

Climate Transition Plan

A sustainable roadmap to 2040

The way we travel has a direct impact on our environment, our communities, health and economies. Transport is the largest contributor to both the US and UK's carbon emissions and is responsible for around a quarter of the EU's total greenhouse gas emissions.

The case for sustainable transport is clear: it is better for health, local economies and the environment.

Contents

About Mobico	2
Our proposal	3
Climate Governance: Board	4
Climate Governance: Management	5
Climate-related risks and opportunities	6
How are we responding: Partnerships	7
How are we responding: Climate mitigations	8
How are we responding: Policy	9
Transition targets and baseline emissions	10-11
Scope 1 and 2 reductions glidepath forecast	12
Assumptions and dependencies	13
In the meantime...	14
What else can we do?	15
The final push to net-zero	16
Scope 3 reductions	17
Learnings so far	18-19
Progress so far	20
Our business model changes	21
Resourcing the transition	22
Appendices	23



Climate



A List
2025

About Mobico

Mobico is a leading international transport provider with diversified operations in North America, Europe and MENA. We provide safe, efficient, clean and reliable shared mobility solutions to cities, businesses, education, healthcare and consumers around the world. We operate more than 13,000 passenger carrying vehicles, which travel over 23 billion passenger kilometers every year.

Mobico has been recognised by CDP, the global environmental non-profit rating agency, for its leadership in corporate transparency and climate action, securing a place on CDP's prestigious annual Climate 'A' List. CDP operates the world's only independent environmental disclosure system, assessing thousands of organisations each year on their approach to climate change, governance and environmental performance. In 2025, nearly 20,000 companies were scored worldwide. Achieving an 'A' rating places Mobico among the global leaders demonstrating comprehensive disclosure, mature environmental governance and meaningful progress towards environmental resilience.

All Group subsidiaries and head office are in scope for this transition plan.



Our proposal

For the globe: modal shift

Sustainability is at the heart of Mobico. We're playing a significant role in accelerating modal shift, decarbonising travel and enhancing air quality in our communities. Our culture and Purpose-led approach is at the heart of our ESG commitments.

We play a critical role in enabling the decarbonisation across the communities we operate in.

At Mobico, we believe our mission – to drive modal shift from private car to mass transportation – is key to managing climate change and delivering cleaner, more workable, liveable cities. Modal shift is better for local economies, making towns and cities run more smoothly, and better for the environment.

For our business: vehicle transition

So, we can lower global emissions with modal shift, but how can we lower the emissions from our services?

Approximately 85% of our total Scope 1 and 2 emissions are from vehicle fuel.

The most important step the Group can take to deliver decarbonisation is transition our passenger carrying fleet to zero emission vehicles (ZEVs).

We will steer our business towards lower carbon emissions.



Governance- Board level

The Board is charged with governance and oversight of climate-related risks and opportunities through its dedicated Sustainability Committee which has a remit to cover the governance of all applicable environmental and sustainability matters. The terms of reference can be found on the Company's website (<https://www.mobicogroup.com/about-us/corporate-governance/committees/>) with the responsibilities shown in section 7.

The Committee is informed about climate-related risks and opportunities and also monitors progress against our climate-related goals and targets on behalf of the Board, primarily through monitoring and reviewing a KPI dashboard which is presented at Committee meetings held at least twice per annum.

To aid in decarbonisation decisions and the related financial impact, the Board performs an annual review of the annual budget and the long-term strategic plan for the next five-years. Both exercises consider the transition to a low-carbon economy.

The Sustainability Committee receives presentations from external ESG specialists on current climate-related topics if needed. The skills and competences of the Committee are monitored by the Board every year. Committee members can also access climate-related resources, including Chapter Zero.

Nigel Pocklington is a member of the Sustainability Committee with specific ESG experience. Nigel has a strong track record in transport electrification, green energy and sustainability matters. Nigel brings a valuable strategic and commercial mindset and will add to the Board's capabilities in relation to transformation of Mobico. He is currently the Chief Executive Officer of Good Energy Group PLC, the renewable energy services company.



Governance- Management

The Company's Directors are responsible for the delivery of the Group's decarbonisation ambitions, while everyone in the organisation has a role to play with both individual and shared responsibility.

The Group sets incentives annually through executive remuneration based on objectives for the year. These may include safety, colleague-related development or metrics, and environmental, social and governance (ESG) development or metrics, as determined by the Remuneration Committee. Environmental targets have a 25% weighting within the annual long-term incentive plan (LTIP) awards granted to the former Executive Director(s) in 2023 and 2024.

