

# LNER RESPONSIBLE BUSINESS REPORT 2021/22



**LNER**  
LONDON NORTH EASTERN RAILWAY

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# WE'RE ON A JOURNEY



It's fair to say we have bold ambitions at LNER. As a purpose-led business, we want to inspire our people to ignite positive change in our business and lead best practice across the rail industry. Our ambition is to become the UK's most progressive and responsible train operator and be recognised as such by our colleagues, customers, and the communities we serve. We don't claim to have all the answers, but we are committed to change.

To ensure we are ready for the future, we have developed an updated Responsible Business Strategy based on our past success and an in-depth understanding of the needs of our customers, colleagues and communities. Our updated strategy, driven by our ambitions, outlines stretch goals for the medium and long-term. As we work to embed our new strategy, we will see LNER address climate change by increasingly positioning rail as the preferred low-carbon way to travel. We are also committed to stepping up our work to support the wellbeing of our colleagues, customers, and communities.



This latest edition of our Responsible Business report, covering April 2021 to March 2022, not only celebrates our achievements in 2021 but also outlines our ambitious targets across our focus areas for the first time. As part of this process, we have refined our Key Performance Indicators (KPIs) to hold ourselves to account and give a measure of the impact of our work across any given timeframe.

While there is a lot of work to do, I am proud of the progress we've made to date in our bid to become the UK's most responsible train operator. Highlights this year include attracting top talent from a diverse range of backgrounds and giving people already in the business opportunities to progress their career with us. For example, we have supported colleagues this year through initiatives such as mentoring, menopause support and leadership training. We also played an active role in meeting the UK's decarbonisation targets by reducing emissions by 46 per cent since 2018/19 and we're even more determined to reach our ambitious goal of net zero by 2045. Up and down our route we provided support for communities in the form of donations and notably our colleagues gifted 665 hours of volunteering activity to good causes.

I would like to thank our colleagues for their continued hard work, dedication and for challenging each other to keep LNER on the right track.

Going forward, I am excited to deliver our updated Responsible Business Strategy which focuses on improving our own environmental performance, becoming the low-carbon transport mode of choice, while providing our people with the tools they need to deliver excellent customer service and feel happy in their role.

**David Horne**  
**LNER Managing Director**

# OUR RESPONSIBLE BUSINESS STRATEGY

We want to grow our business in a way that delivers a positive and sustainable impact on our communities and the environment.

Our ambition is to become the UK's most responsible train operator and be recognised as such by our customers and the communities we serve. By developing our Responsible Business Strategy, we are embedding a sustainable approach throughout our entire business for the benefit of our customers, communities, our own people, and for generations to come.

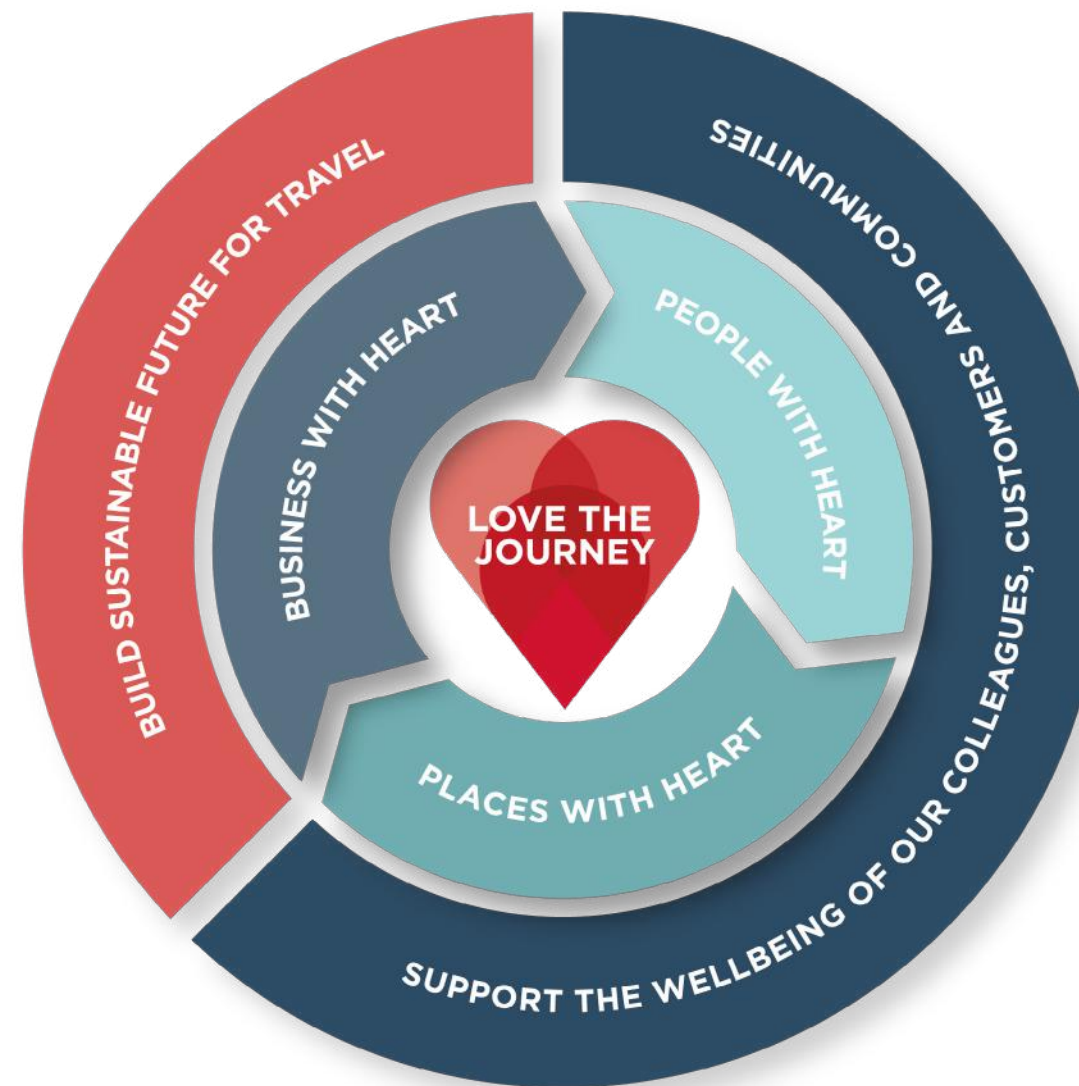
Maintaining our areas of activity of *Business with Heart*, *People with Heart* and *Places with Heart*, our refreshed **Love the Journey** strategy focuses on the issues that matter most to our customers, colleagues and communities, driving our ambition to become the preferred low-carbon way to travel, reinforcing our commitments to diversity and bringing alignment across our communities and people strategies by integrating employability and education programmes with our talent pipeline.

Our Vision, together with our Purpose and Values, continues to shape and drive our business decisions:

- Our **Vision** points us all in the same direction to become the most loved, progressive and responsible way to travel for generations to come.
- Our **Purpose** is what drives us every day and inspires us to reach a little higher.
- Our **Values** steer our behaviour and define how we act, so we can always be at our best.
- Our **Priorities** are what we are doing to deliver our vision, this includes our Responsible Business Strategy.



**LNER's Vision: To be the most loved, progressive and responsible way to travel, for generations to come**



## Our Responsible Business ambitions

- ◆ Become the preferred, low-carbon way to travel (long distance).
- ◆ Create a diverse and inclusive workplace.
- ◆ Support healthy, inclusive and skilled communities.



# ENGAGING OUR CUSTOMERS, COLLEAGUES AND COMMUNITIES

We are connected to lots of people across many communities and their priorities are constantly evolving. It's important for us to understand where to focus our efforts to be the most responsible train operator and meet expectations.

