

# ESG Strategy

Swietelsky Rail Australia





# Message from the managing director

#### Anne Connors - Managing Director, Swietelsky Rail Australia

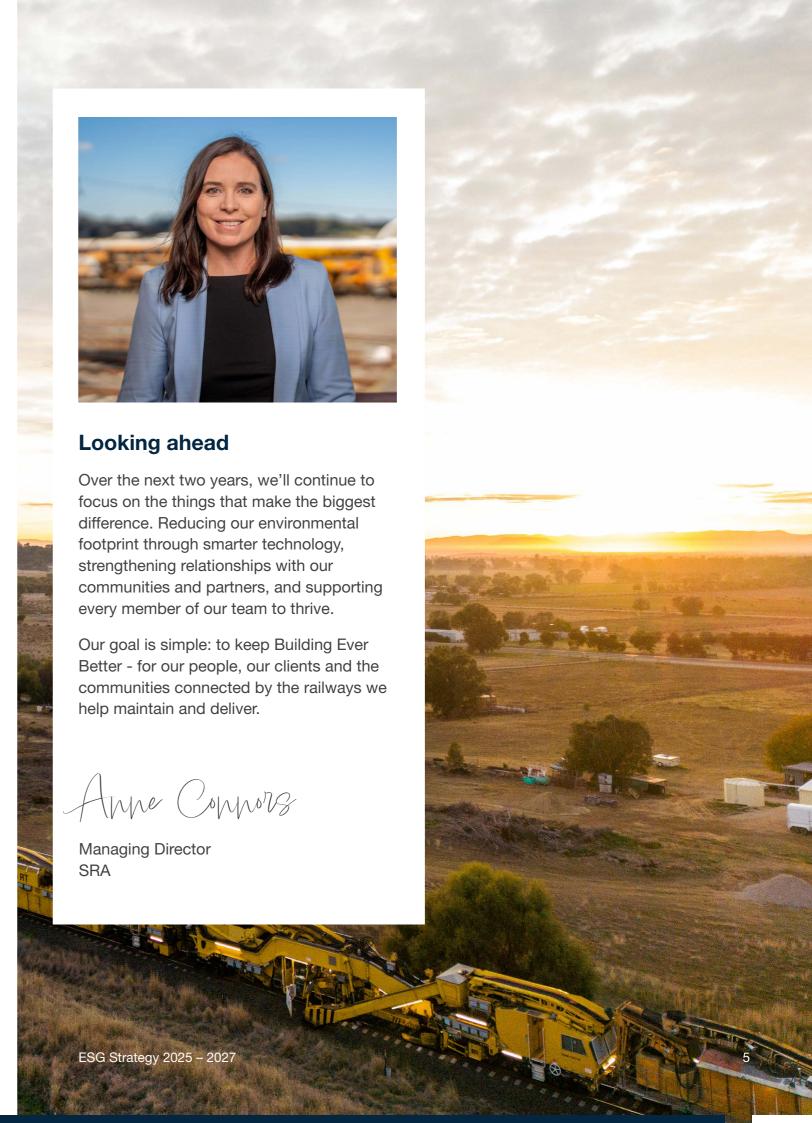
At Swietelsky Rail Australia (SRA), we believe progress is built through people - their ideas, their actions and their care for the communities around them.

Over the past two years we have continued to grow through connection, collaboration and care: achieving national recognition for wellbeing and safety, strengthening our partnerships with First Nations communities and artists, and investing in programs that support future leaders in rail and construction.

Our people's commitment to safety, sustainability and respect remains the foundation of everything we do. Together we are continuing to shape a rail industry that is resilient, inclusive and future-ready.

As part of the international Swietelsky
Group we share a collective commitment to
measurable climate action and sustainable
growth. In 2025 the Group became a
signatory to the Science Based Targets
initiative (SBTi), reinforcing its alignment
with the Paris Climate Agreement and
establishing a clear path toward verified
emissions-reduction targets. The Group's
updated Sustainability Strategy defines
three fundamental areas of action: reducing
greenhouse-gas emissions, improving
resource efficiency through circular-economy
practices, and increasing social capital
across its operations.

Guided by these global objectives, our ESG Strategy translates Swietelsky's ambitions into local results - supporting climate adaptation, responsible resource use and stronger social outcomes across the Australian rail sector. We are proud to stand alongside our clients, partners and colleagues to deliver projects that connect people and places safely, efficiently and responsibly. Together we are Building Ever Better for Australia's rail future.





#### Celebrating people, community and culture

SRA's success is defined by its people and the communities we work alongside. Our culture of care, inclusion and continuous improvement has earned recognition across wellbeing, safety, leadership and diversity - reflecting the shared values that drive our team every day. From award-winning health and wellbeing initiatives to meaningful partnerships with Aboriginal communities and local leaders, we are proud to build a workplace where respect, connection and collaboration thrive.

## Award and recognition highlights

- Winner Wellbeing in Rail Award 2025 (Australasian Rail Industry Awards)
- Winner Tahnee Sumner Young WHS Leader of the Year 2025 (Hunter Safety Awards)
- Winner WHS Business of the Year 2024 (Hunter Safety Awards)
- Winner Best Health and Wellbeing Program (SME) 2024 (Hunter Safety Awards)
- Winner Anne Connors Excellence in Transport 2024 (Women in Industry Awards)
- Finalist Employer of Choice (>21 employees), Young Business Leader (Tahnee Sumner), Excellence in Sustainability, and Business Leader (>21 employees) Anne Connors 2025 (Business Hunter Awards)
- Finalist Excellence in Sustainability 2025 (Inaugural Australian Heavy Haul Awards)
- Finalist Safety Leadership Program and Frontline Worker Initiative 2025 (RISSB Rail Safety Awards)
- Finalist Excellence in Diversity & Inclusion 2024 (Business Hunter Awards and Australasian Rail Industry Awards)

#### **Community & culture**

- 7.4% Indigenous participation across the workforce
- Commissioned Indigenous artwork "Caring for Pathways on Country" by Saretta Fielding
- Sponsorship of the Suzy Miller Women in Leadership Program supporting local emerging Aboriginal leaders

#### **Sustainable operations**

- Hunter Valley Ballast Cleaning program concludes delivering over 330 km of track ballast cleaned across ARTC Hunter Valley network, and over 430,000 tonnes of material reused or recycled in situ and within rail corridor
- Increased recycling and reuse of ballast and spoils through mechanised cleaning programs
- Implementation of Panolin biodegradable oils commenced for machine fleet



#### Our rail legacy in Australia

SRA has been servicing the Australian rail industry since 2011, delivering safe, sustainable and high-quality rail maintenance and construction solutions.

