



MOVING WITH OUR PEOPLE...

Corporate Responsibility Report 2011

Go-Ahead

Go-Ahead is one of the leading providers of passenger transport services in the UK, delivering bus and rail services to predominantly urban markets.

We are a passenger-focused business, delivering quality services to our customers through our safe, socially and environmentally responsible operations.

Our Corporate Responsibility Report focuses on key areas of activity: safety, the environment, our passengers, our staff and local communities.



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FOR MORE INFORMATION VISIT:
www.go-ahead.com

Annual Report

Summary of our issues, responsibilities, approach and performance.
 Information on our economic impacts.

Corporate website

Detailed information on our issues, responsibilities, approach and performance.
 Information on goals, targets and three-year performance data, copies of key policies.

Individual operating company Corporate Responsibility Reports

Description of individual operating company issues, approach and performance.



MAKING
A POSITIVE
IMPACT ON THE
ECONOMY, THE
ENVIRONMENT
AND SOCIETY



“At Go-Ahead, we continue to put our passengers at the heart of our business, and focus on providing efficient, integrated and responsibly operated bus and rail transport. This approach to our operations remains as important as ever.”

David Brown, Group Chief Executive

I am delighted to welcome you to Go-Ahead's Corporate Responsibility Report for 2011 – my first as Group Chief Executive. I am pleased to have returned to a company which has been reporting its Corporate Responsibility (CR) activity for the past ten years and I am personally committed to seeing both the level of that activity and our rigorous approach to reporting continue.

At Go-Ahead we are responsible for over one billion passenger journeys each year. We employ over 22,000 people and have over 4,000 suppliers so we are well-placed to make a positive impact on the economy, the environment and society. In this report you can find out how we monitor and manage the impact of our businesses while providing efficient, integrated and responsibly operated bus and rail services.

In today's world, environmental and social issues continue to play an important role. CR is at the heart of everything we do at Go-Ahead. One of the Group's strategic priorities is to be sustainable and run our companies in a safe, socially and environmentally responsible manner*. Our values of putting passengers first, innovation and empowering our employees to deliver a quality service underpin our approach. These issues are at the heart of our business strategy and we work closely with colleagues, passengers, suppliers, government, researchers, community groups and industry experts to innovate so that we remain at the forefront of our sector. Our aim is to provide passengers with quality, affordable bus and rail services which meet the requirements of the communities we operate in. We also aim to ensure that our main suppliers operate sustainably and ethically.

* The other strategic priorities are: to provide high quality locally focused passenger transport services; to prioritise our operation in high density urban markets; and to run our business with strong financial discipline to deliver shareholder value.

GROUP CHIEF EXECUTIVE'S STATEMENT CONTINUED

We appreciate that for many in the UK, recent years have been tough financially. We continue to do all we can to offer value for money while at the same time ensuring our services are convenient, reliable and environmentally efficient. For Go-Ahead, a sustainable long-lasting business has to be driven by clear values: we have continued to adhere to this philosophy and our businesses have delivered another full year of activity in the CR sphere.

We are extremely proud that during the year we were the first UK transport operator to be reaccredited with the Carbon Trust Standard after continuing to reduce our carbon emissions. Go-Ahead achieved silver in the Business in the Community (BITC) Corporate Responsibility Index this year. Extensive feedback from BITC has enabled us to take action and improve our weaker scores.

We continue to focus on reducing our environmental impacts through our Driving Energy Further initiatives to cut our energy consumption across all our operations. The environment section of this report provides more details on pages 12 and 13. Our overall aim through Driving Energy Further is to reduce our CO₂ emissions per passenger journey by 20% by 2015*; we have achieved a reduction of 12% to date, an improvement of 3% on the previous year. I believe we are well on the way to achieving our 20% target.

This year our plans for the 2012 Olympic and Paralympic Games have been high on our agenda. The Games have been hailed as the first public transport Games, and we have worked closely with the Olympic Delivery Authority to ensure preparations to transport spectators to and from the Games are well underway.

The economic conditions of the past 12 months have posed challenges for all UK businesses. In these circumstances, putting the customer at the heart of our business and focusing on providing efficient, integrated and responsibly operated bus and rail transport become more important, not less.

That is what we have delivered, and as the new Chief Executive of Go-Ahead I will ensure that our commitment to CR continues.



David Brown, Group Chief Executive

September 2011

Our values

Putting passengers first to deliver high-quality bus and rail services

Empowering our employees to work as a team and deliver a quality service. Our devolved management approach enables a strong local focus

Innovating to deliver change and growth



Oxford Bus Company's park and ride service is operated entirely by hybrid buses.



Southeastern's high-speed service delivers high levels of passenger satisfaction.

* Using 2007/08 as a baseline.

Highlights

Safety

- New 'Eyewitness' scheme introduced by Southern encourages staff to use their eyes and ears and report anti-social behaviour via their smartphones
- 86% of rail passenger footfall covered by Secure Station Status

 More on pages 10-11


Environment

- Carbon emissions per passenger journey reduced by a further 3%
- First UK transport operator to achieve Carbon Trust Standard reaccreditation
- First UK park and ride bus operator to run green electric hybrid buses. Oxford Bus Company introduced 17 new double deck vehicles, supported by the Government's Green Bus Fund
- London Midland became the first UK train operating company to fit its electric train fleet with energy meters to monitor traction electricity use

 More on pages 12-13


Passengers

- New tactile maps launched at Southern in partnership with the RNIB, helping people find their way around stations. The award-winning Maps for All scheme was commended for going beyond the requirements of the Disability Discrimination Act
- Roll-out of Go-Ahead's smartcard, the key, across 50% of our bus operations
- Transport watchdog Passenger Focus' survey found that 97% of passengers were satisfied with the service they received from Konectbus
- Southeastern worked with the Olympic Delivery Authority to consult passengers about the proposed timetable for the 2012 Olympics

 More on pages 14-15

Employees

- £12m spent on staff training, the equivalent of 90,000 training days
- Southeastern achieved silver Investor in People status and Southern achieved Investor in People status for the first time

 More on pages 16-17

Community

- £182,000 contributed to charities and community groups across our businesses
- Achieved silver rating in 2011 Business in the Community's Responsibility Index. The index rates companies on community activity, the environment, workplace and marketplace

 More on pages 18-19

We welcome feedback on our CR report and activities.

Please contact us via email at: cr@go-ahead.com or write to: Corporate Responsibility, Go-Ahead Group, 6th Floor, 1 Warwick Row, London SW1E 5ER.

All our reports can be found at

www.go-ahead.com/responsibility

SAFETY

Ensuring the safety of our passengers and employees is an absolute priority for the Group.