Our strategy development process began by conducting a robust and comprehensive materiality assessment:

- A horizon scan of the industry and wider responsible business trends
- Understanding expectations, risks, and opportunities of our internal and external stakeholders
- Identifying and prioritising which social and environmental issues to manage, monitor and drive
- Acknowledging future social and environmental challenges our business might face to ensure our strategy takes these into account.



Speaking with and involving our customers, colleagues and communities is important to us, and we have a variety of ways to do this. For example, we conduct employee surveys to understand what motivates and fulfils our colleagues. These surveys provide an opportunity for colleagues to express their interests and concerns, which helps us to develop ways that make LNER a great place to work.

Issues covered in these surveys include mental health, wellbeing and diversity and inclusion.

At LNER, we are aware that we have work to do to support recovery from the pandemic, rebuild confidence in travelling by rail and transform our services for the long-term. As part of this we invite interested people to in-person and online forums to hear the latest from LNER, ask questions of senior members of our team and share their thoughts on how we can deliver for our destinations and communities.

## OUR MATERIALITY RESULTS

The highest priority topics under each material focus area, according to our materiality assessment

MATERIAL FOCUS AREAS:	CUSTOMERS	EMPLOYEES	ENVIRONMENT	COMMUNITY & SOCIAL IMPACT	GOVERNANCE & ECONOMY
Priority material issue, according to materiality assessment:	<ul style="list-style-type: none"> <li>• Cleanliness</li> <li>• Accessibility</li> <li>• Customer satisfaction</li> <li>• Affordability &amp; inclusivity</li> </ul>	<ul style="list-style-type: none"> <li>• Health, safety &amp; wellbeing</li> <li>• D&amp;I</li> </ul>	<ul style="list-style-type: none"> <li>• Non-train emissions / net zero</li> <li>• Modal shift towards rail</li> </ul>	<ul style="list-style-type: none"> <li>• Track safety</li> <li>• Social value</li> <li>• Community investment</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable procurement</li> </ul>

# OUR ROLE IN THE FUTURE OF RAIL

LNER is playing a vital role in shaping the railway of the future. For example, we are continually strengthening the East Coast Partnership, in which LNER and Network Rail work together to identify ways we can better deliver for our shared customers and communities on the East Coast Route. This partnership is a first of its kind, which sees us working with representatives from across the industry to bring track and trains closer together, while continuing to make rail travel simpler for customers by placing them at the heart of the railway.

LNER is also a member of the Rail Safety and Standards Board (RSSB). We ensure that our business plans and strategies integrate the 10 Sustainable Development Principles which have been developed by the industry to deliver a sustainable railway. For example, over the past year we have been involved in RSSB working groups on social value, which has developed a digital tool that will enable the industry to monitor and measure the social value of projects and day-to-day operations, and guide more sustainable investment decisions.

Rail forms a key part in the UK Government's ambitions to reach net zero by 2050 and in supporting economic recovery and growth in all regions.

That's why our refreshed Responsible Business Strategy tackles the challenge of creating modal shift towards low-carbon rail journeys in the UK and making rail the preferred choice of transport.

A core element of being the most responsible train operator is sharing our success with others so that our positive impact is multiplied. This collaborative approach is explored in more detail throughout this report covering April 2021 to March 2022.

## RESPONSIBLE BUSINESS GOVERNANCE

Delivering on our strategy is the responsibility of each and every one of our people across all levels of the business. Our Responsible Business Steering Group advises the LNER Executive Board and provides strategic leadership and execution support for the business. It drives the actions to deliver on our goals and KPIs including net zero and strengthening our equality, diversity, and inclusion across the business.





A group of people, including an older woman with glasses and a younger man, are gathered around a large table, looking at a large map or document. The scene is dimly lit, with a warm, reddish-brown color cast. The text 'PEOPLE WITH HEART' is overlaid in white on a semi-transparent dark red background.

# PEOPLE WITH HEART

# PEOPLE WITH HEART

## Creating a diverse and inclusive workplace that supports the wellbeing of our people.

Our people are what make LNER a great business. We strive in supporting our colleagues to operate a safe, high performing railway.

We constantly strive to attract, develop and retain the very best and diverse people and, by them, build and grow a long-term sustainable business is one of our six strategic priorities. Everyone at LNER is instrumental to the realisation of LNER's ambition to become the UK's most progressive and responsible train operator.

## OUR KEY PERFORMANCE INDICATORS

TARGETS	2021/22 CURRENT PERFORMANCE
10% overall ethnicity representation by 2025.	8.4% of our colleagues are from an ethnic minority background.
45% overall gender representation by 2025. 15% female driver representation.	42% of employees identify as female. 10% female driver representation.
75% employees are aware how to access health and wellbeing support as measured by our Speak from the Heart Survey by 2025.	68% of respondents were favourable to the statement: I know how to access all the health and wellbeing support available to me".

## EQUALITY, DIVERSITY, AND INCLUSION (EDI)

We are committed to creating a truly diverse workforce culture that is both inclusive and safe, and we are empowering everyone within LNER to take collective ownership to achieve this. While across the industry female workforce participation is at 16 per cent, at LNER we have set ourselves ambitious targets to increase our female representation from 42 to 45 per cent across the business by 2025, and our driver representation from 10 to 15 per cent. We have also committed to increase ethnic minority representation from 8.4 to 10 per cent by 2025. To support these KPIs, we've established a range of forecasting indicators and measures, based on anticipated vacancy rate and data from our applicant tracking system.

We acknowledge that more work is required to ensure greater representation across our business. For example, most individuals from within the organisation who do identify as an ethnic minority are employed in non-management roles, with only 11 per cent of our colleagues identifying as an ethnic minority within the Business Leadership Team. Similarly, there are more male managers (58.4 per cent) than female managers (41.6 per cent), with this ratio remaining static in comparison to last year. Understanding this data and the barriers individuals face, provides an opportunity for us to delve deeper into how we design our talent and development strategies over the coming years.

We have a targeted school and educational outreach programme, Tomorrow's Talent, which inspires young people to consider a career in rail. The programme targets diverse populations, feeding into our ambitions to help aid social mobility. In the first programme there was 28 per cent female representation, as well as 34 per cent of participants from an ethnic minority background. In addition, 24 per cent had received free school meals, four per cent had caring responsibilities and 13 per cent had special educational needs. To continue the positive impact of this programme, we have two more planned for 2022.

With the absence of most physical Pride events in 2021, LNER rolled over sponsorship for the Doncaster and York events into 2022, while supporting Darlington in its first physical Pride event. We are currently looking at options to continue our support for Pride in 2022/23.



# PEOPLE WITH HEART

## INCLUSIVE PROCESSES

We are empowering everyone within LNER to take collective ownership to achieve a diverse and inclusive culture. This year, we created and embedded our Equality Impact Assessment (EQIA) process for colleague and customer-related activity, ensuring all new project work has an EDI lens upfront so that we are being proactive when it comes to our inclusion agenda.

We remain cognisant that the number of employees employed on a part time basis is still relatively low (14 per cent). We are committed to developing adaptive and agile workspaces to suit all diverse groups and will design these with diversity firmly in scope.



## LISTENING AND LEARNING

In 2021/22, we launched a programme exploring experiences of both colleagues and customers at LNER which led to new initiatives across multiple topics, including:

- Creating a Gender Identity toolkit to support colleagues who are transitioning
- Developing a Parents and Carers network
- Focused investment in our disability and ethnicity agenda

We will be looking to extend this scheme in 2022/23.

After listening to our colleagues, we realised further support was required for those going through menopause. Our menopause policy aims to guide our line managers and provide reassurance to our colleagues that there is support available. Initiatives like these are critical in creating the right environment for colleagues to speak up about experiences, which were previously taboo, that might be impacting them at work, enabling us to ensure we are supporting them appropriately.

Throughout 2021/22, we funded specific activities to help improve our EDI agenda including a Disability Culture Audit, conducted by Enhance the UK, and ethnicity listening groups exploring talent attraction and development. The outputs of both these pieces of activity will inform our strategy into 2022/23.