Functional managers assist with identifying and managing climate-related risk, for example:

- Group General Counsel: advises on regulatory changes driving net-zero transitional risks;
- Procurement Director: negotiates and builds partnerships with ZEV manufacturers on an ongoing basis to secure the best obtainable terms; and
- Group Director of Internal Audit: provides independent assessment of the effectiveness of climate-related risk management activities and of other functions' climate-related activities at least every three-years, but also as required.

Divisional executive management (Divisional CEOs & CFOs)

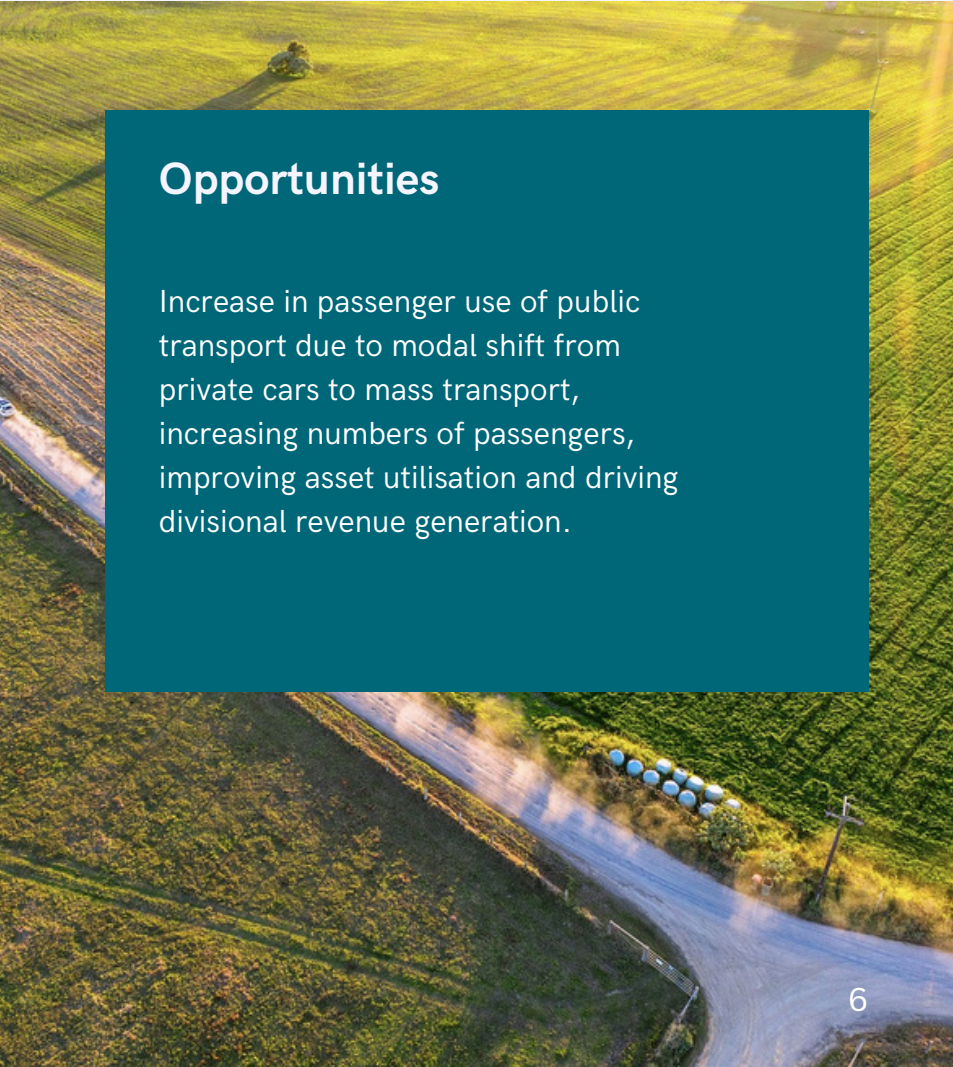
- Build climate-related risks and opportunities into divisional business plans, allocate resources for their delivery, and manage and track delivery.
- Build the financial implications of climate-related risks and opportunities into divisional budgets and track these through forecasts.

"Our mission is to create transportation solutions that move communities, campuses and workplaces into the future."