ENVIRONMENT

We are committed to reducing the environmental impacts of our operations and believe a sustainable transport network with high-quality bus and rail services is essential to the UK's future.

PASSENGERS

A reliable and convenient service encourages passenger growth and offers an attractive alternative to the private car. Our devolved structure ensures a strong local focus on providing high-quality bus and rail services.

EMPLOYEES

How we develop people's performance at work is important to our success. We strive to be the employer of choice in the bus and rail transport sectors.

COMMUNITY

Our businesses develop close links with their communities and tailor their services to local circumstances. Providing an efficient transport system is key to the UK economy.

GROUP OVERVIEW

Over one billion passenger journeys are made on our services every year. Our locally focused businesses are tailored to our passengers' needs.

RAIL

Go-Ahead runs rail operations through its 65% owned operator, Govia. It is the UK's busiest rail operator, carrying the majority of rail passengers in and out of London on its three franchises: Southern, Southeastern and London Midland. In the UK, around 30% of all train journeys are made on our services.

SOUTHERN

Revenue: £613.5m
Area: London, Surrey, East/West Sussex, Hampshire, Kent
Passenger journeys*: 165 million
Average number of employees: 4,039
Fleet: 311 trains

southeastern.

Revenue: £715.8m
Area: London, Kent, East Sussex
Passenger journeys*: 161 million
Average number of employees: 3,709
Fleet: 367 trains

londonmidland

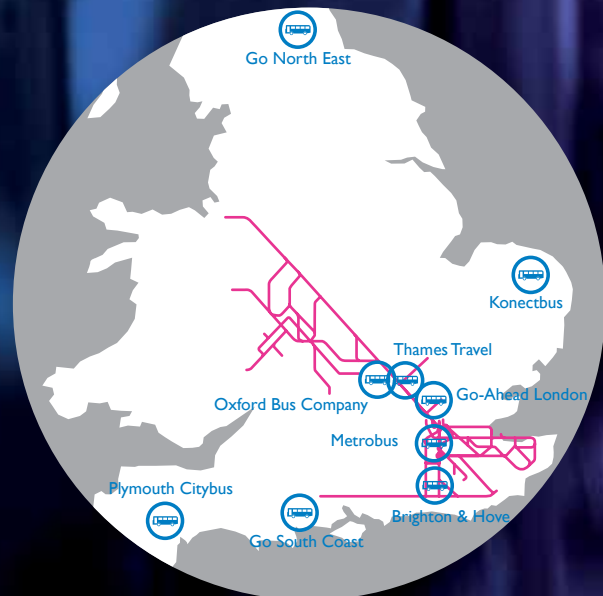
Revenue: £325.3m
Area: London, Milton Keynes, Northampton, Birmingham/West Midlands, Liverpool
Passenger journeys*: 55 million
Average number of employees: 2,342
Fleet: 163 trains

WHERE WE OPERATE

We operate bus and rail services predominantly in the UK, focused in South East England.

Our locations

-  Rail network
-  Bus operating company



FOR OUR OPERATING COMPANY CR REPORTS VISIT

www.go-ahead.com/responsibility/report-archive.aspx



UK BUS

Go-Ahead is one of the UK's leading bus operators. With a fleet of over 3,800 buses, we carry around 1.7 million passengers every day. We are the largest operator in London, with around 21% market share, and operate in Oxford, East Anglia and southern, south east and north east England. We also operate a yellow school bus joint venture in North America.



Revenue: £290.0m
Area: Central London, South London, East London
Passenger journeys*: 362 million
Average number of employees: 4,761
Fleet†: 1,481 buses



Revenue: £89.3m
Area: Tyne and Wear, County Durham, Northumberland, Teesside
Passenger journeys*: 72 million
Average number of employees: 2,032
Fleet†: 672 buses



Revenue: £80.4m
Area: South East London, Kent, Surrey, East Sussex, West Sussex
Passenger journeys*: 77 million
Average number of employees: 1,425
Fleet†: 446 buses



Revenue: £75.4m
Area: Dorset, Wiltshire, Hampshire, Isle of Wight, Southampton
Passenger journeys*: 40 million
Average number of employees: 1,493
Fleet†: 678 buses



Revenue: £50.2m
Area: Brighton, Hove, Eastbourne, Tunbridge Wells, Steyning/Shoreham
Passenger journeys*: 47 million
Average number of employees: 1,087
Fleet†: 281 buses



Revenue: £34.3m
Area: Oxfordshire, Routes to: London, Heathrow and Gatwick
Passenger journeys*: 20 million
Average number of employees: 559
Fleet†: 168 buses



Revenue: £18.0m
Area: Plymouth
Passenger journeys*: 14 million
Average number of employees: 462
Fleet†: 169 buses



Revenue: £4.3m
Area: Swaffham, Norwich, Dereham, Walton, Wymondham
Passenger journeys*: 3 million
Average number of employees: 85
Fleet†: 47 buses



Revenue: £0.5m
Area: South Oxfordshire, Berkshire
Passenger journeys*: 3 million
Number of employees†: 98
Fleet†: 43 buses

* Rounded to the nearest one million. Passenger journeys for Thames Travel, which was acquired on 24 May 2011, are approximate annual figures.

† As at 2 July 2011.

Go-Ahead operates in North America through a 50:50 joint venture, Go-Ahead North America, with Cook-Illinois.

CORPORATE RESPONSIBILITY IS AT THE HEART OF EVERYTHING WE DO

Our approach

For Go-Ahead, CR means a number of things. It is about operating our trains and buses safely, reducing the impact of our operations on the environment and being passenger focused. It also means developing our staff and enriching our local communities while growing our business profitably for our shareholders.

Our approach covers five key areas of our business: safety, environment, our passengers, our employees and the community. We have commitments and targets in each of those areas and report on the activity undertaken in each area.

Underpinning our approach to CR are our values; they help ensure we run our businesses in a safe, socially and environmentally responsible manner.

Working with stakeholders

As a leading UK transport provider, we face a wide range of complex and inter-related issues. Some of those issues are within our control, some we can influence and others are more challenging to manage, such as the wider economic environment. But we believe that by operating responsibly we are better placed to achieve long-term shareholder value and meet our stakeholders' expectations of our business.

Working with stakeholders is a fundamental part of our approach to CR and to the way we run our bus and train services. We analyse information we gather from research, meetings and surveys to understand key issues for different groups and use it to plan our CR strategy and set new commitments.

We also work in partnership with other parties such as central and local government as well as our customers and colleagues to tackle issues and find solutions. Below we set out our approach to managing our stakeholders.

Employees

Go-Ahead staff are encouraged to put passengers at the heart of everything they do. We aim to ensure our people have the skills and tools to do that by providing training and the right equipment.