## COLLABORATING FOR CHANGE

Over the past year, we have worked as part of our East Coast Partnership to create a *Never Mind the Gap* work placement, in collaboration with Women in Rail, for women who are currently on a career break. This programme will involve individuals spending a week at Network Rail and LNER to promote careers in our industry.

We also took part in Women in Rail's cross-industry mentoring scheme, funding six places for our top female talent to take part in a 12-month mentoring programme, enabling colleagues to broaden their networks and giving them access to resources to further their development.



# PEOPLE WITH HEART

## Breaking the Bias on International Women's Day

As part of our work to increase gender representation throughout the business, this International Women's Day (IWD22), we showcased some of the brilliant women who work at LNER, and brought to life the professional development opportunities for women working in all areas of rail. We created video case studies, capturing our colleagues carrying out their duties and speaking about their experiences, the challenges and benefits of a career in rail which we shared internally and externally.

We also invited over 80 women from across the industry to an all-female event to hear Rail Minister Wendy Morton MP speak about her experience, and how she sees rail as a brilliant career choice for women. Our panel of female industry leaders then took to the stage for a discussion on breaking the bias and how to encourage more women into rail.



**9 in 10**

attendees of our Celebrating IWD22 event left feeling inspired and positive about opportunities for women in rail



**100%**

of attendees said the event gave them something of value to take away for the future

**“I felt inspired to have a conversation with my own manager at my workplace about my role and possibilities.”**

*Attendee of our IWD22 event.*



## APPRENTICESHIPS

The diversity of our apprenticeship pool is a core component of our strategy. During 2021/22, a total of 37 colleagues commenced funded learning with third party training providers and/or education establishments. We are proud to have supported 19 apprentice train drivers and 28 apprentice train managers through their apprenticeship journey. A third of employees currently on apprenticeships are female and we remain committed to increasing this percentage as part of our EDI strategy.

In 2021/22 LNER was involved in the UK Government's Kickstart scheme. We provided job opportunities across Business Services, Communications, Customer Experience, Engineering and the People teams, with 26 placement opportunities across two cohorts, five of which have obtained a full-time position within LNER. Only two of the individuals we worked with are yet to secure any form of work after Kickstart.





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## HEALTH AND WELLBEING

Our in-house Health and Wellbeing team is led by a chief medical officer. This means we have a strategic focus for an holistic occupational health and wellbeing offering that encompasses safety critical/legislative assessments, proactive screening for conditions that can impact safety, performance and health, wellbeing and manager education and treatment services that help address our key risks - musculoskeletal and mental health - via our outsourced partners.



In line with our ambition to continuously improve the health and wellbeing of our colleagues, we have published a new mental health strategy that hopes to influence every stage of the employee journey at LNER.

Our mental wellbeing strategy is based upon six principles:

-  1. Strong visible leadership
-  2. Robust and transparent mental health reporting
-  3. Improve mental health awareness and culture
-  4. Policies, plans and positive working relationships
-  5. Supporting effective people management
-  6. Provision of appropriate mental health support and services

## COLLEAGUE ENGAGEMENT

LNER runs a series of surveys to measure the experience of employees throughout the colleague lifecycle, including onboarding and departure surveys. We carry out an annual engagement survey focusing on sustainable engagement factors.

We use the results of our annual 'Speak from the Heart' colleague engagement survey to measure our goals around supporting the engagement of our people. The results help us understand what we're doing well and where we need to improve.



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## BE KIND CAMPAIGN

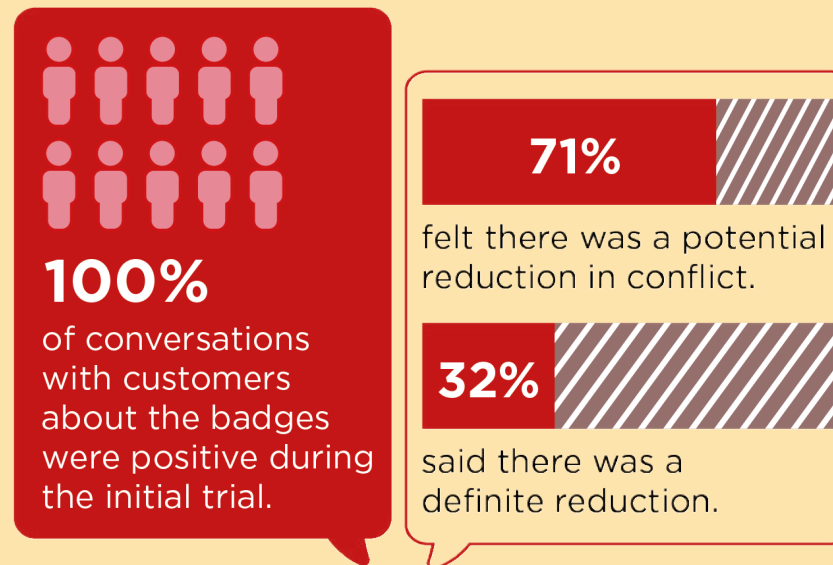
Anti-social behaviour on the rail network has increased by 107 per cent in 2021/22 compared to 2020/21 according to the British Transport Police.

To tackle this, we launched our 'Be Kind' campaign, developed via a business-wide working group, using simple and effective messaging that is relatable, clear and timeless. The messaging is displayed on posters and banners at our stations as gentle reminders for those travelling, reiterating that anti-social behaviour in any form is not accepted and talking more positively about how being kind can make a difference to people's days.

[Watch our campaign video.](#)

Our station and onboard colleagues can wear 'Be Kind' badges featuring phrases such as "I am someone's mum" and "I am someone's brother", designed to humanise the wearer and remind those they interact with that they are more than 'just a uniform'.

During the initial trial 100 per cent of conversations with customers about the badges were positive, and 71 per cent also felt there was a potential reduction in conflict, with 32 per cent saying there was a definite reduction. Other train operators have subsequently started using the badges.



**“The badges have definitely made a difference in reducing conflict when I’ve been asked to deal with customer complaints. A lot of customers have also commented on the badge in a positive way”.**

*Wendy, Shift Leader at Newcastle Station*



## CONTINUOUS IMPROVEMENT

To further emphasise our commitment to the proactive wellbeing agenda, we are adding a dedicated wellbeing manager to our team to deliver our strategy.

We will also maintain our commitment to the Enabling Framework Agreement and will continue to deliver improved Employee Security Measures, a more modern and inclusive workforce, revised working arrangements and practices, and enhanced ways of working that prioritise mental and physical wellbeing.





An LNER Azuma high-speed train is crossing a bridge over a city street. The train is white with red and blue accents and has 'LNER' and 'AZUMA' written on its side. The bridge is a concrete structure with a metal railing. In the background, there are buildings and a street with a pedestrian crossing. The scene is captured in a wide-angle shot, showing the train in the foreground and the city in the background.

# BUSINESS WITH HEART



# BUSINESS WITH HEART



## Becoming the preferred, low-carbon way to travel.

Being a responsible business underpins LNER's values which includes having respect for the planet and managing our impact on the environment. We know that climate change is increasingly threatening our communities which means we must act now to reduce our impact. We believe travelling by rail rather than via other modes of transport is part of the solution and will be developing metrics and stretch targets to drive modal shift towards rail.

Find out more about our progress in our [2021 Environment Report](#).