Erick Van Wagenen, CEO of WeDriveU

Our climate-related risks and opportunities

We refreshed our climate scenario analysis in 2025, the transition-related outcomes of which are summarised on this page and can be seen in full in Appendix 1.



Opportunities

Increase in passenger use of public transport due to modal shift from private cars to mass transport, increasing numbers of passengers, improving asset utilisation and driving divisional revenue generation.

Risks

Carbon pricing having an impact on the supply chain with increased costs of vehicle procurement, infrastructure and parts being passed onto the Group, particularly in an accelerated transition scenario where there is greater government action. This risk was identified in every division and seen as the most financially material

Uncertainty around the ZEV transition in the long-haul coach market for Alsa and UK Coach, including:

- Uncertainty around availability and commercial viability of zero emission vehicles, fuels and related infrastructure;

- Volatility in price of zero emission fuels, such as electricity and hydrogen, resulting in higher operating costs;

- Risk of limitations in range and battery life for long-haul solutions delaying the transition;

- Risk of investing in unproven technologies in an accelerated transition scenario and recoverability of diesel residual values; and

- Reliance on the ability of third-party operators to be able to transition.

Reliability of the grid in the face of higher demands for electricity, and the price impact limiting the Group's ability to switch to renewable energy sources for electricity.

How are we responding?

Our vehicle transition partnerships

We recognise that, as part of being in an industry with high emissions, our response to climate risks is critical to reducing global emissions. Importantly, we recognise this is additional to our contribution as a public transport company to the avoidance of emissions through reduced car journeys. As noted in the Appendix, one of the most significant priority risks is the Group's ability to manage a zero-tailpipe emissions transition. Whilst each division is at different stages in its transition, the Group has a proactive approach to challenges and we continuously engage with our suppliers, partners and customers to drive the agenda and share our learnings.



Alsa

In Alsa, ZEVs are already successfully operating in the urban business with the latest rollout being in Portugal. For long-haul, we are exploring options for electric superchargers at stations to coincide with mandatory driver breaks. We are members of the International Association of Public Transport (UIPT) and also have alliances with SHYNE and CRECEMOS for the development of hydrogen solutions and Hydrotreated Vegetable Oil.

WeDriveU

WeDriveU created and leads a coalition of industry leaders and experts who collaborate to share knowledge and experience to drive forward the zero emission transition agenda. Membership of the Zero Emission Leadership Coalition consists of organisations and individuals in North America who oversee and manage a current commuter, employee transportation or transit operation. The meetings include WeDriveU, private and public companies, universities, hospitals, transit agencies, those who own or manage a fleet, are focused on moving people (not goods) and have completed or at least initiated a transition to ZEVs. Together they promote best practices, share ideas and pioneer and lead sustainability and zero emission strategies and initiatives within their organisation; providing value propositions for a successful, economically viable transition to ZEVs.

UK Bus

Our UK Bus division has been working with our infrastructure partner, Zenobe, to deliver a transition of over 30% of its fleet to electric vehicles. For long-haul, we were the first UK scheduled coach operator to trial a brand new state-of-the-art GTe14 tri-axle battery-electric coach in partnership with Pelican Yutong. We communicate and coordinate with the Confederation for Passenger Transport (CPT) EV taskforce for the latest information and updates.

How are we responding?

Mitigating the climate risks

For Mobico, mitigating climate risks has evolved from a matter of corporate social responsibility into a fundamental strategic imperative for long-term commercial survival and growth. We now face a landscape where climate turbulence could directly impact cash flow and asset values.

Here's what we are doing:

- Experience in zero emission transition: Early adoption of ZEVs in UK Bus and Alsa has provided a proven blueprint for wider rollout. This experience strengthens our ability to efficiently manage infrastructure, training and operational changes.
- Procurement advantage: As a market leader, the Group's purchasing volume requirements enables cost efficiencies in acquiring ZEVs and related infrastructure, thereby supporting a cost-effective transition.
- Government support and policy alignment: Public transport is on the agenda for governments, with initiatives such as dedicated bus lanes, low emission zones and grants for ZEVs. Our strong relationships with local and national authorities facilitate collaboration on infrastructure and fleet transition.
- Strategic investment and growth opportunities: Investment in ZEVs enhances our ability to win new contracts and meet evolving customer requirements. Modal shift toward public transport offers a natural offset to transition risks and aligns with broader decarbonisation goals.
- Financial hedging: As electricity consumption rises with EV adoption, we anticipate opportunities to hedge energy costs.

