

SUPPLIER CODE OF CONDUCT AND SUSTAINABILITY CHARTER

INTRODUCTION

Heavy Haul Rail Group Limited and its subsidiaries, regardless of location (collectively, "Heavy Haul Rail Group") recognise the importance of conducting business in an ethical and responsible manner. As part of our commitment to sustainability, social responsibility, and maintaining high standards, we expect our suppliers to adhere to the following Supplier Code of Conduct and Sustainability Charter.

As a leading provider of bulk freight haulage, with depots spread nationwide, we operate logistic services across the entire UK rail network as well as offering rolling stock and infrastructure maintenance solutions.

We are setting new industry standards of reliability, flexibility, and customer service, as we continue to invest in locomotive technology, wagons, IT support and terminal infrastructure to provide the quality of service that surpasses our customer's expectations.

Our "Purpose"

Our core Purpose: *to be the safest and most respected transportation service provider in the world by implementing and following our Core Values which are listed below:*

- Safety - We have an unconditional commitment to the well-being of our people and the safety of our operations.
- Service - We have an absolute commitment to our customers based on a philosophy of mutual success.
- Integrity - We possess the courage to do the right thing always.
- Respect - We treat all people with dignity and fairness, fostering diversity and inclusion.
- Transparency - We communicate openly to enable well-informed decision making.
- Accountability - We set high standards and take full ownership of our results as an individual and a team.
- Innovation - We embrace creativity, technology, and new ideas.
- Excellence - We have relentless focus on continuous improvement and excellence in all we do.

Our supply chain are key to our success and we invite all our suppliers to align and implement similar core values with a view to supporting our core purpose.

PRINCIPLES

This Supplier Code of Conduct and Sustainability Charter outlines our expectations regarding labour practices, human rights, sustainability, environment, business integrity, and compliance with applicable laws and regulations in the jurisdictions in which our Suppliers work with Heavy Haul Rail Group. This includes compliance with the provisions of the Modern Slavery Act 2015, the Equality Act 2010 (including regulations enacted in 2023-2024), the UK GDPR and Data Protection Act 2018, and the Environment Act 2021 that protects against discrimination, harassment, and victimisation. Finally, all Suppliers must show and evidence compliance for all subcontractors used in their supply chain.

1 Labour

- 1.1 Suppliers shall not use any form of forced, bonded, or involuntary labour, including prison labour, indentured labour, or human trafficking.
- 1.2 Suppliers shall not employ individuals under the legal working age as defined by applicable local laws and international standards.
- 1.3 Suppliers shall comply with local laws regarding working hours, overtime, and rest breaks, and shall ensure that employees are not forced to work excessive hours.
- 1.4 Suppliers shall provide employees with fair wages and benefits that meet or exceed legal requirements, including minimum wage standards and social security contributions.

2 Human Rights

- 2.1 Suppliers shall not discriminate against employees or job applicants based on race, colour, religion, gender, age, national origin, sexual orientation, disability, or any other protected characteristic.
- 2.2 Suppliers shall respect the rights of employees to join, form, or organise labour unions or other representative bodies and engage in collective bargaining.
- 2.3 Suppliers shall provide a safe and healthy working environment for their employees, ensuring compliance with applicable health and safety laws, regulations, and standards.
- 2.4 In relation to Modern Slavery, we expect our suppliers to continuously risk assess their own supply chains to ensure they operate ethically and share any compliance statements declared in line with Section 54 of the Modern Slavery Act 2015.
- 2.5 Our Suppliers must be committed to ensuring compliance with the Health and Safety at Work Act 1974, in addition to warranting the compliance of their supply chain. The Health and Safety at Work Act 1974 aims to provide a safe working environment with regards to the health of their employees, wherever their place of work.