## OUR KEY PERFORMANCE INDICATORS

 TARGETS	 2021/22 PERFORMANCE
<p>Achieve net zero carbon by 2045. As a key strategic priority, we have set interim targets of <b>21%</b> reduction by 2025 and <b>67%</b> reduction by 2035* to help us navigate a clear pathway to net zero.</p> <p>Committed to having two carbon neutral stations by the end of 2025.</p> <p>*Scope 1&amp;2 from a 2018/19 baseline</p>	<p>Our total carbon emissions increased by <b>19%</b> between 2020/21 and 2021/22 as the business recovered from the Covid-19 pandemic and increased the number of services. However, our total carbon emissions in 2021/22 were <b>46%</b> below our 2018/19 emissions, representing a longer-term decline in emissions.</p>
<p>Achieve <b>50%</b> circular economy target for waste streams by 2025 and maintain zero waste to landfill.</p>	<p>Recycling rate in our managed stations <b>24%</b>.</p> <p>LNER sends <b>zero</b> waste to landfill. Any waste not recycled is burned to generate energy from waste.</p>
<p>Work on setting targets for water and strive to reduce water consumption as much as possible.</p> <p>Committed to reduce water wastage, with a target of <b>zero increase</b> in our general consumption of water.</p>	<p>Reduced water consumption by <b>327m<sup>3</sup></b> in 2021/22 compared to 2020/21*.</p> <p>*Based on metered water use only</p>
<p>Work on targets for driving <b>modal shift</b> to rail and encourage sustainable journeys.</p>	<p>As part of our refreshed strategy we will be setting targets around <b>increasing modal shift</b> towards rail.</p>

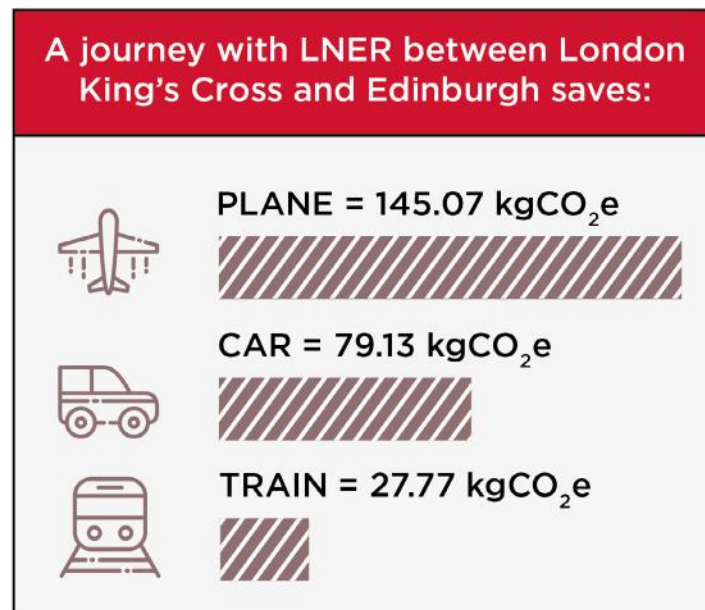


# BUSINESS WITH HEART

## DECARBONISING TRANSPORT

Rail is one of the most environmentally friendly ways to travel; particularly when transporting large groups of people, long distances, at speed. Our electric and bi-mode Azuma trains can accommodate more than 600 people, this equates to nearly 300 cars taken off the road or three short-haul flights taken out of our skies.

As customers become increasingly conscious of the need to reduce their environmental impact, we have made it easier for them to understand the difference they can make by choosing rail over other modes of transport, by providing a carbon calculator\* on our [website](#).



\*Conversion factors are all scopes taken from <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021>

In alignment with the Department for Transport's Rail Environment Policy and wider industry approach, LNER has a pathway to achieve net zero carbon. Using energy more efficiently, reducing consumption and generating our own clean energy are fundamental to reducing carbon emissions, however, rail needs energy to operate, therefore the carbon intensity of the energy we use needs to be addressed.

## TRACTION EMISSIONS

The energy it takes to power our trains is the biggest contributor to our carbon footprint. This is known as 'traction energy' and refers to the electricity or diesel consumed to power our trains.

2021 continued to be influenced by the Covid pandemic, and while we began an industry-leading recovery with a 4x increase in passenger journeys



compared to 2021/21, energy consumption and passenger kilometres travelled remained below pre-pandemic levels as timetables were reduced as a result of Covid. Overall, traction energy consumption decreased in 2021/22 by 37 per cent compared to our 2018/19 baseline due to the replacement of diesel trains with bi-mode trains.

We're continuing to improve traction energy and carbon efficiency through our Traction Energy Group. Current research and project streams include connected driver and traffic advisory systems, alternatives to diesel generator units (e.g. batteries), and reducing the need for diesel-fired coolant heaters. The business is also developing a suite of analysis tools to identify trends, anomalies and opportunities to deliver future energy efficiencies within our fleet and its operation into 2022.

Our bi-mode Azuma trains run on electricity wherever there are overhead wires and only switch to diesel in areas where the line is not electrified. This means we can run on electric power for most of our route, and do not need to run any diesel-only trains just to service areas where the track isn't yet electrified. Electricity has a much lower carbon intensity than diesel, and the carbon intensity is decreasing further every year as the UK electricity grid is powered by more renewables. Our bi-mode fleet has therefore significantly reduced our carbon emissions.

# BUSINESS WITH HEART

## Powering a Greener Future with Network Rail

Working with Network Rail we stepped up efforts to identify progress we can achieve together. This involves increasing knowledge-sharing where strategic priorities are aligned and supporting each other's strategic objectives, including where we can enact change that is better for the environment.

Through this partnership, we have built a plan to achieve net zero demonstrating how to reduce our energy and carbon footprints, and developed a management process for water, waste and pollutants. We identified sites with a shared responsibility or utility needs and introduced changes that drive down carbon emissions and increase accurate data collection.

## NON-TRACTION EMISSIONS

Non-traction energy represents the electricity and gas used to heat, light and power our stations, offices, engineering depot and includes managed and non-managed utilities. In line with the wider industry, we pledge to make our stations more sustainable by implementing the recommendations of the Rail Delivery Group Sustainable Stations Guide. We also continue to maintain ISO 14001 and 50001 and are audited annually against these standards.

In 2021, non-traction emissions increased by 12.1 per cent compared to the previous year, however overall, our non-traction emissions have decreased by 27

per cent since our 2018/19 baseline. This increase in energy was expected as Covid restrictions relaxed, and our colleagues and customers returned to our locations. Stations offering products and services reopened, and at some locations new units opened which increased the energy intensity.

We undertook activities to improve efficiency based on energy surveys. This included adjusting heating control systems at Wakefield Westgate and continuing the remaining non-LED light replacements. The redevelopment of Grantham station carpark included LED lighting and sensor controls along with a recycled steel felt asphalt.

## OUR HEADLINE ENVIRONMENTAL PERFORMANCE FIGURES

MEASURE	2018/19	2019/20	2020/21	2021/22
Traction Carbon <sup>1</sup> kilograms CO <sub>2</sub> e per passenger kilometre (kg CO <sub>2</sub> e ppkm)	0.034	0.035	0.105	0.030
Non-traction Carbon <sup>2</sup> tonnes carbon dioxide equivalent (tCO <sub>2</sub> e)	5,488	4,877	3,598	4,032
Total Carbon Emissions <sup>3</sup> tonnes carbon dioxide equivalent (tCO <sub>2</sub> e)	201,661	178,308	92,084	109,746
Metered water <sup>4</sup> cubic metres (m <sup>3</sup> )	69,431	67,564	47,170	46,843
Waste Recycling <sup>5</sup> per cent of total waste	14.3%	20.5%	29.4%	24.5%

*\*Restated*

1. Traction refers to rolling stock.

2. Non-traction refers to buildings and infrastructure associated with the rail industry, such as station buildings, depots, offices and car parks.

3. Total carbon emissions are the sum of traction and non-traction energy, F-gas, business related air travel, grey fleet and road fleet travel. Our carbon footprint is currently being externally verified against ISO 14064-3:2019.