How are we responding?

Group Environmental Policy

In 2024, the Group implemented a new Environmental Policy, a summarised version of which is available at <https://www.mobicogroup.com/about-us/our-policies/>.

About our policy:

- It's purpose is to keep senior management and employees informed about the various obligations our business has to comply with, the strategy and processes in place to enable compliance, and the roles and responsibilities we all have within our organisation in respect of the environment.
- The policy applies to Mobico Group PLC, its subsidiaries and its employees around the world. Where possible, we seek to apply the policy to third-parties via appropriate contractual clauses or being satisfied that they have adequate policies covering the same issue in place. The Group policy, and any changes to it, are shared with employees and published on the company's intranet and other communications channels. Local and divisional policies are also published locally and can provide further details specific to the legal and regulatory requirements of the country they operate in.
- At a Group and divisional level, there is a 'policy owner' and 'champion' responsible for reviewing and monitoring the Group policy. Divisions can further translate and tailor accordingly to address local laws and regulatory requirements. If there is a conflict between this policy and local laws, the local policy and regulations take precedence.
- It covers governance and resources, emissions reduction and environmental performance reporting, risk assessment and supplier due diligence.



Our transition targets

The Group's ability to transition the fleet to ZEVs to meet our net zero targets is dependent on the ability to transition to and operate ZEVs across all divisions, with the exception of Germany which already operates a fully electric fleet of trains.

Vehicle emissions currently represent over 90% of Scope 1 and 2 emissions and therefore transitioning the fleet to ZEVs is the key driver of achieving our net-zero target.

Thus, we currently anticipate that carbon offsetting will represent only a minor part of the strategy to reach net-zero.

2040

Group net-zero fleet target date which is Paris aligned to limit global warming to 1.5°C above pre-industrial levels

**63.0% reduction in
Scope 1 and 2 by
2035**

Near-term target approved by the Science Based Target initiative (SBTi)*

*The target boundary includes land-related emissions and removals from biogenic feedstocks.

**37.5% reduction
in Scope 3 by
2035**

Near-term target approved by the SBTi

Please see the Groups target recalculation policy online, at <https://www.mobicogroup.com/media/agldwo1o/group-emissions-recalculation-policy.pdf>

SBTi baseline and 2025 result

tCO ₂ e	2024 baseline	2025 result
Scope 1	693,552	643,830
Scope 2 (market based)	137,358	143,838
Scope 3 Total	417,269	359,480
Category 1&4: Purchased Goods and Services and Upstream Transportation and Distribution	113,221	117,616
Category 2: Capital Expenditure	75,993	30,596
Category 3: Fuel and Energy Related Activities	181,917	17,303
Category 5: Waste Generated in Operations	382	714
Category 6: Business Travel	2,222	3,131
Category 7: Employee Commuting	18,910	31,948
Category 8: Upstream Leased Assets	20,662	4
Category 13: Downstream Leased Assets	101	596
Category 15: Investments	3,861	1,572

How will we achieve them?

Scope 1 and 2 reductions

The transition glidepath

We have worked with our divisions to create an annual ZEV forecast which considers our usual vehicle replacement cycle and renewable energy predictions. We have also generated an annual forecast of emissions using our previous year's emissions and ZEV count data which provides estimates of 'emissions per ZEV transition'.



One of the key milestones in our glidepath includes switching to renewable electricity sources in German Rail during the target period. We have updated the target methodology for Scope 2 emissions to be 'market based', which means we see the benefit in our carbon emissions of switching to renewable sources for electricity.

Please see our assumptions and dependencies included in this forecasted glidepath on the next page.

How will we achieve them?

Assumptions and dependencies

Achieving both our 2040 net zero fleet target and our 2035 SBTi Scope 1 and 2 science-based reduction targets assumes a 100% uptake of ZEVs in our operating regions, with support from governments working towards their own net zero targets; thus enabling cost viability, vehicle technology and charging infrastructure expansion. Delays in these government initiatives may require us to revise our fleet strategy or offset emissions through alternative means. In the meantime, we can shift operational focus to fleet optimisation, energy sourcing (e.g. renewable electricity) and life-cycle management of ZEVs. We will review and, where necessary, update the Net-Zero Fleet Plan annually as part of our business planning cycle.

As a result of the Group's focus on cash conservation in this period, new ZEV orders were lower than originally planned. However, the Group remains confident in its medium and long-term plan.