We encourage our staff to give us their views through surveys, one-to-one discussions, team meetings and regular forums and conferences.

Our passengers

Over one billion passenger journeys are made with us every year; so our rail and bus customers are a key audience. We engage with them daily at local level through the day-to-day running of our services. We hold regular Meet The Manager sessions, and encourage feedback via the web, social media channels, on line passenger panels, podcasts and customer forums. Our passengers are also represented on our Stakeholder Advisory Boards; they join staff and senior managers for regular formal meetings and provide input into the company decision-making process.

Our businesses use feedback resulting from the National Passenger Survey to improve their services. The surveys are carried out by the independent passenger watchdog, Passenger Focus.



The morning peak at London's Victoria station. We carry over one billion rail and bus passengers a year.

Government

National and local government are key stakeholders because policy and regulation changes can affect our businesses. We work closely with local authorities to develop partnerships which contribute towards improving service quality and local facilities. We respond to consultations on specific policy areas affecting the bus and rail industries and develop effective dialogues with MPs and ministers. We provide input into potential new policies and ensure regular and open feedback on our performance as an operator takes place.

Community

Good relationships with our local communities are essential to our businesses. We engage with them through local authorities, schools and colleges, local businesses, charities and passenger user groups. We actively work with local groups to enhance community programmes and local facilities.

Investors

Our open and frequent dialogue with investors takes place throughout the year. We provide information on trading via quarterly trading updates. Investors meet with senior management regularly; they wish to see a return on their investment and regularly engage with the Group on issues ranging from effective financial management to broader CR and governance issues.

Supply chain

Relationships with our key suppliers such as Network Rail and bus manufacturers are vital since we rely on them to deliver our services. Many of our suppliers are small and medium enterprises local to our operations so we are able to support local businesses and the economy. We also work with some 400 larger suppliers who participate in procurement questionnaires which include sustainability and ethical questions.

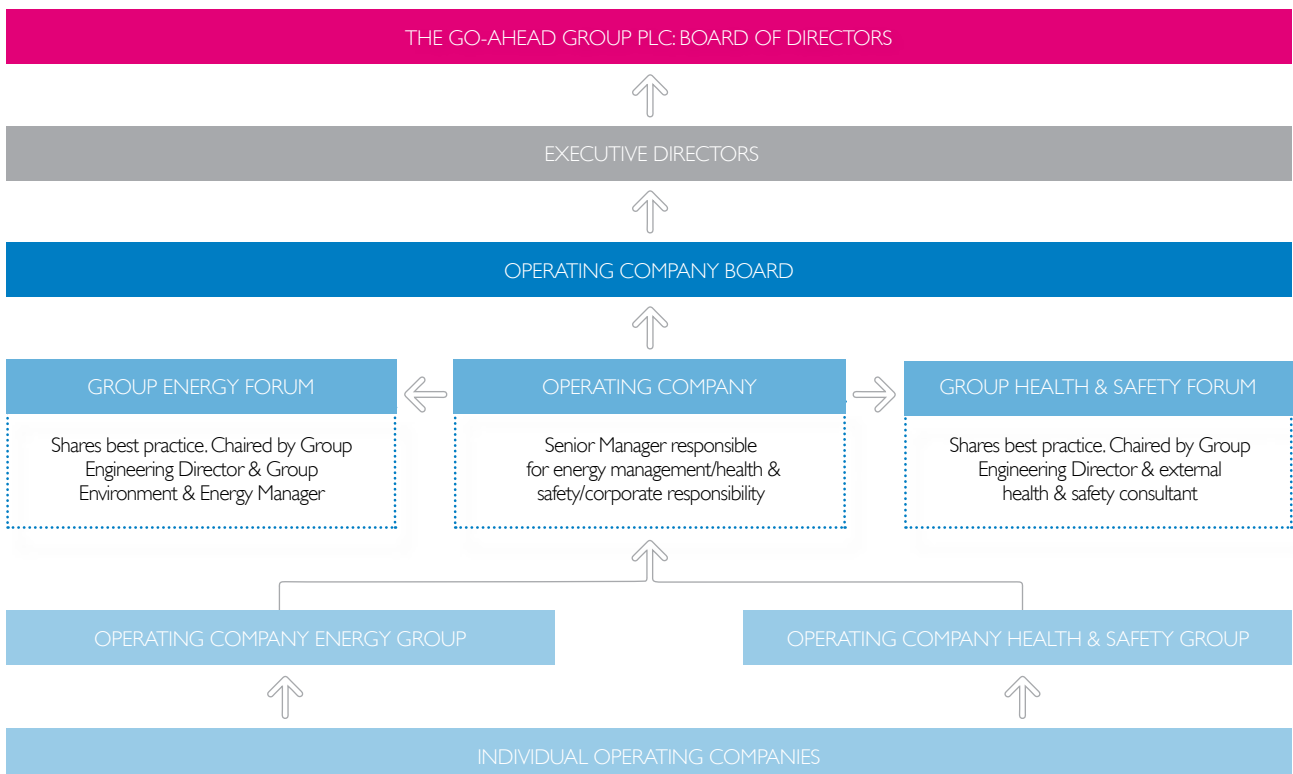
Developing positive relationships with suppliers is important to our mutual success and where possible we encourage them to consider the economic, environmental and social impacts of their activities.

Governance

The Go-Ahead Board is accountable for CR within the Group and the Chief Executive is ultimately responsible for it. The Group's flat structure enables the Board to closely monitor the performance of each operating company across our five key CR areas. Key performance indicators (KPIs) are regularly reviewed at monthly operating company board meetings chaired by the Group Chief Executive and Finance Director.

Two specific Group-wide CR-related forums exist, one for health and safety and one for energy. Each business has internal safety and energy targets to meet which are linked to the remuneration of senior management within our operating companies. Each of our businesses is externally audited by an independent health and safety assessor every year.

Internal corporate responsibility structure



A RESPONSIBLE APPROACH

Our performance on safety, service punctuality and value for money helps us grow patronage. Minimising our environmental impact makes good business sense too, since it helps deliver cost benefits.

OUR RESPONSIBILITIES AT A GLANCE

Simplifying our CR reporting means we can track how we are progressing more effectively and we are always seeking to improve our performance through stakeholder feedback.

The table on the right shows how we have progressed against our targets and objectives in each of these five areas and sets out our objectives for the coming year:

We report on our CR activities in five areas:

- Safety
- Environment
- Passengers
- Employees
- Community

Overall objectives

SAFETY

The safety and security of our passengers, our people and the general public is an absolute priority for the Group. We aim to achieve a 20% improvement across our health & safety KPIs by 2015.