We specialise in mechanised ballast cleaning, track resurfacing, machine maintenance and operations, and rail and civil projects for clients including ARTC, Sydney Trains, UGL Regional Linx, Bowen Rail Company and more.

Backed by over 80 years of European engineering and innovation through the Swietelsky Group - a global rail and construction leader operating in 21 countries - our Australian team combines global expertise with local insight to extend rail asset lifespans and improve network resilience.

Our approach is built on our values of Family, Integrity, Respect and Excellence, and our purpose to deliver "fence-to-fence betterment" for clients and communities alike.



# Global alignment and context www.swietelsky.com.au

#### Building ever better – global foundations, local impact

SRA's ESG Strategy aligns directly with the updated Swietelsky Group Sustainability Strategy. The Group's vision positions sustainability as central to performance, recognising that every construction project presents an opportunity to bring about positive change.

The Group's understanding of sustainability is shaped by three key ideas:

- Climate action and adaptation actively contributing to mitigating climate change and helping infrastructure adapt to its impacts.
- Circular economy and resource efficiency – focusing on railway construction, refurbishment, and reuse of materials to extend asset life and reduce waste.
- Social responsibility and expertise ensuring construction delivers positive outcomes for people, communities and the economy.

Swietelsky's updated Sustainability Strategy defines its fundamental areas of action across Environment, Social Affairs and Governance (ESG), with the following global objectives:

- Reduction of greenhouse gas emissions
- Improved resource efficiency and promotion of the circular economy
- Increasing the Group's social capital

This strategy forms the foundation for compliance with the European Corporate Sustainability Reporting Directive (CSRD), with Group-wide sustainability data now being collected under the European Sustainability Reporting Standards (ESRS). This data will guide future targets and actions, and Swietelsky AG's 2025 Annual Report includes its first integrated Sustainability Statement.

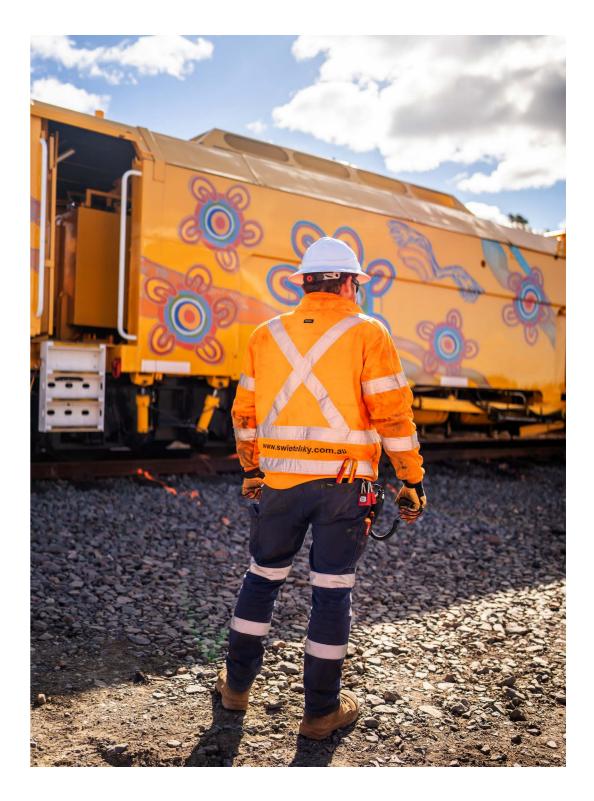
In June 2025, Swietelsky AG also formally committed to the Science-Based Targets initiative (SBTi), reinforcing its alignment with the Paris Climate Agreement and setting the pathway to short-term, measurable emission-reduction targets over the next two financial years.

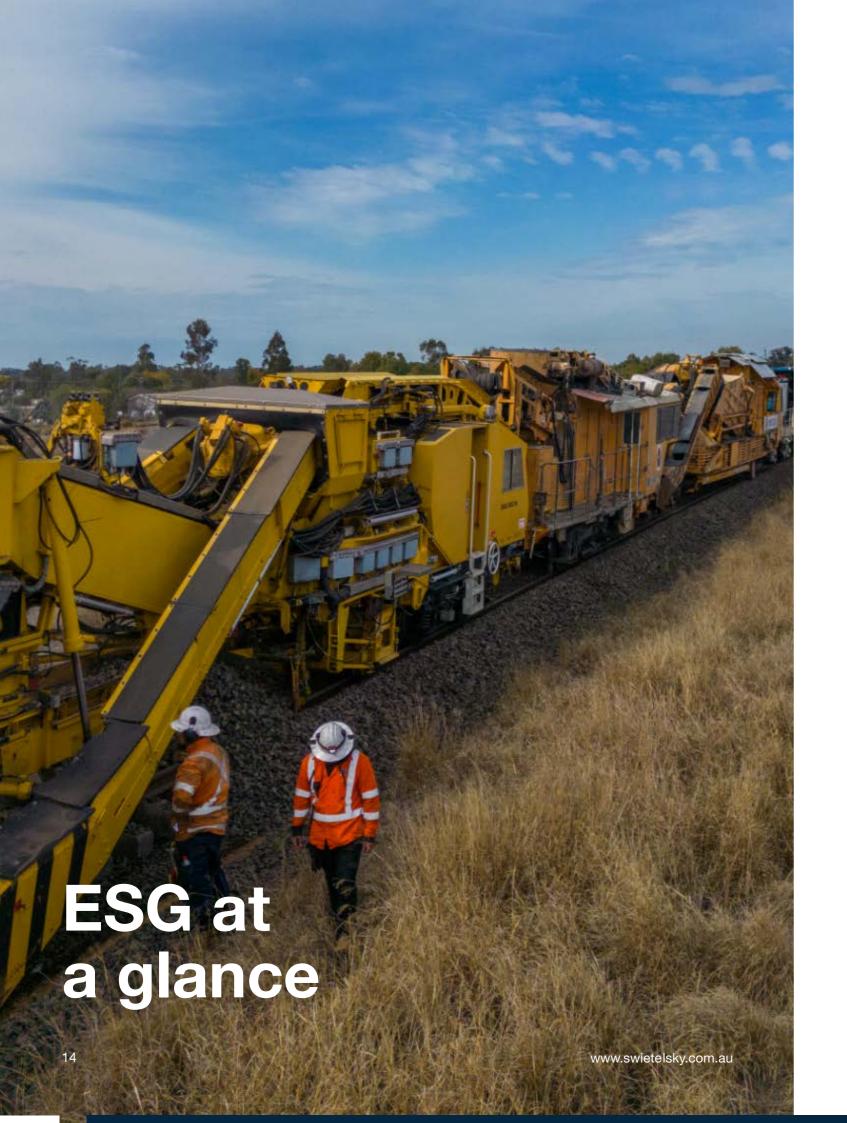
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#### Turning global principles into local action

In Australia, we build on this Group foundation through our ESG Strategy - integrating these global principles into measurable, locally relevant action.