4. Water consumption from managed supplies.

5. Primary waste recycling at 11 managed stations, Head Office and the Aberdeen Depot.



# BUSINESS WITH HEART

## TRACTION AND NON TRACTION ENERGY PROGRESS SUMMARY

MEASURE	2018/19	2019/20	2020/21	2021/22
Traction Electricity megawatt hours (MWh) (modelled)	247,934	323,801	274,627	299,388
Traction Diesel litres (l)	30,172,242	20,973,825	3,277,347	5,456,010
Non-Traction Electricity megawatt hours (MWh)	13,302	12,860	9,944	10,855
Non-Traction Gas megawatt hours (MWh)	3,799	3,915	3,529	4,058
<b>Total Energy Consumption<sup>1</sup> megawatt hours (MWh)</b>	<b>589,157</b>	<b>573,250</b>	<b>317,220</b>	<b>372,909</b>

1. Total energy consumption is the sum of traction and non-traction energy.

## MAKING RAIL THE LOW CARBON CHOICE

We are committed to supporting the UK's net zero ambitions by driving a modal shift towards rail. This includes increasing our market share for travel against air and car, specifically on the London to Edinburgh route.

Over the coming year, we plan to improve the accuracy of the data by setting clear KPIs around

modal shift in the future. Encouraging more passengers to travel by rail will be a key focus of our new Responsible Business Strategy and we will continue to develop plans and programmes to help customers make informed decisions about low-carbon travel choices.

We introduced and started some exciting new initiatives, for example:

- Testing the UK's first and largest rail MaaS (mobility as a service) proposition, also known as the Door To Door app, which will give customers

more choice, control, services, and convenient access. Ultimately a better overall digital and physical customer experience - leading to more rail journeys, more often, and few private car journeys over time.

- Partnered with Visit Lincoln to celebrate the city and encourage more people to travel to the area by train, and boost tourism locally.
- Increased bike rack capacity by 70 per cent at King's Cross station to encourage more passengers to cycle to the station and lock their bike securely with a minimum of two locking points to each frame.
- Delivered a series of communications campaigns to promote the environmental benefits of rail travel, including at COP26 and through social media campaigns such as [Jetless Setters](#).



# BUSINESS WITH HEART

## MANAGING CLIMATE-RELATED RISK

As part of our journey to fully understand our climate risks and opportunities, LNER has been working to apply the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to ensure that climate change is appropriately reflected in areas such as:

- Governance
- Risk management
- Business Strategy
- Business KPIs

Over the next 12 months, we will be working with key stakeholders to evaluate the potential impact on the business of various climate scenarios. To enable a truly holistic perspective we will work with third parties such as our colleagues within Network Rail to consider the impact at an industry level.

## WASTE MANAGEMENT

The nature of our business means we have to effectively manage a variety of waste sources. Aside from generating our own waste through train and station catering, offices and engineering and administration activities, there is the risk that customers can bring anything onto our trains and dispose it in the bins.

In 2021, as customers returned to the railway and stations reopened, the volume of waste naturally increased. We achieved a recycling rate of 24.5 per cent in 2021/22 in our managed stations, which is an increase of over 10 per cent compared to our 2018/19 baseline recycling rate of 14.3 per cent.

Recycling onboard trains and in public spaces is challenging due to the restricted space and sometimes incorrect use of bins by the public. However, we have rolled out initiatives this year to improve performance, including:



- A waste sorting hub at Newcastle and Doncaster
- A coffee cup recycling system at Doncaster, Wakefield and York
- Free water refill points across our estate to reduce the use of single-use plastics

We want 50 per cent of waste streams to enter a circular economy by 2025 and to maintain zero waste to landfill. To embrace the circular economy, we look at the waste hierarchy to drive progress. We will always aim to reduce the amount of waste we produce first before looking at the best recycling options.

MEASURE*	2018/19	2019/20	2020/21	2021/22
Recycled tonnes	204	289	110	235
Energy recovery tonnes	1182	1118	265	724
Landfill tonnes	41	0	0	0

\*Excludes waste from locations managed by Network Rail



# BUSINESS WITH HEART

## SUSTAINABLE CATERING

In 2021, we made great strides towards making our catering facilities more sustainable, by:

- Reviewing our catering offer and as restrictions were lifted, we made changes to move away from the heavy use of PPE and disposable products. In September 2021 we reviewed all our chemical products and changed suppliers and products to plant-based chemicals in Rpet packaging.
- Working with our sandwich supplier to reintroduce plastic free sandwich packaging. Current supply chain issues hamper this, but we are hopeful that by the end of 2022 this will be resolved.
- Removing 350,000 single-use plastic cups annually through the roll out of reusable cups for our on-train teams.



## WATER CONSERVATION

Water is a key priority for us. In 2021, our water consumption for LNER managed estates decreased by 32.5 per cent since 2018/19 to 46,843m<sup>3</sup>. In some instances, the availability of real-time data is limited meaning estimated values are utilised. We continue to review half hourly data to help with leak identification.

## INSTALLING WATER REFILL POINTS

As part of our ambition to transition to a circular economy we installed water refill fountains along our route, encouraging customers to stay hydrated without single-use plastic bottles.

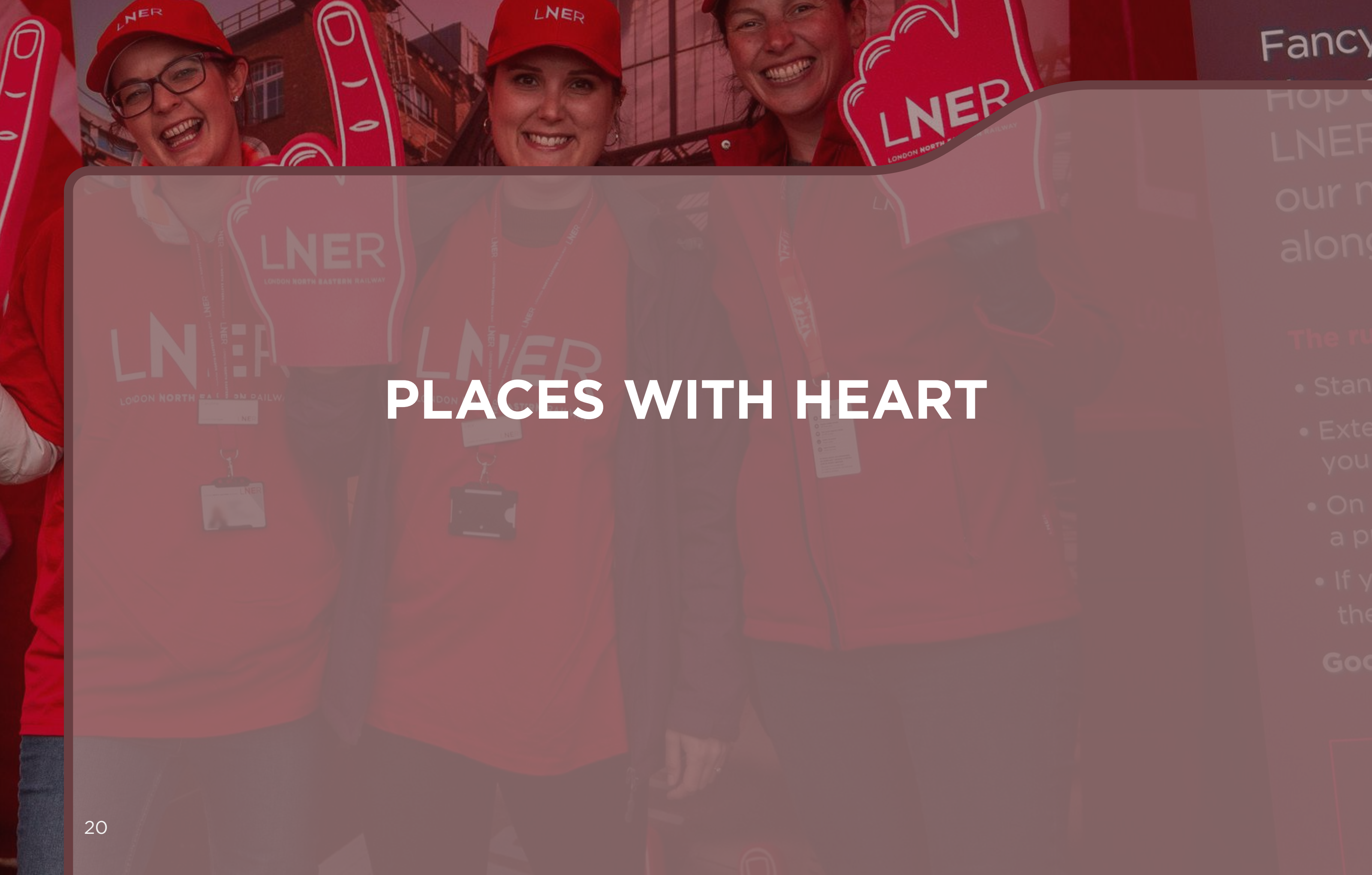
Since 2019, we've installed 13 water refill points, six of which were installed in the past year. In 2021/22, our fountains have dispensed over 60,000 litres of water, saving our customers money while tackling the volume of single-use plastic thrown away up and down the country.