ENVIRONMENT

To operate our services in a sustainable manner and reduce our environmental impact through our Driving Energy Further strategy to reduce carbon emissions by 20% by 2015.

PASSENGERS

To attract more passengers on to our services each year by providing a high-quality service that is reliable and convenient.

EMPLOYEES




To be the employer of choice in the sector. We have a unique devolved structure based on empowerment, trust and innovation; it enables our businesses to develop and reward staff.

COMMUNITY

To be an outstanding member of the communities we operate in.

* Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.
■ This symbol indicated that this measure is a Group Key Performance Indicator (KPI).

2011 progress

- Bus accidents (which result in a notification to a claims handler) per million miles reduced by 17.6% 
- Signals Passed at Danger (SPADs) per million miles reduced by 21% 
- 86% of stations with Secure Station Status
- Staff RIDDOR* accidents per 100 employees reduced by 27.0% 
- Group-wide health and safety forum held every quarter
- Annual safety audit of all business


2012 objectives

- Further improve high safety standards, working towards 2015 targets
- Continue to reduce crime and anti-social behaviour on our networks

Read more



See pages 10 and 11 for more information on safety


- First UK transport operator to receive Carbon Trust reaccreditation
- 12% reduction in CO₂ emissions per passenger journey achieved, against 2015 target of 20% 
- 9% reduction in site energy usage achieved since 2007/08
- Electricity traction for rail (EC4T) efficiency improved by 4%
- 68% of waste recycled

- Southern achieves ISO 14001 environmental management system
- Introduction of Environment Champions staff scheme at Southern
- Group-wide energy forum held every quarter
- Continued involvement in UK-wide Greener Journeys campaign to remove one billion car journeys from the road by 2014

- Continue to improve energy efficiency to further meet our 2015 Driving Energy Further target
- Reduce site energy use by 4.5%
- Roll-out Environment Champions scheme
- Continue to engage and motivate employees in energy efficiency projects and initiatives



See pages 12 and 13 for more information on environment

- Like-for-like passenger journey growth of 2.3% and 4.2% in our bus and rail divisions respectively
- Maintained high punctuality scores 
- Achieved 91% passenger satisfaction score in bus (compared to 85% across the industry as a whole)
- Achieved 82% rail passenger satisfaction score (national average is 84%)

- Continued roll-out of Go-Ahead's smartcard, the key, to 50% of our deregulated bus businesses
- Go-Ahead Customer Relationship Management (CRM) established enabling more targeted passenger marketing
- Increased use of social media to communicate with passengers, including Twitter, Facebook, blogs and online consultation panels

- Further improve customer satisfaction scores across bus and rail
- Maintain high levels of punctuality
- Complete roll-out of the key smartcard across Go-Ahead's deregulated bus businesses by early 2012
- Roll-out of the key across Southern in autumn 2011



See pages 14 and 15 for more information on passengers

- Southern achieved Investor in People (IiP) status
- Southeastern achieved silver IiP status

- £12m spent on training – an increase of 20% on last year; this equals 90,670 training days
- Low levels of staff turnover (10.4%) and absenteeism (4.8%) maintained

- More staff to receive work-related training
- Southern to achieve bronze IiP status; Southeastern to achieve gold IiP status



See pages 16 and 17 for more information on employees

- £182,000 donated to charities and community groups
- Achieved silver in Business in the Community (BITC) responsibility index

- Extensive engagement programme with wide range of stakeholders

- Continue to use BITC's responsibility index to benchmark ourselves against our peers and other sectors
- Continue working closely with stakeholders to inform our decisions



See pages 18 and 19 for more information on community

SAFETY

“The safety and security of our passengers, our people and the general public is an absolute priority for the Group.”

Sir Patrick Brown, Chairman

SAFETY

The safety and security of our passengers, our people and the general public is an absolute priority for the Group. We aim to achieve a 20% improvement across our health & safety KPIs by 2015.

2011 PROGRESS

- 17.6% reduction in bus accidents
- New award-winning Eyewitness scheme to encourage crime reporting
- 23% reduction per 100 employees in staff RIDDOR* accidents

2012 OBJECTIVES

- Further improve high safety standards, working towards 2015 targets
- Continue to reduce crime and anti-social behaviour on our networks

Running our companies in a safe manner is a key strategic priority for Go-Ahead. We work to strict health and safety guidelines in all our businesses, and invest in security measures to reassure our passengers and staff and to reduce crime across our bus and rail networks. This year we have seen a strong improvement in safety performance with employee RIDDOR* accidents reduced by 23%, bus accidents down by 17.6% and Signals Passed at Danger reduced by 21%.

At operating company level, safety is managed by each company's board through their safety management groups. Individually, our businesses have made good progress this year too. Southern's Safer Travel Team has gone from strength to strength in its second year, responsible for 400 arrests and 300 cautions. Eyewitness, the innovative anti-social behaviour reporting system, has proved a success, winning the cross industry partnership award at the 2011 Railway Industry Innovation Awards. Eyewitness encourages passengers and stakeholders to report crime via text message or email to make the railway a safer place. Plans are in place to extend the initiative to include passengers. This year, Southern has seen a reduction of 11.5% in the number of reported injuries.

* Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995.



Our bus drivers are regularly monitored by Driving Standards Agency staff.

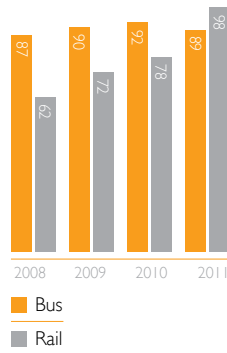
Our bus companies work closely with the local police to help tackle anti-social behaviour by providing valuable rent free advertising on board our buses for Crimestopper campaigns and Neighbourhood Watch information. They also carry out driver monitoring by Driving Standards Agency staff who travel as passengers and assess our drivers. The results continue to be impressive and drivers welcome the positive feedback this brings. Our buses have in-cab monitoring displays showing braking and acceleration so drivers can see how they are performing and adapt their behaviour. These developments continue to have a beneficial effect on driving standards as well as fuel efficiency and have led to more comfortable journeys and a safer environment for passengers.

Go-Ahead London is integral to the Mayor's strategy for transport in London. The introduction of the bike hire scheme across the city has increased the use of cycles – some 80,000 hire scheme members use the bikes on weekdays – and this has had a significant impact on bus operations with a greater number of bikes on the road sharing space with buses and other vehicles. Go-Ahead London has taken a proactive role in this new development, with staff becoming involved in local community training schemes to increase cycle awareness.