Swietelsky group strategic area	SRA ESG focus	Local application in australia
Climate Action & Adaptation	Environmental	Fleet modernisation, lower-emission machinery, Panolin biodegradable oils, water-efficient dust suppression, and circular ballast reuse.
Circular Economy & Resource Efficiency	Environmental	Over 430,000 tonnes of recycled or reused material in rail corridors to date; optimisation of mechanised maintenance programs to minimise waste.
Social Capital & Responsibility	Social	Wellbeing in Rail award-winning framework, Indigenous participation (7.4%), leadership programs and gender equity initiatives.
Governance & Accountability	Governance	Transparent risk management, ISO-certified systems, and Board-level ESG reporting to align with global CSRD principles.





#### **Environmental**

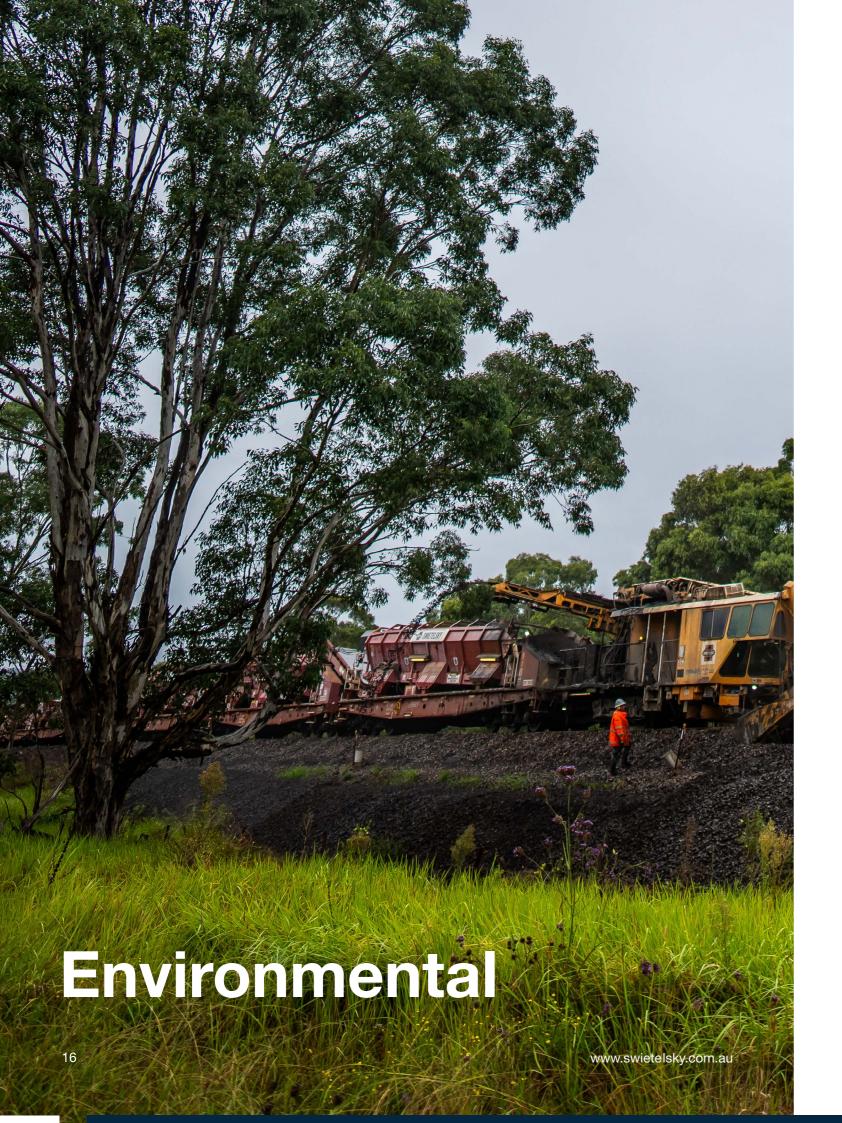
- 330 km of track ballast cleaned during concluded program
- >98% ballast spoil material reused or recycled
- 0 environmental non-compliances recorded
- Panolin oil pilot underway across ballast cleaning and resurfacing

#### Social

- Signatory to ARA Rail Gender Equity Charter (2025)
- >90% of employees participated in wellbeing check-ins
- 7.4% Indigenous participation in workforce and an additional 3 Indigenous suppliers secured to support project delivery and operations
- 25% of senior leadership roles held by women
- 100% of employees covered by Employee Wellbeing Framework
- 100% of employees accessing at least one element of the Employee Wellbeing Framework
- 5 major awards and an additional 8 finalist recognitions received across wellbeing, diversity, sustainability and safety

#### Governance

- 100% ISO 9001, 14001, 45001 certifications maintained
- 0 Class 1 environmental incidents
- All key policies reviewed and updated with ESG integration
- Federal Safety Commission accreditation process commenced
- Board-level ESG reporting implemented (FY25)
- Family Friendly Workplace Certification (initially 2023 and recertified in 2025)



### Reducing impact, restoring balance, and building a more sustainable rail future.

SRA reduces environmental impact through innovation and efficiency in our core mechanised operations. Our specialised fleet of ballast cleaners, wagons and resurfacing machines allow for high-volume recycling of materials and reduced on-site disturbance.

We continuously invest in technologies that lower emissions and improve dust suppression, waste management, material reuse and recycling. Our teams work with clients like ARTC and Sydney Trains to deliver projects that minimise carbon intensity while improving asset lifespans.