MEASURE*	2018/19	2019/20	2020/21	2021/22
Water cubic metres (m <sup>3</sup> )*	69,431	67,564	47,170	46,843

\*Includes data from actual / estimated invoices and calculations to fill data gaps as a result of missing real time data.





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# PLACES WITH HEART





# PLACES WITH HEART

## Supporting healthy, skilled, and inclusive communities.

We see our role as more than helping our customers get to their destination. It's about helping to create prosperous, skilled, and inclusive communities connected by our networks. To achieve this, we've identified where we can make the most positive and lasting difference, and targeted our efforts in these areas.



## OUR KEY PERFORMANCE INDICATORS

 TARGETS	 2021/22 PERFORMANCE
Reach <b>300 people</b> per year by 2025 with our work inspiration programmes.  <b>25%</b> increase in participants who are confident they will find a job.  <b>25%</b> decrease in participants who are not confident they will find a job.	<b>296 students</b> enrolled in work inspiration programmes.  Average increase of <b>29%</b> of those participants who are confident they will find a job.  Average decrease of <b>29%</b> in those who are not confident they will find a job.
<b>50 colleague</b> volunteering hours dedicated to mental health and education and employability programmes per year by 2025.	<b>665 volunteer</b> hours, equating to £10,695 social value.  Approximately 57% of hours dedicated to supporting education and employability and 31% dedicated to mental health programmes.
Track the social value of large contracts* and deliver <b>£6m</b> of social value through the supply chain per year by 2025. *over £100k	Almost <b>£9m</b> tracked and delivered benefits to the local economy from awarded contracts.
Trial the RSSB Social Value Tool in 2022/23 to compare it to our current approach for establishing focus areas.	Target to be actioned next year.
Support CALM to deliver <b>6,250</b> potentially lifesaving calls per year by 2025.	Helped CALM deliver <b>10,394</b> potentially lifesaving calls.  In 2021/22 we raised significantly more money for CALM than we anticipated, meaning we could support more calls than we hoped.
Ensure that <b>50%</b> of colleagues are trained in suicide prevention awareness, and ensure a Safeguarding Champion is contactable at all times at key frontline locations by April 2023.	Trained <b>23</b> Safeguarding Champions - <b>0.72%</b> of colleagues.

# PLACES WITH HEART



## OUR COMMUNITY INVESTMENT STRATEGY

We want to raise aspirations and provide opportunities for disadvantaged communities by giving individuals the tools, knowledge, and confidence to achieve their goals, regardless of their background. Through the combined effort of our colleagues our aim is to reach 300 young people per year through our work inspiration programmes and have committed to dedicating 50 colleague volunteering hours to mental health and education and employability programmes per year by 2025.

In 2021/22 we enrolled 296 students in work inspiration programmes and delivered 665 volunteer hours, almost 600 of which were dedicated to mental health and education and employability programmes.

We are also working with partners to break down the stigma surrounding mental health to play an active role in preventing suicide across our route.

In line with our KPIs in other areas of the business, we're committed to supporting diversity and inclusion and sustainable travel via our work in local communities.

## EDUCATION AND EMPLOYABILITY

In 2021, our aim was to get young people to consider a career in rail and highlight the wide range of roles we offer such as marketing and digital. We undertook projects to promote the large variety of careers available within the rail industry, and we are continuing to work closely with our recruitment teams to find further ways to reach talented young people that may otherwise not consider a career in rail.

LNER has continued to take part in digital employer engagement sessions through regional partners, helping to promote employability skills among young people and raise aspirations to help the prevention of NEET (Not in Education, Employment, or Training). We have also taken part in more in-person sessions, such as job fairs and station activity, as well as hosting a careers insight day with national charity, Speakers for Schools.

Despite the pandemic impacting our ability to directly engage with young people in our communities, we were determined to find ways to continue our educational programmes in the most effective ways possible. This year, we launched LNER's Tomorrow's Talent, a digital work experience programme for 12 to 18-year-olds, in partnership with Springpod — 296 students from across the route have enrolled in the programme.





# PLACES WITH HEART

## LNER'S TOMORROW'S TALENT

In February, we launched our second Tomorrow's Talent Programme, generating 113 unique student enrolments from across the East Coast route. The virtual work inspiration and experience programme gives young people the chance to gain real insight into the industry and the variety of roles and opportunities in the rail industry through interactive quizzes, challenges, and learning.

LNER volunteers delivered three webinars, giving the students an opportunity to engage with colleagues in a variety of roles and ask lots of questions. Network Rail also joined one webinar to highlight how our different organisations work together to support the East Coast Partnership.

Students rated the programme an average of 8.6/10 when asked how likely they would recommend the programme to a friend.

*“Thank you to all of those who participated in LNER's Tomorrow's Talent, it was absolutely fascinating to hear from such a diverse range of wonderfully interesting people and the work they get up to. Everyone involved seemed very open and approachable and makes me want to join the LNER family!”*

Adam (16)



## CAMPAIGN AGAINST LIVING MISERABLY (CALM)

We continue to support our charity partner Campaign Against Living Miserably (CALM) on their mission to spread awareness and work towards our shared goal of reducing the stigma surrounding mental health. Through our fundraising efforts, we hope to enable CALM to deliver 6,250 potentially life-saving calls per year.

In 2021, we raised £83,148 for CALM, significantly more than we expected, through a range of activity including enabling our customers to donate compensation through the Delay Repay scheme, the LNER Perks scheme, sales from LNER merchandise and auctioning of lost property. This funded 10,394 potentially life saving calls, significantly more than our target of 6,250.



# PLACES WITH HEART

## SAFEGUARDING

Our ongoing partnership with the Samaritans educates our colleagues about suicide prevention, encouraging them to undertake specialist training, and developing teams of Safeguarding Champions. As of December 2021, LNER had trained 23 Safeguarding Champions. This includes one or more of the following specialist programmes:

- Samaritans' Managing Suicidal Contacts training
- Safeguarding training
- Suicide Prevention Learning Tool

We want 50 per cent of our colleagues to be trained in suicide prevention awareness, and ensure a Safeguarding Champion is contactable at all times at key frontline locations by April 2023.

For more information on how we are supporting colleagues' mental health, please see [People with Heart](#).



## SOCIAL VALUE

In March 2020, LNER began working with Social Value Portal and made the commitment to embed social value into our business operations to unlock social value for our community and passengers. The partnership with Social Value Portal has enabled LNER to take a standardised and simple approach to social value within procurement.

Since then, LNER has introduced measures when working with our supply chain that will deliver Social Value on tender evaluations above £100,000.