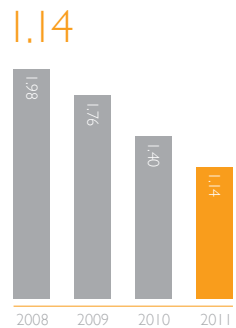


Employee RIDDOR accidents have reduced by 23% this year.

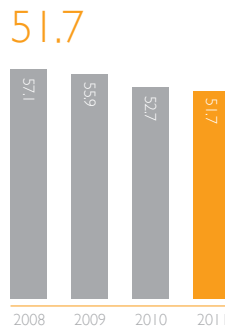
CCTV ON BUS & RAIL FLEET (%)



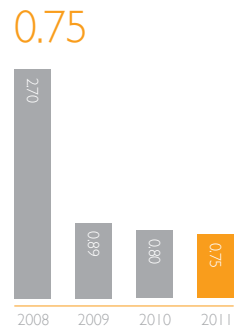
RIDDOR ACCIDENTS PER 100 EMPLOYEES



BUS ACCIDENTS PER MILLION MILES



SIGNALS PASSED AT DANGER (SPADS) PER MILLION MILES



Our Safer Travel Teams help make the railway safer for our passengers.

ENVIRONMENT

“We were delighted to be the first UK transport operator to gain Carbon Trust reaccreditation for our work to reduce carbon emissions.”

David Brown, Group Chief Executive

ENVIRONMENT

We aim to operate our services in a sustainable manner and reduce our environmental impact through our Driving Energy Further strategy to reduce carbon emissions per passenger journey by 20% by 2015.

2011 PROGRESS

- 12% reduction of CO₂ emissions per passenger journey based on 2007/08 baseline
- Fitting energy meters to some of our electric trains
- Introducing more hybrid diesel-electric buses

2012 OBJECTIVES

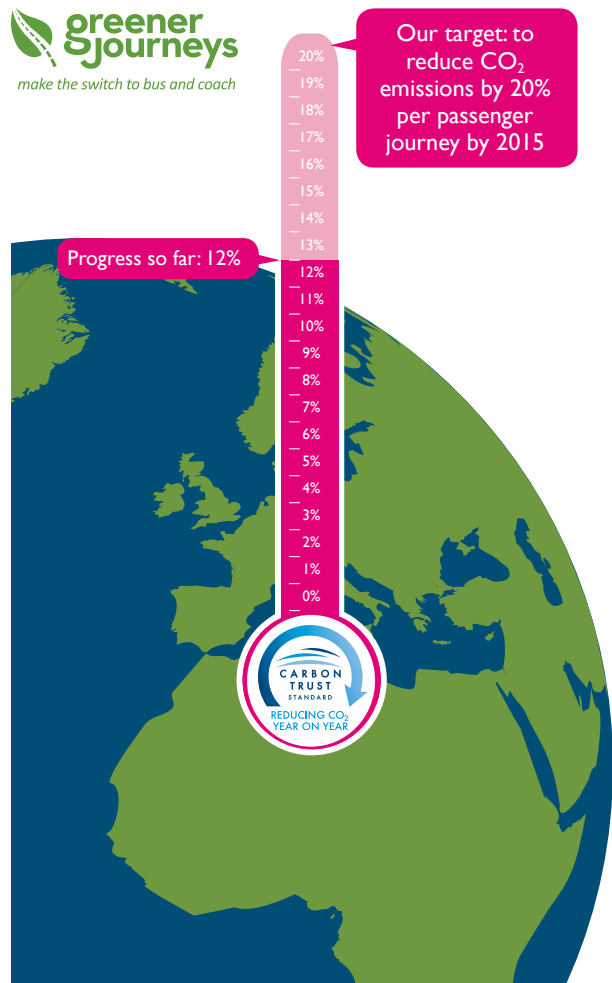
- Continue to improve energy efficiency to further meet our 2015 Driving Energy Further target
- Reduce site energy use by 4.5%
- Roll-out Environment Champions scheme
- Continue to engage and motivate employees in energy efficiency projects and initiatives

This year, we have continued to reduce the environmental impact of our operations by improving our energy efficiency. Our Group-wide Driving Energy Further strategy has encouraged our operating companies to remain focused on reducing energy consumption. This year we have reduced CO₂ emissions per passenger journey to 0.88kgs, down from 1.00kgs during the baseline year of 2007/08. Our target is to reduce our CO₂ emissions per passenger journey by 20% by 2015 and we are delighted to have achieved a 12% reduction to date – a 3% additional improvement on last year’s 9% figure.

Driving Energy Further is co-ordinated by the Group Energy Forum, chaired by the Group Engineering Director. The Forum reviews progress against each operating company’s energy reduction targets, shares best practice and identifies initiatives aimed at reducing energy consumption even further.

This year, Go-Ahead became the first UK transport operator to receive Carbon Trust Standard reaccreditation for our work to reduce our CO₂ emissions.

Go-Ahead supports the Greener Journeys campaign to increase bus use.



The key highlight this year is the continued roll-out of regenerative braking, eco-driving and track side coasting boards to cut the use of traction electricity which powers our electric train fleet. The combination of these three initiatives has resulted in a 7.5% year-on-year improvement in fuel efficiency use (vehicle kms per kilowatt hour), the equivalent of 36,000 tonnes of CO₂.

London Midland became the first UK train operating company to equip its electric train fleet with energy meters. The equipment, which resembles household electricity meters, has been installed on 100 trains. It records energy usage every minute and is supported by back-office software which produces data showing which trains are using the most and least electricity. The meters will enable London Midland to only pay for the electricity it uses and provide data to monitor and manage usage and levels of eco-driving. Currently electricity charges are based on estimates by infrastructure-provider Network Rail.

Southern has been successful in gaining ISO 14001 approval for its environmental management system. The system manages the environmental impact of the company's activities, helps improve its environmental performance continually and assists with establishing environmental objectives and targets. Forty-three new Environmental Champions were appointed this year to encourage good working practices across the business. Environmental audits have been carried out at every Southern site; local environmental impact assessments of new projects have been undertaken and action plans developed to manage those impacts.

This year, Go-ahead has increased the levels of waste recycled, from 52% to 65%. This improvement has been assisted by the provision of newspaper recycling bins at train stations.

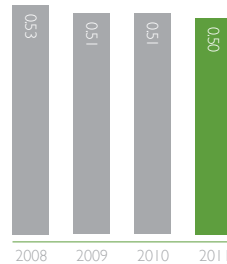
The Oxford Bus Company continued to be an industry leader in specifying environmentally friendly vehicles. This year, the company completely replaced the fleet used on the Oxford Park and Ride network with 17 hybrid diesel-electric double deckers which use less carbon and emit lower emissions. The company is working closely with local authorities to deliver a highly challenging Low Emission Zone (LEZ) in central Oxford by 2013. To support this initiative Oxford Bus Company has upgraded 26 mid-life

buses to the required LEZ standard and is on track to be the first company to meet the stringent emission zone target.