#### Achievement spotlight

#### Transition to biodegradable oils across the fleet

As part of SRA's ongoing commitment to reduce environmental impact and align with the Swietelsky Group's Science Based Targets initiative (SBTi) pathway, we have begun the progressive rollout of Panolin biodegradable hydraulic oils across our mechanised fleet.

At September 2025, over 50% of SRA's operational fleet - including ballast cleaners, tampers, regulators and support machines has successfully transitioned to Panolin, a high-performance bio-based oil that is fully biodegradable and non-toxic to soil and waterways.

This shift represents a major step toward cleaner, safer operations and measurable Scope 1 emissions reduction. Beyond environmental benefits, the change improves oil longevity and reduces maintenance intervals, enhancing both machine efficiency and lifecycle performance.

The rollout is being delivered in stages through our Fleet Modernisation and Preventative Maintenance Program, supported by rigorous testing and governance oversight to ensure compatibility and reliability across Australian operating conditions.

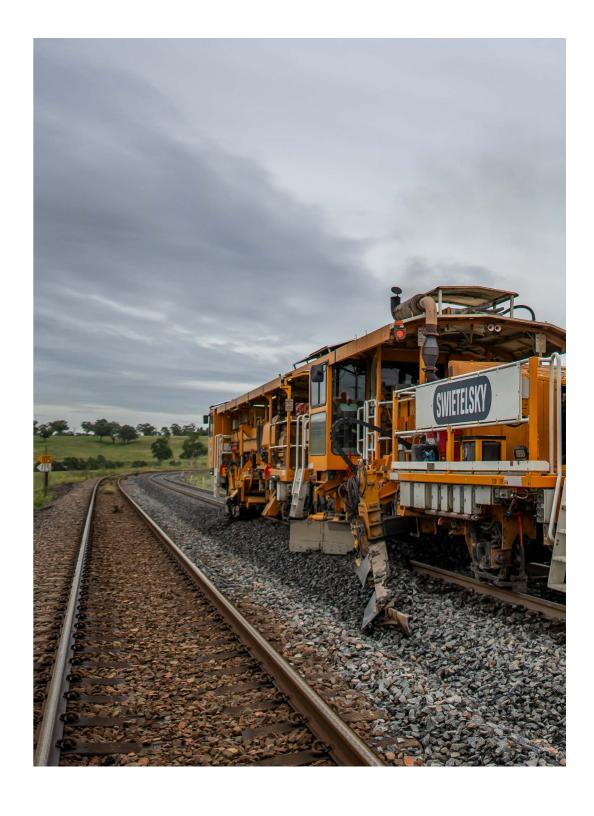
"Panolin's introduction is a clear example of how sustainability and performance can work hand in hand - it's better for our machines, better for our people, and better for the environment."

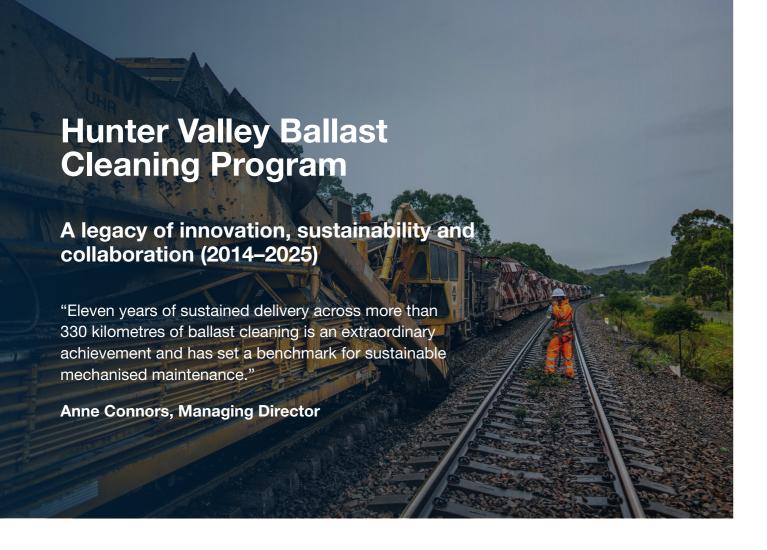
#### Ben Senior,

**Engineering and Maintenance Manager** 

#### Environmental targets & actions 2025 – 2027

Focus area	Baseline (2024–25)	2027 Target	Key actions (aligned with group)
Greenhouse-Gas Emissionsv	Fleet Modernisation plan designed	10% reduction in total Scope 1 & 2 emissions by 2027	Fleet-efficiency & low-idle programs Emission assessment completed for all machine fleet Transition to bio-based Panolin oils for all operational fleet
Energy Efficiency	Established reporting for energy consumption	5% energy-efficiency gain across mechanised operations	Solar installation within maintenance yard  Operator training for fuel-efficient operation  Energy Efficiency assessment completed for all machine fleet
Circular Economy & Waste	>90% ballast reuse	Maintain ≥ 90% ballast reuse and expand circular-economy practices to spoil, timber & steel	Partnering with recycling suppliers  Material-tracking in procurement system  Life-cycle analysis in tender designs
Climate Adaptation & Biodiversity	Standard Construction Environmental Management Plans (CEMP) for projects	100% major projects with climate-risk and biodiversity checks	Climate-risk module in CEMP Training on flora/fauna protection





#### **Program overview**

The completion of the 11-year Hunter Valley Ballast Cleaning Program in June 2025 represents a national benchmark for sustainable rail maintenance, combining technical innovation with environmental stewardship.

Spanning 100 + projects between Hexham, Bylong Valley and Baan Baa, this longterm partnership with ARTC transformed maintenance, safety and sustainability performance across the heavy-haul network.

#### **Key results**

- 330 km of track cleaned and stabilised
- 660,000 t of new ballast installed
- 430,000 t of material recycled or reused (15,000 + truckloads diverted from landfill)
- 1.48 million m of track resurfaced
- 350,000 + safe field hours worked

This scale and consistency of achievement earned SRA national recognition - with the program named Finalist for Excellence in Sustainability at the inaugural Australian Heavy Haul Rail Awards 2025 and locally at the Business Hunter Awards 2025.

#### Sustainability and legacy

Through SRA's "fence-to-fence betterment" model, materials were reused, drainage improved and access roads upgraded, cutting waste and emissions while strengthening corridor resilience.

