and seek to identify ways in which we may be able to support the development of selected schemes or initiatives.

A handwritten signature in black ink, appearing to read 'T O T O O L', followed by a vertical line.

**Tim O'Toole**  
**Group Chief Executive**  
**May 2011**