At Go South Coast, last year's investment in intelligent lighting has meant significantly lower energy use has been maintained. The company intends to build upon this achievement over the coming year by installing its first solar photo voltaic (PV) panel at Newport depot on the Isle of Wight. The company is a founder partner of the Isle of Wight's Eco Island Partnership, working to deliver carbon neutrality to the island with other leading businesses, organisations and public bodies.

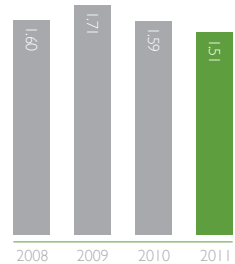
CO₂ PER PASSENGER JOURNEY – BUS (KG)

0.50kg



CO₂ PER PASSENGER JOURNEY – RAIL (KG)

1.51kg



Passengers are encouraged to recycle their newspapers at our train stations.



86% of Go-Ahead's electric train fleet that has the potential to use regenerative braking is now doing so.

PASSENGERS

“We aim to continuously improve the service we offer.”

David Brown, Group Chief Executive

PASSENGERS

We aim to attract more passengers on to our services each year, by providing a quality service that is reliable and convenient.

2011 PROGRESS

- Passenger satisfaction rates – 82% rail, 91% bus
- Smartcard ticketing used on 50% of bus operations
- Working with the Olympic Delivery Authority to prepare for 2011 Olympics

2012 OBJECTIVES

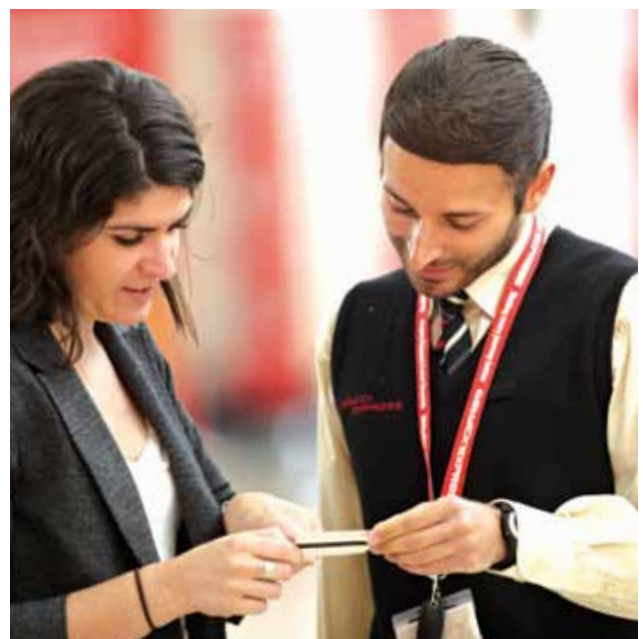
- Further improve customer satisfaction scores across bus and rail
- Maintain high levels of punctuality
- Complete roll-out of Go-Ahead's smartcard, the key, across Go-Ahead's deregulated bus businesses by early 2012
- Roll-out of the key across Southern in autumn 2011

At Go-Ahead we are committed to listening to our passengers, acting on their feedback and continuously improving our services. Getting the basics right for the one billion passengers who travel with us annually is key to providing a good quality service.

Our unique devolved structure enables our local management teams to respond to the specific needs of the passengers they serve. Our businesses focus on delivering key aspects of the passenger experience well – ensuring our trains and buses are clean and our employees are well presented, for example. Providing good information is also essential, whether through our websites, on stations and buses, at bus stops or through social media. We want our passengers to feel safe, so installing CCTV on most vehicles and ensuring vehicles are easy to access are also important.

Continuous improvement is an important element of our approach. We ensure our staff receive the training they need to meet the expectations of our passengers. Recent passenger surveys by passenger watchdog Passenger Focus suggest that we are largely delivering what passengers want, with 91% of bus passengers and 82% of our rail passengers satisfied with our services.

All of our companies strive to stay at the forefront of customer service: new initiatives are continually being launched across our operations and we aim to act on passenger feedback to improve or expand our services where possible. We have made good progress on the introduction of the key, our smartcard which makes travelling on our services simple, secure and cost effective. The aim is for this card to be used across our services. It will save people time when switching services or boarding the bus, and money through the availability of multi-journey tickets.



Gatwick Express staff are available to provide advice to visitors arriving in London.

Southern's award winning Railway for All programme has also proved a success this year, exceeding the statutory requirements of the Disability Discrimination Act so that all passengers have a service they can use and enjoy. The programme includes a range of measures such as tactile station maps and a priority seat card which entitles the holder to a seat on the train, avoiding the embarrassment of asking a fellow passenger to give up a seat or identify why it is needed.

Go-North East runs a similar scheme known as the Bridge Card which is carried by customers who want to indicate to drivers that they may need a little extra help or time when boarding the bus. The company also launched its new Commuter Club service this year, designed to bring people into the heart of Newcastle quickly and in comfort on luxury coaches. The service provides newspapers and Wi-Fi access and is competitively priced.

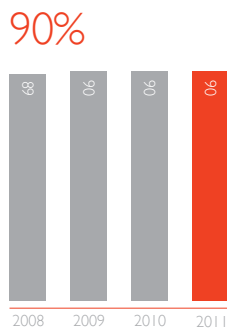
Southeastern has worked closely with key stakeholder Kent County Council to expand its high speed services in response to passenger demand, with the introduction of additional trains from Deal and Sandwich. The new services are funded by the County Council to boost business confidence and support new employment opportunities in East Kent. Transport Minister Norman Baker congratulated both parties saying it was good news that an agreement to extend the services had been reached.

In Southampton Go South Coast's Unilink service has also continued to expand, with the company working with the University of Southampton to increase the frequency of routes in line with growing passenger numbers.