#### Recycled materials contributed to:

- 500 + km of drainage upgrades
- 300 + km of access-road improvements
- 45 level-crossing renewals

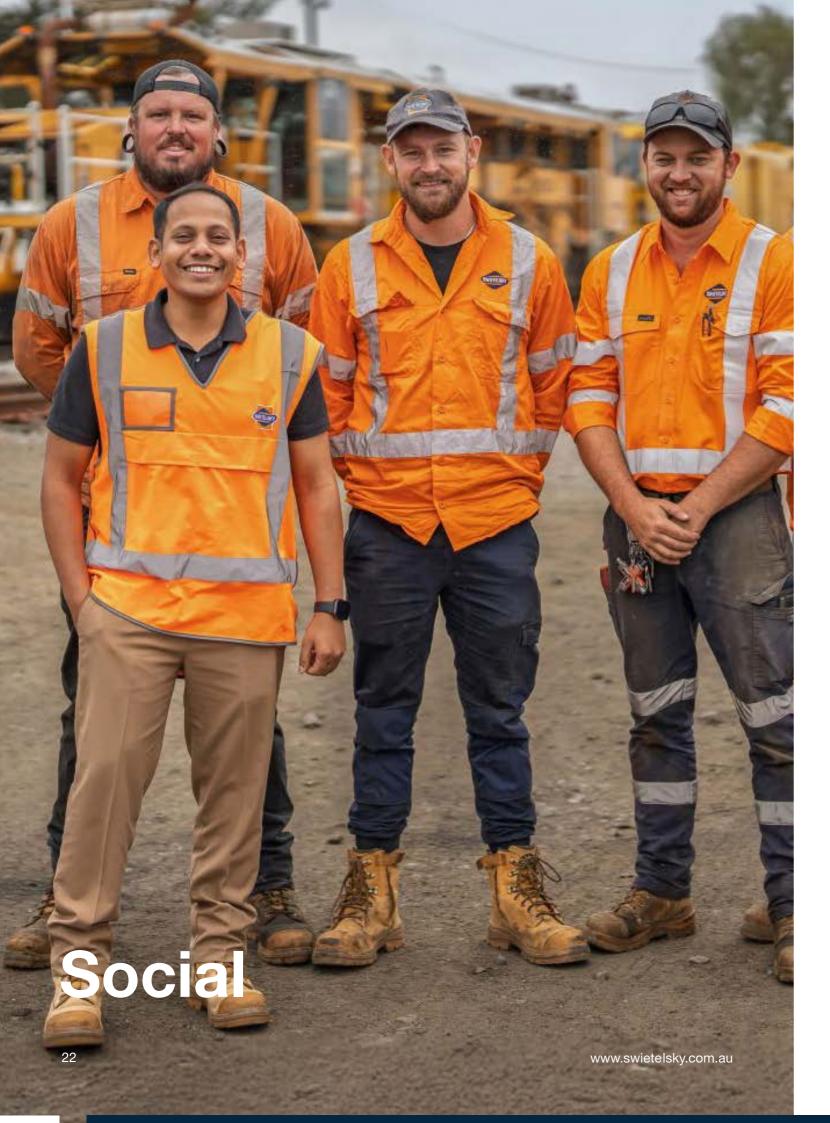
"ARTC project team confirmed that every location that received ballast cleaning has shown dramatic improvement, reduced maintenance, and in some cases no maintenance at all since completion." - Anne Connors, Managing Director

Beyond the technical and environmental results, the program demonstrates what sustained collaboration, innovation and respect for people and place can achieve.

#### **Award recognition**

- Finalist Excellence in Sustainability (Australian Heavy Haul Rail Awards 2025)
- Finalist Excellence in Sustainability (Business Hunter Awards 2025)





# Empowering people, embracing diversity, and strengthening communities.

Our people are our strength. From our Family-First value to industry-leading wellbeing policies, SRA is committed to creating a safe, inclusive and supportive workplace for everyone. We invest in development, celebrate diversity and actively build pathways for under-represented groups in rail.

#### Achievement spotlight

#### **Employee wellbeing framework**

Winner of the Wellbeing in Rail Award 2025, our framework provides five "Balance Breaks" leave days, 12 weeks paid parental leave for all parents, paid grandparental leave, and volunteer days. Over 95% of employees participated in check-ins during 2025, with over 80% utilising wellbeing leave in its first year.

#### Achievement spotlight

#### Indigenous engagement & leadership

Our partnership with artist Saretta Fielding and our sponsorship of the Suzy Miller Women in Leadership Program for female candidates from disadvantaged or indigenous backgrounds reflect our commitment to creating opportunity for First Nations people. In 2024–25, 7.4% of our workforce identified as Indigenous or Torres Strait Islander, with growth planned to 15% by 2027.

#### Achievement spotlight

#### **Diversity & recognition**

The SRA team currently comprises of five different nationalities, represents 10 different cultural backgrounds and our age distribution is evenly spread across the workforce. We are a signatory to the ARA Rail Gender Equity Charter and were named a finalist for the Excellence in Diversity and Inclusion Award at 2024 Australasian Rail Industry Awards and 2024 Business Hunter Awards. Our very own Tahnee Sumner was named Young WHS Leader of the Year, reflecting the next generation of female leaders emerging through SRA.

ESG Strategy 2025 – 2027 23





#### Social targets & actions 2025 – 2027

Focus area	Baseline (2024–25)	2027 Target	Key actions (aligned with group)
Indigenous Participation	7.4%	12% by 2027	Expand regional employment & mentoring
			Partner with Indigenous-owned businesses
Reconciliation Action	Indigenous artwork completed 2025	Progress actions toward reconciliation	Develop SRA Reconciliation Action Plan
Female Participation	9% of total workforce 25% Senior Leadership Team	By 2027: 12% of total	Embed ARA Gender Equity Charter commitments
	22% Management Team	workforce 33% Management Team	Leadership & flexibility programs
Employee Wellbeing	>90% participation in Employee Wellbeing Framework Initiatives	Maintain ≥ 90% and design education and support programs for staff	Continue wellbeing reviews and action follow up
			Expand the number of service support partners for wellbeing support
			Design and implement training and education sessions based on needs identified from wellbeing check in data.
Training & Development	20 training hours per employee	+20% increase in training hours per employee	Training and Competency Framework Implemented
			Cross-border exchange with Group teams programs
Community Impact	Local partnerships established 2024	Annual volunteering & STEM outreach in each region	Volunteer leave promotion
			Engagement with school groups at events (i.e. AusRail Plus 2025)



#### Story and significance

SRA's reconciliation journey embraces learning, storytelling and art. Partnering with Wonnarua artist Saretta Fielding (Saretta Art & Design), SRA created Mirumalikan Yapung Parai – Caring for Pathways on Country, a bespoke artwork reflecting SRA's values and footprint.