LNER's suppliers are now required to demonstrate their positive actions to society, in addition to the delivery of their core goods or services. To measure this, bidders submit responses that are evaluated against the National Social Value Framework (National Themes Outcomes and Measures).

Our priority areas for delivering social value are:

- **Jobs:** promote local skills and employment.
- **Growth:** supporting growth of responsible regional business.
- **Social:** healthier, safer and more resilient communities.
- **Environment:** decarbonising and safeguarding our world.
- **Innovation:** promoting social innovation.

Across the 14 procurements that are currently in delivery phase, with a combined contract value (spend by LNER through procurement) of £70,500,000, LNER has unlocked Social and Local Economic Value commitments worth £21,400,000 of which, 860,000 has been delivered between April 2021 and March 2022.

- The tracked and delivered benefits to the local economy are nearly £9m from the contracts awarded.
- LNER continues to monitor suppliers from a Modern Slavery perspective.
- Our cleaning supplier has achieved more than £11m in value through a commitment to local employment, enhanced learning and development opportunities and its apprenticeship scheme.

The supply chain is currently being challenged by many external factors and we pledge to support our suppliers to mitigate cost increases being experienced across the supply base. We have reviewed some of the risks and challenges we face and are acting in a responsible way to make sure that the suppliers continue to deliver value for money while maintaining a quality service.





# PLACES WITH HEART

## A LOOK AHEAD

Following the 2022 update of the National Themes, Outcomes and Measures (TOMs) Framework in conjunction with the National Social Value Taskforce, LNER plan to revise the measures included within our set of TOMs. Selecting a more condensed set of measures that represent the organisation's values increases transparency for potential bidders and makes the information on social value more accessible. In turn, this will result in better quality social value submissions for LNER with greater confidence of delivery. We will continue to drive engagement and support our suppliers so they can more easily report on the social value they've delivered.

We have an ambition to trial the RSSB Social Value Tool in 2022/23 to explore how it compares to our existing approach and the role these tools can play in setting our focus areas for improvement for 2024/25 onwards.

## VOLUNTEERING AND COMMUNITY SUPPORT

This year, colleagues at LNER recorded 665 volunteer hours, equating to £10,695 of social value, with most of these supporting employer engagement sessions as part of our educational outreach activities.

*“Engaging with an audience and public speaking has always been one of my weaknesses, but volunteering gave me the opportunity to challenge and better myself. My current role has been sitting with a laptop for hours on end, and presenting is not in my day to day job, but this was an amazing opportunity that has bettered my confidence and skills for the future!”*

*Cameron Stanwick, Social Media Advisor*

## FUNDRAISING FOR THE COMMUNITY

Charitable ticket donation requests have seen an increase as more in-person events take place. LNER has donated tickets to the value of £18,060 in raffle prize donations, which helped raise £492,654 for a range of charitable causes aligned with LNER's community investment strategy.

LNER travel passes with an estimated value of £100,000 were gifted to support Community Rail Partnerships.

LNER also made charitable donations totalling £24,300 during 2021/22 to the Railway Mission Chaplaincy. This excludes projects funded through our Customer and Community Investment Fund.



# PLACES WITH HEART

## CUSTOMER AND COMMUNITY INVESTMENT FUND

The Customer and Community Investment Fund (CCIF) enables us to support charity and community projects along our network, which align with the priorities outlined in our community investment strategy. During 2021/22, LNER provided £301,427 through the CCIF, supporting a number of great causes.

We will target over 300 applications for the next round of the Fund, including more applications from Scotland.

### Young Enterprise

Our funding helped deliver accessible enterprise, employability and financial education programmes in state secondary schools situated in underserved communities in London King's Cross, Stevenage, Peterborough, Humber, Hull, York and Newcastle - all within 10-15 miles of the LNER route. The project aimed to positively impact the social mobility of 1,340 vulnerable young people (aged 11-18) and with LNER's support it reached 1,423. Some of the funding was spent on workshops and programmes that empower young people to devise and run their very own trading company over the course of an academic year.

### Aberdeen Samaritans

To help tackle increasing levels of depression and suicide rates within the local farming community, we

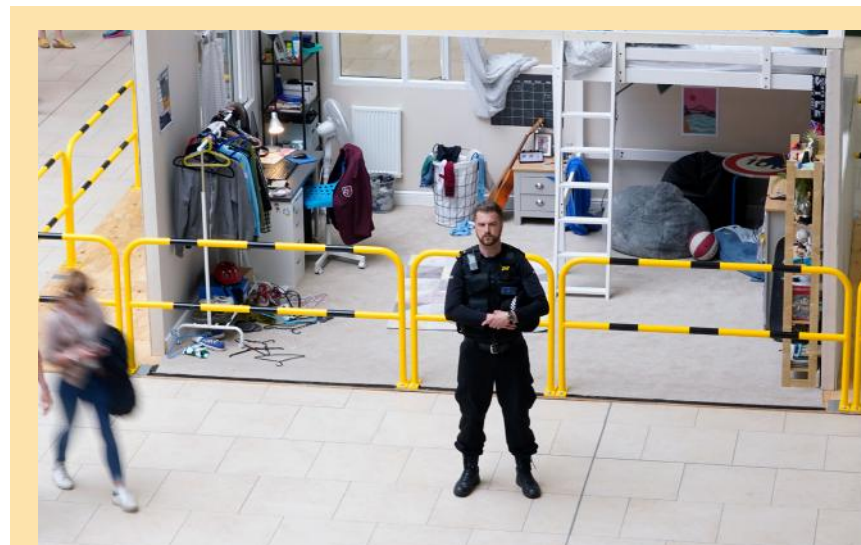
funded a series of targeted informative newspaper articles, discussing mental health issues in the farming community.

### Newcastle Cathedral - Café 16

In partnership with HMP Northumberland, Newcastle Cathedral established The Oswin Project to create second chances for ex-offenders through training and employment. LNER supported the setup of Café 16 to provide training and work for prison leavers, helping them to increase their self-confidence, as well as providing the Cathedral and its visitors with a place to meet and eat.

### Henshaws College

Our funding for Henshaws College, Harrogate allowed them to purchase specialist outdoor gym equipment to help young people with disabilities keep fit and healthy.



## TRACK TRESPASSING CAMPAIGN

This year we ran a nationwide campaign to raise awareness and encourage parents to discuss the dangers of track trespassing with their children.

We set up an installation in Newcastle of a child's empty bedroom, poignantly symbolising the loss of a life due to trespassing. The Newcastle to Darlington line is one of the UK's worst affected areas for railway trespass, reporting 95 incidents alone last year - an average of two per week.

As part of the campaign, we surveyed 1,000 parents and their children between 12-17 years old. Devastatingly, a quarter of those surveyed admitted to knowing somebody who had trespassed onto railway tracks. When asked why they might choose to trespass, one in 10 young people said the most likely reasons would be if they were following the social media trend to take a selfie in a dangerous place, being bored during lockdown, or peer pressured by friends.

Acknowledging the importance of discussing the topic, 75 per cent of parents and guardians said railway track trespassing needs to be discussed, with a further 70 per cent agreeing that a visual installation capturing the threat would help them to approach this challenging conversation with their children. Some 41 per cent of 12 to 17-year-olds would like the dangers of track trespassing to be spoken about more openly to them.





# BRILLIANT BASICS



# BRILLIANT BASICS

Our Brilliant Basics are the building blocks of our business. These legal and moral obligations are woven into our foundations, keeping us on track to deliver our future ambitions.

Our six long-term priorities evidence this, and no matter what changes happen around us, we will continue to deliver to the highest standard:

- **Safety and performance** – recognising the national commitment to run one of the safest railways in the world, and customers’ priority for our train services to run on time.
- **Game changers** – embedding a culture of innovation throughout our business to ensure we are focused on what our customers and communities want from rail travel, now and in the future.
- **Financial sustainability** – ensuring we are delivering value to both our customers and taxpayers, recognising the Government’s priority for revenue to be maximised and efficiencies achieved, and customers’ priority for value-for-money travel that competes with road and air.
- **Legendary customer experience** – putting the customer at the heart of everything we do, resulting in increased satisfaction in National Rail Passenger Survey results, and helping to grow the East Coast’s economy and protect its environment by encouraging more people to use rail over other modes.