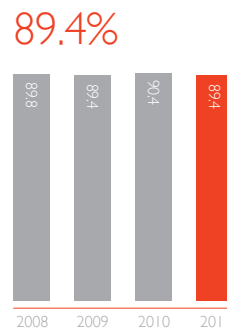
Our passenger-related awards this year include:

- Project of the year, National Rail Awards: Southeastern's introduction of the high speed service
- Marketing campaign of the year, Rail Professional Awards: London Midland's Great Escape campaigns offer passengers the opportunity to travel anywhere on its trains for £10 a day. The company was runner up in the PR campaign of the year for using Twitter to provide service information during disruption to passengers
- Passenger experience award, Rail Innovation Awards: Southern's accessibility improvements include tactile maps, easy read timetables and booklets and the improved assisted travel system. The company also won the integrated transport Rail Business Award for its station travel plans
- Bus operator of the year, UK Bus Awards: Brighton and Hove Buses
- Best communication with passengers, London Bus Awards: Julie Jessop, London General Bus Driver was recognised for her consistent, high quality service to passengers. Julie has received commendations for her friendly demeanor, helpful manner, co-operation, considerate driving style and all round positive attitude

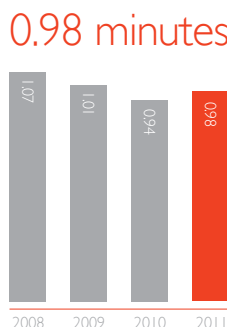
DEREGULATED BUS PUNCTUALITY (%)



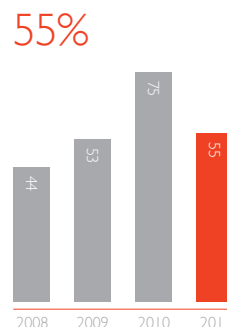
RAIL PUNCTUALITY (PPM) (%)



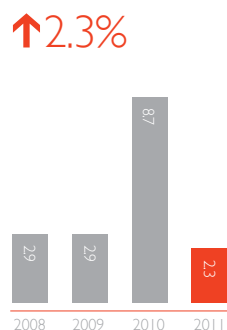
LONDON BUS PUNCTUALITY, EXCESS WAITING TIME



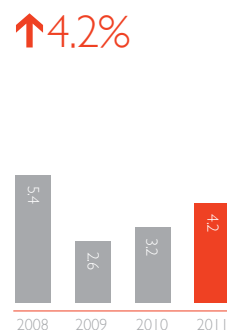
CERTIFIED ACCESSIBLE TRAIN STATIONS (%)



BUS PASSENGERS JOURNEY GROWTH (EXCL LONDON) (%)



RAIL PASSENGERS JOURNEY GROWTH (%)



EMPLOYEES

“I am proud that our people are committed to delivering quality services to our customers.”

David Brown, Group Chief Executive

EMPLOYEES

We aim to be the employer of choice in the sector. We have a unique devolved structure based on empowerment, trust and innovation; it enables our businesses to develop and reward staff.

2011 PROGRESS

- More businesses achieved Investor in People status
- £12m invested in staff training
- Low staff turnover levels

2012 OBJECTIVES

- More staff to receive work-related training
- Southern to achieve bronze IIP status; Southeastern to achieve gold IIP status

Making Go-Ahead companies great places to work for our 22,000 staff helps us achieve our business goals. Our employees work on our trains and buses, on our stations and in our depots and offices, providing a service to our passengers throughout the year. They are the face of Go-Ahead: we want them to stay with us and we strive to give them the training and tools they need to do their jobs well.

Communicating with our staff is key to making our companies great places to work. Southeastern became the first train operating company in the UK to provide a social networking tool for its employees to share information and discuss work-related issues with colleagues. The site, named Workmate, means staff can interact with each other in the way that many of them already do with friends and family on sites like Facebook and Twitter. Workmate was introduced after staff taster-days to show how it could be used to help with their day-to-day roles and connect with colleagues they might not otherwise meet.

We aim to listen to the views of our people too, through staff surveys and one to ones. Go-Ahead London surveyed their 4,760 employees this year to ask their opinions on communications within the company. The Have Your Say campaign produced positive responses from a large proportion of employees and the feedback led to the business creating new local forums led by an independent facilitator to improve two-way communication. Southern's annual staff survey revealed that people wanted to spend more time with their manager and have more regular business updates. As a result, the business introduced a new team briefing format for customer facing staff and a new meetings programme for managers.

This year, we were delighted that Southeastern achieved Silver Investor in People (IIP) status, a demonstration of the company's focus on being a good employer and its commitment to employee development and learning. The business aims to progress to Gold status in 2012. We were also delighted that Southern gained IIP status, meeting all 39 of the qualifying categories and clearly demonstrating its dedication to improving the business through investment in its staff.



London Midland's training academy helps deliver the business' £1m annual training budget.



Staff at Konectbus receive their NVQ Certificates. The NVQs are delivered by Lowestoft College.

We are committed to developing the skills of our staff. We play an active role in the work of the Sector Skills Council for the bus and rail industries and our businesses participate in major NVQ training programmes to improve employees' skills. Norfolk-based company Konectbus has worked in partnership with Lowestoft College to deliver a customer care course, following the successful Certificate of Professional Competence NVQ level two course for driving. 55% of the company's drivers have also completed the customer services NVQ level 2 course. Other ancillary staff have obtained cleaning and support NVQ level two while supervisory staff have achieved level three in IT and Management.

Celebrating excellence at work is important to Go-Ahead. London Midland's Ambassador Awards reward individuals and teams who have gone the extra mile at work for passengers, colleagues or the business in general. Entries are assessed by the nomination panel made up of staff from all parts of the business and the winners rewarded with prizes and certificates. All entries are nominated for the prestigious Rail Staff Awards, the annual rail industry awards for frontline staff.

We are always seeking ways of bringing new people into our companies, including young people just out of school. We run apprenticeship training in engineering skills for example, and work experience programmes for 14-18 year olds give students real insight into the world of work. Partnerships with local Job Centres provide work experience placements to unemployed young people aged between 18 and 21. Go-Ahead London's engineering training team have attended careers events sponsored by the Sutton Education Business Partnership to promote the company's engineering apprentice scheme to school leavers and young people. The response to date has been very positive and the business plans to maintain the partnership in the future.

This year, a number of initiatives have been introduced to encourage employees to cycle to work. At Brighton and Hove Buses, new cycle storage facilities have been installed and a 'cycle to work' financial scheme introduced so that people can buy a new bike while benefitting from tax efficient deductions from pay. In all, 40 staff have signed up and there has been a noticeable increase in the number of people cycling to work.

Our employee-related awards this year include:

- Bus service support, London Bus Awards: The Merton Mentors from Merton Bus Garage were recognised for consistently providing a reliable, passenger focused service. Eight highly trained drivers mentor their colleagues in addition to their normal driving duties, passing on a wealth of driving experience to the next generation of bus drivers
- Investors in People Award for Southern and Investors in People Silver award for Southeastern

22,059
employees
in 2011



Southeastern achieved Silver Investors in People this year.



Go-Ahead London's engineering apprenticeship scheme trains eight young people annually.

COMMUNITY

“Good relationships with our local communities are essential to our business.”

Sir Patrick Brown, Chairman

COMMUNITY

We aim to be an outstanding member of the communities we operate in.