Guided workshops invited employees to depict Family, Integrity, Respect and Excellence through their own artwork, which Saretta then wove into a collective design celebrating unity and respect for Country.



#### **Cultural layers and impact**

Central to the design a large gathering circle is reflective of SRA and holds much meaning. The innermost gathering circle depicts 'Family First' through traditional people symbols, highlighting Swietelsky's values of Our People - Family, Integrity, Respect and Excellence. The gathering circle expands outward, connecting to a further circle of people symbols within the design, depicting the Swietelsky team, symbolic of inclusion, diversity and collaborative teamwork across the business.

Within each person symbol, pathways can be seen reflective of Swietelsky's people working in harmony with the pathways we weave upon the land.

At the very top of the artwork Kawal the wedgetail eagle, Wonnarua's totem, soars high above country bringing an acknowledgment to traditional custodians of the land. Traditional symbolism for Elders also sits at the top of the canvas, contributing to this acknowledgment and reflective of paying respect to Wonnarua Elders past, present and emerging.

Tracks or pathways, with interwoven intricate designs, flow throughout the artwork and are reflective of train tracks and Swietelsky's state-of-the-art maintenance machinery. Highlighting the creation of conditions so that people and goods can be transported safely, efficiently, economically and comfortably.

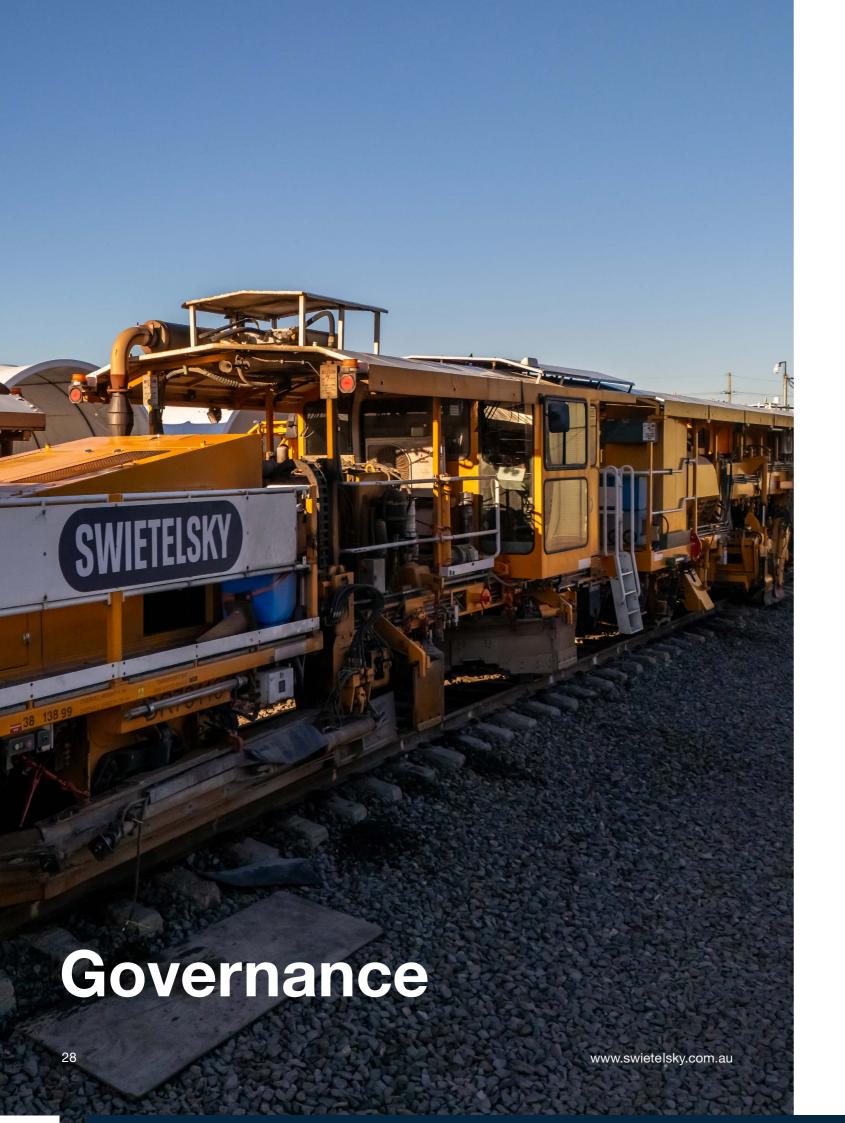
An engraved, gathering circle backdrop, highlights the Swietelsky footprint on country, from its head office in the Hunter Valley NSW, to Regional NSW, Sydney, Western Australia and Regional QLD.

A pathway of these circles also flows horizontally across the canvas. Starting on the left with traditional water symbolism, reflective of Swietelsky's origins in Austria, across Europe and into Australia, and growing as it flows to the right side of the canvas, depicting the organisation's Mission to continue growing the business, and contributing to a sustainable rail future for Australia.

Now proudly featured on SRA machinery, the artwork was applied by our own team including operator and signwriter Joel Brown, creating a lasting symbol of partnership, pride and reconciliation in motion.

"From the workshop I was able to then create sketches and a narrative that the team and I worked through to get it just right, as a creative journey together. So that the artwork really did have ownership to the Swietelsky team."

Saretta



## Leading with integrity, accountability and transparency.

Strong governance is how we sustain trust. With our clients, our people and the communities we serve. We apply robust risk management and decision-making processes that align with Swietelsky AG standards and Australian regulatory requirements.

We maintain ISO 9001, 14001 and 45001 certifications and are integrating ESG risk into all project governance reviews and Board reporting. This year SRA has also started the process to obtain accreditation under the Federal Safety Commission (FSC).

