The Go-Ahead Group plc

Topic	Impact	Risks	Mitigation
Transition to net zero	**Stakeholder expectations** Stakeholders will expect transport providers to contribute to the urgent action needed from governments and businesses in the next 10 years if global warming is to be limited to 2 or 1.5ºC	Government and local authorities will increas-ingly expect rail and bus operators to offer low or zero carbon solutions. We work together with key industry partners to ensure we meet regulators' expectations	By becoming a leading voice in driving the low car-bon transition, we can partner with key stakeholders such as the Department for Transport and local au-thorities which are under increasing pressure to demonstrate progress in decarbonising infrastructure and transport systems
	Future of Bus The transition to Net Zero emissions by 2050 will require a shift away from diesel- and petrol-powered vehicles towards cleaner alternatives, notably electric and hydrogen vehicles	The acquisition of low emission buses to meet emission requirements can increase capital expenditure. We have introduced new tech-nologies in the industry and are well-placed to lead the low carbon transport transition	We are currently the sector leader in decarbonising bus fleets, having successfully put into operation an electric fleet in London and recently introduced hy-drogen buses in Brighton & Hove, with nearly 200 electric vehicles to be in operation by the end of 2020
	Future of Rail The UK government has already signalled its ambition to phase out diesel-only trains by 2040 and this date could be bought forward given the latest Net Zero ambitions for 2050	Demonstrate our capabilities to meet the de-carbonisation challenge will determine our competitiveness in future bidding	Although 90% of our services have already been electrified, continued investment and innovation in train engineering (e.g. regenerative braking, battery power for non-electrified sections of track, and hy-drogen trains) is likely to generate more opportuni-ties for routes to be decarbonised
Adaptation to climate change	**Damage and Disruption** Transport providers face rising costs from operational disruption and weather- and climate-induced infrastructure and asset damage	Significant business disruption and associated costs due to extreme weather events. Signifi-cant service disruption could lead to reputa-tional damage and loss of customers	Forward planning and investment in climate-resilient infrastructure (depots, stations etc.) and assets (trains and buses) will improve the reliability of our services
	Reputation Increasing frustration and anger towards governments and businesses that have been slow to act, and a public backlash against 'dirty' transport providers	By failing to transition to cleaner vehicles, we may not be seen as part of the solution versus other more environmentally friendly modes of transport	With the right technologies, we can present our-selves as a critical part of the climate solution
	Competition Potential boom in 'disruptor' companies offering innovative solutions needed to deal with climate change	Lack of action on climate change by existing operators in the transport market, would pre-sent opportunities for new entrants to com-pete for market share through large-scale in-novation in new types of vehicles, transport systems and supporting technologies	In Developing for the future of transport, we explore new ways of adapting to changes in our markets, including climate change. We aim to increase our positive impact on the environment, for example, our air-filtering bus pilot in which the bus cleans the air as it drives. Go-Ahead could be highly competitive in a 'disruptor market' by bringing together its incum-bency experience with an innovative partner offering different capabilities