Given our progress in engaging with suppliers and the wider industry thus far, we anticipate we will be able to procure ZEVs suited to short and long-distance journeys to enable us to achieve full transition by the target date. We are closely monitoring the technological progress of both hydrogen and electric zero-tailpipe options. We expect that a combination of government support and private investment would ensure the requisite infrastructure will be in place to enable the wider use of hydrogen and long-haul electric vehicles.



How will we achieve them?

Scope 1 and 2 reductions

In the meantime....

Our operations in Dublin now use a drop-in replacement for diesel fuel, **HVO**, to run their services, as do some of services in our Alsa business. It's chemically similar to diesel, performs well in cold weather, has a long shelf-life and can be used in existing diesel engines without modification, making it a cleaner, fossil-free alternative for transport, heating and industrial uses. We could explore this elsewhere across the business.

In addition, all of our UK Bus business and some of our Alsa business use a **B10 biofuel blend** instead of 100% diesel, which reduces carbon emissions by approximately 10%. The 10% portion is a renewable energy source made from organic matter (biomass) like plants, algae and animal waste, serving as an excellent alternative to fossil fuels for transportation.



How will we achieve them?

Scope 1 and 2 reductions

Is there anything else we can do?

1. Renewable energy

Whilst German Rail already operates a full electric fleet of 120 trains, plans are ongoing to reduce energy usage and hence Scope 2 emissions in the future. This includes the deployment of a driver assistance system which makes recommendations for optimal driving behaviour. We will continue to monitor the feasibility of switching to renewable energy in the future, which would be dependent on the Public Transport Authorities for its commercial viability.

100% of our electricity consumption in the UK and Spain is renewable

2. Driver training

UK Bus has a state-of-the-art driving simulator which avoids fuel usage in training drivers out on the roads. The DriVR machine's fully immersive 360 degree image enables trainees to drive in a variety of driving scenarios, including severe weather, darkness as well as emergency braking - simulating a real-life trip out on the road.

Our investment in driver training improves the quality of driving skills, which has the benefit of reducing energy use through regenerative braking in our electric fleet.

During 2025, an additional 72 drivers were trained. This represents a circa €6m p.a. investment in driver training and development.



How will we achieve them?

The final push to Scope 1 & 2 net-zero

Our ZEV transition and switching to renewable energy will decrease our current Scope 1 and 2 emissions by 90%.

We currently expect some of the final 10% to come from minor carbon offsets, including supporting biodiversity as a means of absorbing more CO₂ from the atmosphere by supporting biodiversity.

Biodiversity

Alsa forest

In a combined efforts to fight climate change and deforestation, Alsa and CO₂ Revolution have signed a collaboration agreement to carry out reforestation projects in Spain and, in turn, generate CO₂ compensation. This initiative seeks to recover the great ecological value of the area following damage from the great fire it suffered in 2020 which burned more than 100,000 trees. 56.64 hectares have been repopulated through planting more than 53,598 trees, with an estimated 9,598 tons of CO₂ absorbed in a complete cycle.

Perry Barr Depot

We are helping our journey to net zero with the full operations at our brand-new, environmentally-sustainable bus and maintenance garage in Perry Barr in Birmingham, including:

- 150 solar panels
- Heating via a hybrid system meaning there is no need for gas onsite
- A 432m² green roof with a 22 species planting mix on an ultra-light sedum
- A green wall on acoustic panelling to help improve air quality whilst reducing noise pollution, with a wildflower garden planted behind the acoustic panelling
- Rainwater harvesting for onsite handwashing

GreenTheUK + Mobico

Mobico has supported the restoration of wildflower meadows in a partnership with GreenTheUK and Buglife. We have now planted two hectares of wildflowers in the West Midlands, for carbon capture that will also help provide smaller species with their own better networks to move more freely.



How will we achieve them?

Scope 3 reductions

Waste and water

On board rubbish recycling programmes have been tested with great success in the UK and will be rolled out further. In Coventry and Perry Barr, up to 60% of rubbish left on board the bus is now recycled.

Our UK depot bus washers filter the used water back into the washing system to reuse in every standard wash.

We use biodegradable cleaning products where available.

In the West Midlands, over 93% of waste was diverted from landfill to recycling saving 625 tons of CO₂ since 2022.

We have completed a LED lighting refit, which have a longer life & lower consumption than alternatives.