#### Achievement spotlight

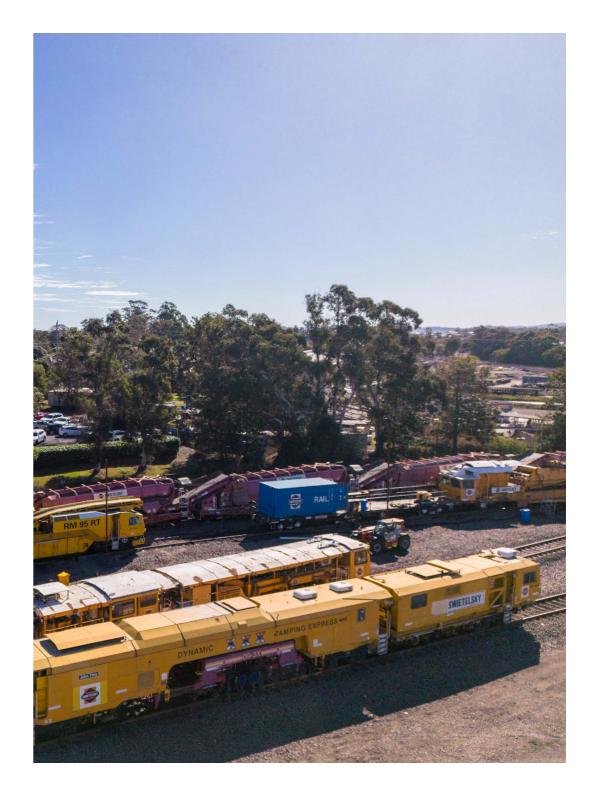
#### **Strengthening governance transparency**

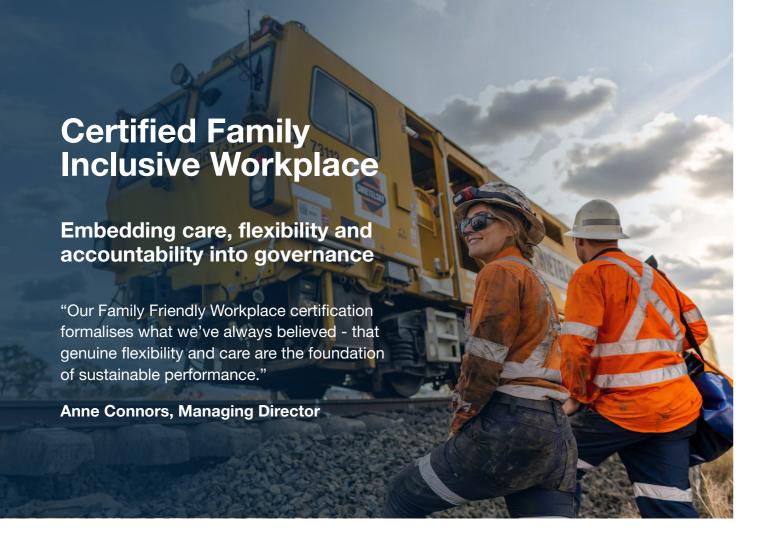
In 2024-25, SRA reviewed and modernised its policy suite to embed ESG language and responsibility across core documents, including Safety, Environment, Quality and Asset Management Policies. We also introduced Right-to-Disconnect and Family-Inclusive Workplace policies to enhance accountability and ethical practice.



#### Governance targets & actions 2025 – 2027

Focus area	Baseline (2024–25)	2027 Target	Key actions
ESG Integration in Governance	Policies reviewed 2025	100% policies ESG- aligned by 2026	Annual policy audit cycle Integrate ESG KPIs in leadership plans
Transparency & Reporting	Annual internal reporting	Public ESG Report made available bi-annually.	Disclose in line with CSRD principles Align with Group Sustainability Statement
Supplier Due Diligence	Baseline criteria set, and Group Supplier Code of Conduct adopted	100% subcontractors assessed for ESG risk by 2027	Assess ESG performance of suppliers as part of procurement process
Board-Level Accountability	ESG included in Executive reviews	ESG performance in Board agenda each quarter	Bi-annual ESG progress report presentation to Board





#### **Governance in action**

At SRA, governance isn't just about compliance, it's about creating systems that protect and empower people. In 2025, we successfully achieved our Family Friendly Workplace recertification (first certified in July 2023), reinforcing our commitment to embedding family-inclusive policies and practices into the structure of how we lead.

Following a leadership transition in 2023, SRA invited its entire workforce to help define new company values. The first value chosen, unanimously, was Family. That single decision became the foundation of SRA's cultural and governance transformation.

Family now sits at the heart of our policies, risk frameworks and decision-making. It symbolises both the families we return home to each day and the collective "Swietelsky family" that supports one another on site and in the office. Our certification confirms that these principles are not just words on a page, they are governed, measured and externally verified.

#### From values to verified practice

Becoming a certified Family Inclusive Workplace required more than policy writing; it demanded a governance framework that makes care and flexibility auditable.

We reviewed, aligned and formalised policies against ISO 45001, national certification and best practice standards, ensuring senior leadership level accountability for wellbeing outcomes.

#### **Key certified initiatives include:**

- 12 weeks paid parental leave for all parents primary, secondary, adoptive, surrogate and same-sex accessible flexibly for up to three years after a child joins the family.
- Five paid "Balance Break" leave days per year for all employees to restore work-life balance.
- Five days paid Grandparental Leave per grandchild.
- Additional Long Service Leave entitlements
  one extra day per year from years 6 to 10, adding a full extra week.

- Domestic & Family Violence support exceeding national minimums, with additional leave and protection protocols.
- Flexible and hybrid work arrangements across all roles, including modified shift times and reduced hours.
- One day paid volunteer Leave supporting personal and community wellbeing.
- Right-to-Disconnect and ESG-linked leadership KPIs for wellbeing and inclusion.

These measures are built into our governance system, not discretionary benefits but structured commitments backed by Board oversight and external validation.

"Being recognised as a Family Friendly Workplace was a goal I wanted our business to achieve when I started as Managing Director. It wasn't about introducing policies and keeping them in a drawer - it was about living and breathing our values."

#### **Anne Connors, Managing Director**

"Our certification shows that we are building a stronger, safer team and that our people policies truly work."

Tahnee Sumner, HR Manager & Young WHS Leader of the Year 2025

#### The human impact

Governance frameworks are only meaningful when they translate into lived experiences. Two long-serving team members illustrate how SRA's policies make a difference.