3 Environmental Compliance and Sustainability

- 3.1 Suppliers shall comply with all applicable environmental laws and regulations in the UK, unless otherwise stated in any agreed agreement with Freightliner.
- 3.2 All suppliers should work towards the targets set out in Environmental Act 2021, any deviation from this should be highlighted to Heavy Haul Rail Group.
- 3.3 Suppliers shall strive to minimise their environmental impact by promoting resource conservation, waste reduction, recycling, and the responsible use of energy and water.
- 3.4 Suppliers shall handle and dispose of hazardous substances in a safe and environmentally responsible manner, in accordance with applicable laws and regulations.
- 3.5 Heavy Haul Rail Group is committed to reducing Carbon Emissions as far as possible, and as such we reserve the right to request Carbon Data from our Suppliers, in order to develop our Scope 3 Carbon Data. Moreover, Heavy Haul Rail Group is open to collaborating with our suppliers to implement low carbon alternatives and to increase its use of renewable energy and sustainable materials and resources. We encourage our Suppliers to help drive this commitment through their products and services and demonstrating their commitment with setting similar targets and providing us regular reporting on progress. Heavy Haul Rail Group is committed to achieving net-zero carbon emissions in line with UK climate targets. Suppliers are expected to set science-based emissions reduction targets and provide annual progress reports on their decarbonisation journey, including Scope 1, 2, and 3 emissions data.

4 Business Integrity

- 4.1 Suppliers shall conduct their business with integrity, honesty, and transparency, and avoid any form of bribery, corruption, or unethical practices.
- 4.2 Suppliers shall respect and protect intellectual property rights, including copyrights, trademarks, patents, and trade secrets.
- 4.3 Suppliers shall treat confidential information received from Heavy Haul Rail Group with the utmost care and shall not disclose or use it for any purpose other than the performance of their contractual obligations.

5 Legal Compliance and Governance

- 5.1 Suppliers shall comply with all applicable laws, regulations, and standards in the countries where they operate, in addition to the law of England and Wales, including but not limited to labour laws, environmental laws, and anti-corruption laws.
- 5.2 Suppliers shall allow Heavy Haul Rail Group or its authorized representatives to monitor compliance with this Supplier Code of Conduct and Sustainability Charter through

audits, inspections, and other means. Suppliers shall promptly report any suspected violations or concerns to Heavy Haul Rail.

6 Data Protection and Cybersecurity

- 6.1 Suppliers shall comply with all applicable data protection laws and regulations, including the UK GDPR and Data Protection Act 2018, ensuring the lawful processing of personal data.
- 6.2 Suppliers shall implement appropriate technical and organisational measures to protect data and systems from cybersecurity threats, including regular security assessments and incident response procedures.
- 6.3 Suppliers shall promptly notify Heavy Haul Rail of any data breaches or cybersecurity incidents that may affect Heavy Haul Rail's data or operations.

7 Diversity, Equity and Inclusion

- 7.1 Suppliers are encouraged to develop and implement diversity, equity and inclusion (DEI) policies and programmes that promote equal opportunities and fair treatment for all employees.
- 7.2 Suppliers should track and report on DEI metrics, including workforce diversity data, pay equity analysis, and inclusion initiatives.
- 7.3 Suppliers shall ensure their recruitment, promotion, and compensation practices are free from bias and support diverse representation at all levels.

8 Supply Chain Transparency and Traceability

- 8.1 Suppliers shall maintain transparency regarding their supply chain, including disclosure of key sub-contractors and suppliers.
- 8.2 Suppliers shall implement traceability systems to track materials and components through their supply chain, particularly for high-risk commodities.
- 8.3 Suppliers shall conduct due diligence on their own suppliers to ensure compliance with this Code of Conduct.

9 Whistleblowing and Grievance Mechanisms

- 9.1 Suppliers shall establish confidential reporting mechanisms that allow employees and other stakeholders to report concerns or violations without fear of retaliation.
- 9.2 Suppliers shall investigate all reports promptly and take appropriate corrective action.
- 9.3 Suppliers shall protect whistleblowers from any form of retaliation, discrimination, or adverse treatment.

**Final comments**

This document constitutes an integral part of all contractual documents between Heavy Haul Rail Group and its Suppliers and Sub-contractors.

Heavy Haul Rail Group expects its Suppliers and Sub-contractors to cascade the principles in this document to their own supply base and to implement a similar standard of driving continuous improvement and compliance.

By adhering to this Supplier Code of Conduct and Sustainability Charter, our Suppliers demonstrate their commitment to ethical business practices, sustainability, and social responsibility.

Heavy Haul Rail Group reserves the right to take appropriate actions if any supplier fails to comply with this code. Together, we can create a responsible and sustainable supply chain that upholds the highest standards of integrity and fairness.