UK has installed 16 SMART water meters to detect leaks, saving over 2 million litres a year in one garage alone.

The state-of-the-art Perry Barr bus garage collects rainwater, which is then filtered to remove debris, and stored in a 16,000 litre tank for use in the bus washing system.

Suppliers

Mobico needs the support of suppliers to help reach it's goal of net zero by 2040. We will work especially closely with our key suppliers to reduce and remove emissions to net zero and this can be achieved by having relevant contract clauses within contracts and active supplier management. We will be engaging with various stakeholders in the transport industry to make sure we find the most cost effective solutions.

End-of-life vehicle parts

Any component which is safely serviceable or repairable is returned on a service exchange basis, repaired, and reused.

When and if any seats are damaged on board UK Buses, they are reupholstered and put back onto our bus services. Instead of replacing, we fix.

Very few mechanical parts are put into the waste skip for landfill. For example, body panels are placed into the scrap metal skip for collection and recycling, and likewise for broken glass. Parts reclamation centres are also used in several divisions.

If it meets safety and performance standards, an old EV battery can start a second life, such as powering depots with stored solar energy. Our contract partners have second life projects that extend battery lifetimes by 30%.

Learnings so far

With over 30% of its fleet being battery electric, hydrogen powered or with a zero-emission replacement on order, UK Bus is the Group's most progressed division in terms of net zero.

Our experiences from operating electric vehicles has been extremely positive to date, with lower maintenance costs (both planned and reactive), reduced running costs and higher customer satisfaction. We have also seen significantly fewer breakdowns than with diesel buses and much lower energy usage than expected, in part, also due to the significant investment in driver training and resulting increases in regenerative braking.

To increase our energy saving rates further, we have plans to install more solar panels at depots so that we can charge some of our vehicles with on-site generated electricity. By building on our learnings (and those of the industry), we are developing our strategy and process over time, iteratively improving as our experience builds.

Battery and vehicle charging are guaranteed by our supplier contracts, and we have obtained the benefit of grant funding whenever available. We already have four depots fully designed to accommodate ZEVs and plans have started to take place for four more depots.

We do not expect our vehicle purchasing requirements to compromise a significant portion of the market capacity for the manufacture of these vehicles, and electricity network connections in our depot locations have been strong enough for our needs as a result of our early implementation.

In WeDriveU, although lead times for vehicle delivery are currently longer than in other areas of the business at around two-years, we have deemed there is sufficient future capacity in the vehicle market to enable transition by the target date of 2040. Increased lease costs from financing the ZEVs can be compensated via customer contracts.



Learnings so far

The vehicle replacement cycle in coach operations is more frequent, due to the intensive operational nature of the vehicle. Each coach is typically used for up to seven-years before being replaced, meaning there is a longer time window from now in which to develop a ZEV solution for this market and ensure the necessary infrastructure is in place to achieve the ZEV target dates.

Our UK suppliers have made progress on a hydrogen coach vehicle that produces a longer range than battery ZEVs. It has successfully been trialled and meets our specification requirements. However, there are several issues which make this solution less certain. There are national issues with fluctuating hydrogen availability and we are reliant on both the required national and local infrastructure being in place to support our vehicle operations. Fuel costs are currently too high to compete economically with diesel or electric power, although we are mindful that, as industrial scale production is ramped up, we expect reduced costs.

In the meantime, the technology for battery ZEV for long-distance journeys has developed and is viable for the future. It is already an ideal working solution for shorter coach services like airport operations.

In Spain, Morocco, Portugal and Switzerland, we expect our urban bus operations to transition on a slightly longer timescale than in the UK as a result of three key factors:

- (i) Operating conditions, including route length and ambient temperatures being higher than in the UK;
- (ii) The contracted nature of the services means that the transition timetable needs to be agreed with the contract counterparty; and
- (iii) The extent to which electricity is available to power entire depots' charging points, which is controlled by Public Transport Authorities whom we work with very closely in each location we operate.

During 2024 and 2025, the Alsa progressed with its ZEV transition, and now has 306 EVs in operation or on order during the year.

Whilst there is more uncertainty than in the UK, the availability of suitable vehicles in the market is sufficient to meet the remaining transition plan and the support for vehicles and infrastructure is on the agenda of the public authorities.

We expect to see similar operational benefits to what we have seen in the UK as the transition progresses.