**Gary Milligan**Project Lead
7 Years

"Family has always been my number one priority, and SRA provides flexible arrangements to ensure I'm showing up as my best self for my family after every workday. Knowing I have access to grandparental leave means I can be there when my family needs me."

#### **Ben Berry**

Operator / Maintainer, 3 Months

"Thanks to SRA's flexible parental leave policy, I was able to access paid parent leave immediately as there was no waiting period. I took part of my 12 weeks of paid leave straight away when my daughter was born and I am saving the rest to use when my partner needs a break or is unwell. There is even a possibility of using it to switch to a four-day week or nine-day fortnight to spend one regular time with my daughter when she gets a little older, which can also help my partner smoothly transition back to her workplace. Having that time is something you can't put a price on, and it's incredible to work for a company that makes it possible from day one."



Nathan Latu Ballast Cleaning Team 10 Years

"After a decade with SRA, I've seen the steps the team has taken to support us all, and especially long-standing employees. The extra week of long-service leave means more time with my family and a better balance between home and work."

#### **Dean Rowe**

SQE Advisor, 10 years

"With the birth of my son, I took some of my parental leave straight away and have since been working flexibly, both part-time and remotely, to spend more time at home during these early months. What I value most is the ability to decide how and when I use the rest of my leave later on. There's no pressure to lock in a plan and I can adapt it as my family's needs change. That kind of flexibility is rare in our industry, and it's made a huge difference to my family."

These stories highlight the governance strength behind our Family Friendly Workplace certification - policies that are structured, accountable, and responsive to real people's lives. They demonstrate how SRA's systems create both stability and freedom: enabling long-term employees, new parents, and leaders alike to thrive at work and at home.

#### The human impact

Since embedding family-focused governance, SRA has recorded:

- >80% of staff utilising Balance Break leave within the first year.
- Improved employee satisfaction and engagement in annual surveys.
- Increased retention across operational and professional roles.

#### **Recognition and awards**

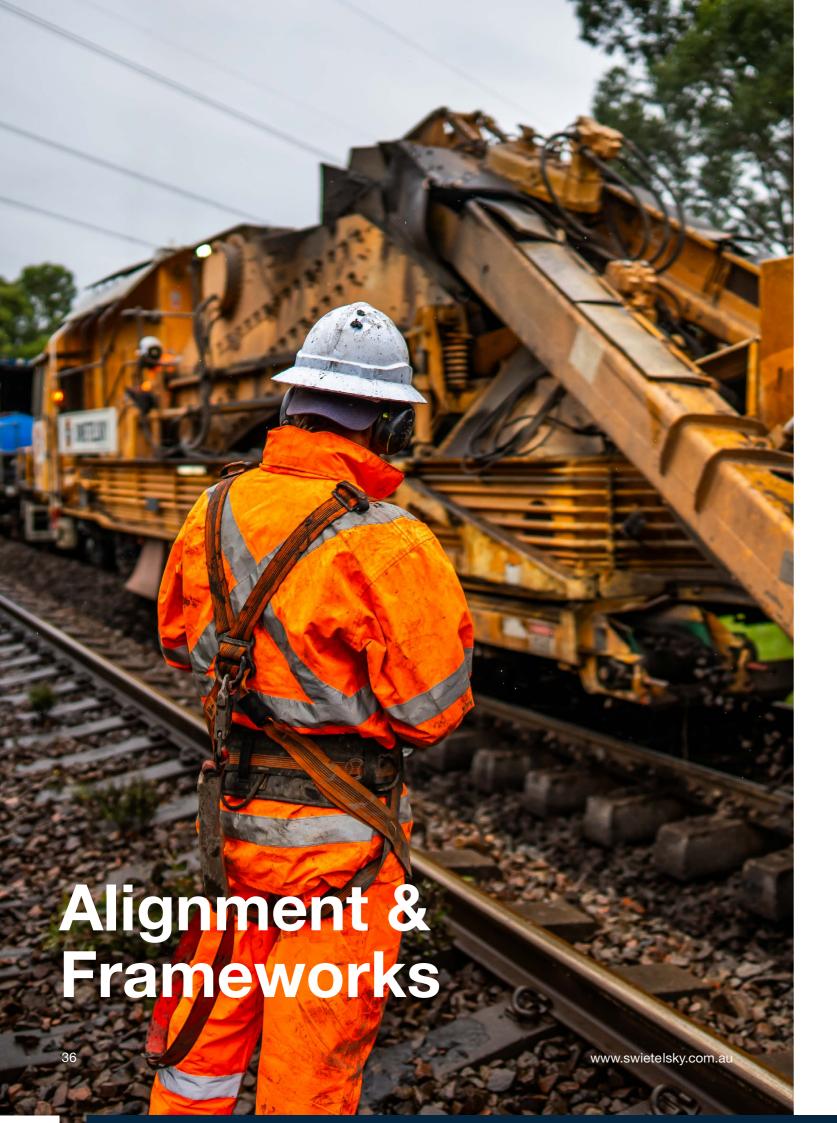
- Winner Wellbeing in Rail ARI Awards 2025
- Winner WHS Business of the Year 2024 Hunter Safety Awards
- Winner Best Health & Wellbeing Program (SME) 2024 Hunter Safety Awards
- Finalist Diversity & Inclusion Awards 2024 Australasian Rail Industry Awards
- >25% of staff utilising paid volunteer leave

#### **Certification highlight**

- Certified Family Inclusive Workplace by Family Friendly Workplaces Australia.
- Initially certified 2023 and successfully re-certified 2025.
- Aligned to ISO 45001 and ESG Governance Framework

"At SRA, family isn't just something we talk about - our policies are real and actively used by all staff."

**Ben Senior - Engineering and Maintenance Manager** 



#### Aligning with global standards and industry best practice

Our ESG Strategy 2025-2027 is aligned with the Swietelsky Group's sustainability principle of Building Ever Better, the United Nations Sustainable Development Goals (UN SDGs 8, 9, 11, 12 & 13), and Australia's modern procurement and safety frameworks. It reflects our membership commitments to:

- Australasian Railway Association (ARA)
- TrackSAFE Foundation
- RISSB
- ISO 9001, 14001 and 45001 Certification

#### Reporting & review cycle

SRA tracks progress annually and publishes reports bi-annually on ESG performance for periods ending September. Progress is regularly reviewed through Board and Executive leadership sessions, with performance updates shared with clients and stakeholders.

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