- **Our people** – ensuring we are striving to attract, develop, keep safe and retain the very best people who have a crucial role in delivering our business plan and creating value.
- **Responsible business and partnerships** – recognising that our successful delivery is based on our cultivating of the strong stakeholder partnerships we need, within the rail industry and without, to have a positive and sustainable impact, from our performance to our environmental impact.

## SAFETY

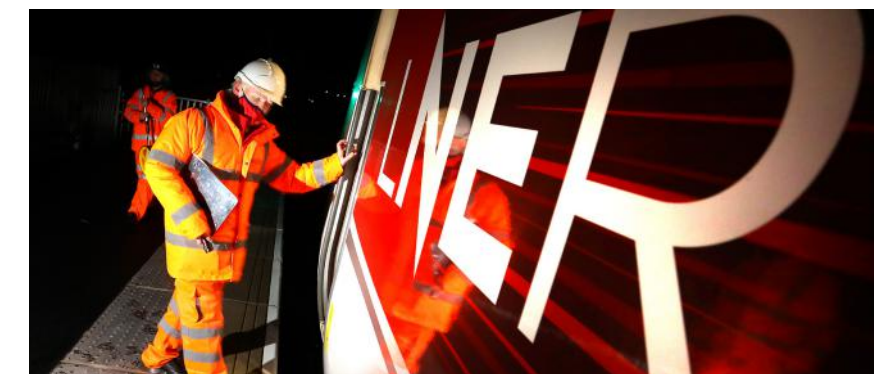
Safety is at the heart of our approach to running our railway networks. Whether this is the safety of trains on the tracks, or protecting our colleagues on the platform, we continue to strive to implement sound measures to improve on a record of which we are extremely proud. Our Executive Safety, Sustainability and Security Board is continuously reviewing a



variety of KPIs to ensure effective monitoring of safety performance, and that a proactive approach to safety is adopted by all employees.

2021 was challenging due to the unpredictable nature of the Covid-19 pandemic. Fewer customers on our trains meant fewer customer and colleague accidents. As customer numbers returned and employee activity increased, we saw corresponding rises in accidents and injuries. However, these numbers were still below pre-pandemic levels despite an almost normal return to activity, following extensive work throughout the pandemic to engage on Safe Systems of Work and review station and on-train design.

We continue to work with partners such as the British Transport Police and Network rail to put in place initiatives that will ensure, as far as is reasonably practicable, the health, safety and welfare of our colleagues and customers. As a regulated business, we receive regular scrutiny over how we manage safety and we continue to have a strong relationship with the Office of Rail and Road (ORR), the Safety Regulator of Britain’s Railways.







# PROGRESS SUMMARY AND NEXT STEPS



# PROGRESS SUMMARY AND NEXT STEPS

We are incredibly proud of the progress we have made over the course of 2021/22, but we're also aware of how much more we have to do.

This year, for the first time, we have published ambitious and stretching targets across each of our core Responsible Business pillars. We know we can't do it alone, which is why working with our peers and colleagues in the rail industry is critical to success.

We look forward to continuing to shine a light on the role of the rail industry in driving a more sustainable future as we hope to achieve our vision to become the most progressive and responsible train operator.



## SUMMARY OF KPIS AND PERFORMANCE

PEOPLE WITH HEART	
TARGETS	PERFORMANCE
10% overall ethnicity representation by 2025.	8.4% of employees are from an ethnic minority background.
45% overall female representation by 2025. 15% female driver representation.	42% of employees identify as female. 10% female driver representation.
75% employees are aware how to access health and wellbeing support as measured by our Speak from the Heart Survey by 2025.	68% of respondents were favourable to the statement: "I know how to access all the health and wellbeing support available to me".
BUSINESS WITH HEART	
TARGETS	PERFORMANCE
Achieve net zero carbon by 2045. As a key strategic priority, we have set interim targets of 21% reduction by 2025 and 67% reduction by 2035* to help us navigate a clear pathway to net zero.  Committed to having two carbon neutral stations by the end of 2025. <small>*Scope 1&amp;2 from a 2018/19 baseline</small>	Measured and reported our carbon footprint which is externally validated to ISO 14064.  10% reduction in carbon emissions in 2019/20* compared to 2018/19. This prevented 20,041 tonnes of CO <sub>2</sub> e from entering our atmosphere.
Achieve 50% circular economy target for waste streams by 2025 and maintain zero waste to landfill.	2021/22 recycling rate was 23.2%.  Proportion of waste separated in our stations and at our offices and engineering depot increased by 6.8%.
Work on setting targets for water and strive to reduce water consumption as much as possible.  Committed to reduce water wastage, with a target of zero increase in our general consumption of water.	Reduced water consumption by 441m <sup>3</sup> in 2021/22 compared to 2020/21.



# PROGRESS SUMMARY AND NEXT STEPS

## SUMMARY OF KPIS AND PERFORMANCE

PLACES WITH HEART	
TARGETS	PERFORMANCE
<p>Reach <b>300 people</b> per year by 2025 with our work inspiration programmes.</p> <p><b>25%</b> increase in participants who are confident they will find a job.</p> <p><b>25%</b> decrease in participants who are not confident they will find a job.</p>	<p><b>296 students</b> enrolled in work inspiration programmes.</p> <p>Average increase of <b>29%</b> of those participants who are confident they will find a job.</p> <p>Average decrease of <b>29%</b> in those who are not confident they will find a job.</p>
<p><b>50 colleague</b> volunteering hours dedicated to mental health and education and employability programmes per year by 2025.</p>	<p><b>665 volunteer</b> hours, equating to £10,695 social value.</p> <p>Approximately <b>57%</b> of hours dedicated to supporting education and employability and <b>31%</b> dedicated to mental health programmes.</p>
<p>Track the social value of large contracts* and deliver <b>£6m</b> of social value through the supply chain per year by 2025. *over <b>£100k</b></p>	<p>Almost <b>£9m</b> tracked and delivered benefits to the local economy from awarded contracts.</p>
<p>Trial the RSSB Social Value Tool in 2022/23 to compare it to our current approach for establishing focus areas.</p>	<p>Target to be actioned next year.</p>
<p>Support CALM to deliver <b>6,250</b> potentially lifesaving calls per year by 2025.</p>	<p>Helped CALM to deliver <b>10,394</b> potentially lifesaving calls.</p>
<p>Ensure that <b>50%</b> of colleagues are trained in suicide prevention awareness, and ensure a Safeguarding Champion is contactable at all times at key frontline locations by April 2023.</p>	<p>Trained 23 Safeguarding Champions.</p>

## AWARDS / ACCREDITATIONS



In January 2022, we were recognised as a Top Employer in the UK by the Top Employers Institute for the third year running. This award recognised our excellent work in areas including employee health and wellbeing, diversity and inclusion, work environment and performance development.



LNER signed up to the national campaign Ban the Box, joining more than 160 employers who are creating a fair chance for ex-offenders to compete for jobs and bringing down the £18 billion a year cost of reoffending.



We are recognised as an inclusive employer by The Inclusive Employers Standard, recognising our clear commitment to the inclusion agenda.



LNER achieved Armed Forces Covenant recognition for supporting the Armed Forces and their families. The business has been awarded a bronze certificate from Defence Employer Recognition Scheme, which recognises commitment and support from UK employers for defence personnel.





**We want to hear from you, contact us at [publicaffairs@lner.co.uk](mailto:publicaffairs@lner.co.uk)**

**LNER**  
LONDON NORTH EASTERN RAILWAY