The stats on our progress so far

Mobico has demonstrated progress in our Scope 1, 2 and 3 emissions in recent years, which we are proud of. This is a step in our journey to transition to net-zero that will continue to motivate us as we take the next steps.

ZEVs in operation or on order:

1,315

Compares to 1,036 in 2024 and 491 at December 2022

6.7% reduction in absolute Scope 1 and 2 emissions:

719,167 tCO₂e

Compares to 770,825 tCO₂e in 2024 (2024 adjusted to remove North America School Bus to enable a like-for-like comparison)

13.8% reduction in absolute Scope 3 emissions:

359,480 tCO₂e

Compares to 417,271 tCO₂e in 2024 (2024 adjusted to remove North America School Bus to enable a like-for-like comparison)

Kwh savings from December 2023 to December 2025 from UK Bus transition to EVs

26 million

For more detailed progress, please refer to our TCFD or our Environmental Performance reports at <https://www.mobicogroup.com/sustainability/performance-reports-and-data-1/>



How our business model is affected

During our climate transition, we can still run our excellent services whilst being lower emitting

After our transition, our services will be cleaner and more reliable.

The Group acknowledges the urgent need to reduce emissions and address the risks posed by climate change; however, there remains inherent uncertainty with assessing and anticipating future climate risks. Despite these uncertainties, the Group anticipates its strategy and business model will have the capacity to adapt to climate-related changes, developments and uncertainties based on the maturity of the Climate Transition Plan.

The Group also acknowledges the uncertainty around zero-emissions solutions for long-haul services. Collaboration with industry bodies and infrastructure planning are critical to overcoming range and charging challenges.



Resourcing our transition

Funding our new zero-emission fleet

We will be transitioning vehicles in line with our usual vehicle replacement cycle. The pipeline of new ZEVs over the next five-years has been reflected in the financial forecasts within the Group's annually-refreshed strategic plan.

A combination of funding models, from outright capital purchase and on balance sheet leasing to the availability of grant funding, are expected to hold our usual fleet replacement cycle costs down. However, the financial quantification of individual assumptions is not practically possible to accurately obtain at this stage.

Whilst EV replacements have a higher capital outlay than the usual pattern of diesel replacements, the lower lifetime operating costs that we are experiencing is expected to render the total cost of ownership to be essentially the same.

The remaining capital outlay to transition is incremental over 14-years.



Appendix

Climate-related risks and opportunities

	Risk/opportunity description	Time horizon and impact			Division most affected
		Short	Medium	Long	
Physical	Flooding of stations and railways leading to damage of vehicles and equipment, disruption of services, safety hazards and financial losses.				Germany
	Impact of snow days resulting in route/rail closures, reduced visibility, and hazardous conditions, leading to widespread service delays and cancellations.				Germany, UK (all), WeDriveU
Transition	Carbon pricing having an impact on the supply chain with increased costs of vehicle procurement, infrastructure and parts being passed onto the Group, particularly in an accelerated transition scenario where there is greater government action. This was identified in every division and seen as the most financially material.				Group-wide
	Shifts in government policy, regulatory frameworks or emissions thresholds, particularly if introduced with limited lead-time, leading to rapid operational changes being required.				Group-wide
	Increased regulatory and reporting requirements increasing compliance costs (for example, third-party assurance or advisory services being needed); particularly in the event of an accelerated transition.				Central Functions
	Increasing investor and other stakeholder pressure to transition. Failure to meet expectations may result in reduced stakeholder confidence and erosion of brand credibility.				Group-wide
	Expansion of low or no emissions zones which include public service vehicles, requiring faster than planned transition.				UK (coach)
	Uncertainty around the ZEV transition in the long-haul coach market, including: ·Uncertainty around availability and commercial viability of zero emission vehicles, fuels and related infrastructure; ·Volatility in price of zero emission fuels, such as electricity and hydrogen, resulting in higher operating costs; ·Risk of limitations in range and battery life for long-haul solutions delaying the transition; ·Risk of investing in unproven technologies in an accelerated transition scenario and recoverability of diesel residual values; and ·Reliance on the ability of third-party operators to be able to transition.				UK (coach)
	Fluctuations in the reliability of the grid in the face of higher demands for electricity, and the price impact and ability of the Group of selecting to switch to renewable energy sources for electricity				Germany
Opportunity	Increase in passenger use of public transport due to modal shift from private cars to mass transport, increasing numbers of passengers, improving asset utilisation and driving divisional revenue generation				Group-wide