2011 PROGRESS

- Silver (87%) in the annual Business in the Community survey
- Using social media to engage with our communities
- Campaigning to increase bus use across the UK

2012 OBJECTIVES

- Continue to use BITC's responsibility index to benchmark ourselves against our peers and other sectors
- Continue working closely with stakeholders to inform our decisions

For Go-Ahead, transport is about more than running quality bus and train services. It is also about supporting and participating in the communities in which we operate.

We support local charities, this year donating £182k to a variety of causes, many of them locally-based. But there are also practical and economic considerations around our community approach too: we provide jobs, support local suppliers, work hard to reduce our impact on the environment and help to reduce road congestion by providing an effective alternative to the car.

We actively participate in the national Greener Journeys campaign which aims to reduce car journeys by encouraging motorists to take one in every 25 journeys by bus rather than car. Achieving this target by 2014 will result in one billion fewer car journeys in the UK and save two million tons of CO₂.

In June, we were pleased to be awarded silver status in the Business in the Community Corporate Responsibility Index, Britain's leading voluntary CR survey. The index is designed to help companies integrate and improve responsibility and encourages a systematic approach to measuring and reporting responsibility so we can track our progress and achievements. Our silver ranking highlights Go-Ahead's demonstrable achievements in creating a positive social and environmental impact.

We were also ranked highly in Management Today's Most Admired Company survey, achieving first in the transport sector for our community and environmental responsibility activities.

Our operating companies initiate a range of community based activity. Plymouth Citybus' Dennis Dart programme aims to promote road safety and encourage safe bus use. It has really taken off this year, with the Dennis Dart bus visiting 94% of primary schools in the Plymouth area. The Dennis campaign was developed by the company's marketing manager Sylvia Bird. Sylvia, known as Citybus Sylv, has developed a range of approved education tools including books and colouring pages for children of primary school age and teaching tools for teachers. The campaign has captured the imagination of hundreds of Plymouth school children and features characters such as Dennis' friend Pippi, Willie Washem the bus washer and Percy Pick-Up the recovery vehicle.



Go-Ahead has gained a pass status in Kempen Capital Management's European survey covering business ethics, social performance and environmental performance, demonstrating good Social Responsibility practice

Working with responsible partners



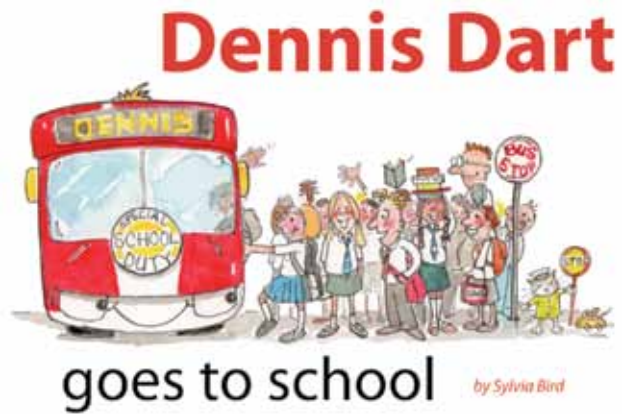
Go North East uses Facebook to keep passengers updated on services and products.

Other highlights of the year include:

- Metrobus using Facebook to communicate with the community, encouraging 'fans' to suggest ideas on how the service could be improved. An extra morning journey was added to a route after comments on Facebook suggested people were being left behind due to the bus being full. The company also used Facebook to seek views on new locations for bus shelters and real-time screens
- Fans of Go North East's Facebook site jumped from 6,000 to 30,000 in two weeks during the bad pre-Christmas weather last year
- Southeastern supporting the local economy and promoting tourism by working closely with the new Turner Contemporary gallery at Margate on joint marketing campaigns
- Oxford Bus employees participating in the Oxfordshire Cycle Challenge. Ninety-five businesses across the county signed up to the initiative aimed at getting more people cycling. The company won the overall competition with 22% of their 560 staff taking part
- A £34,000 donation by Brighton and Hove Buses to the Martlets Hospice in Brighton and to the Brighton Evening Argus Appeal. The donation was the result of celebrations held to mark the company's 75th anniversary, with money raised from sales of promotional items and a book published to mark the managing director's 25 years with the company



Brighton and Hove buses work closely with Brighton and Hove Albion FC to provide additional bus services on match days.



Plymouth Citybus' Dennis Dart programme (above and below) promotes road safety to primary school pupils.



Southern encourages local businesses to provide facilities at stations including at Hackbridge where locally produced vegetables are sold from a van.

KEY DATA



Summary Verification Statement from Bureau Veritas UK Ltd

For the third year Bureau Veritas UK Ltd has worked with the Go-Ahead Group plc (Go-Ahead) to verify and to provide an independent opinion on selected corporate responsibility (CR) key performance indicators (KPI) data contained within the Go-Ahead Group's Corporate Responsibility Report 2011.

The information and data reviewed for this verification process relates to the reporting period 1st of July 2010 to the 2nd of July 2011. The verification incorporated site visits, interviews, document review and checking of Group and Operating Company data.

Opinion, Highlights and Recommendations

It is Bureau Veritas' opinion that the selected data provides a fair and accurate representation of Go-Ahead's Corporate Responsibility performance for the reporting period.

Go-Ahead has increased the consistency of data collection at Group level since the last reporting period. A clear understanding of the required data processes is demonstrated by those with responsibilities in this regard at both Group and Operating Company level. It is clear that Go-Ahead seeks to further improve such processes via internal mechanisms and in the proactive manner in which the company has continued to engage Bureau Veritas on this project.

Bureau Veritas encourages Go-Ahead to further define KPI's material to the organisation through engagement with key stakeholders. Go-Ahead should also further define and document its Corporate Responsibility reporting and data collection procedures whilst providing improved guidance to all Operating Companies.

A full verification statement including Bureau Veritas' methodology, basis for its opinion, additional recommendations, limitations and a statement of independence and impartiality can be found on the Go-Ahead Group website:

www.go-ahead.com

Bureau Veritas UK Ltd

September 2011

n/a Data not collected by this operating company.

+ For the financial year ended 2 July 2011.

* As at year end.

** Gas consumption data has been normalised by use of degree days to account for variation in temperature.

*** Including income tax and National Insurance levied on the salaries of our employees.

† Business acquired March 2010.

Safety

Bus accidents (which result in a notification to a claims handler) (per million miles)
SPADS (per million miles)
Rail passenger RIDDOR accidents per million passengers
Bus/train fleet with CCTV (%)
Train station footfall covered by secure station status (%)
Employee RIDDOR accidents per 100 employees
Number of physical assaults on staff (ppi)

Environment

Site Energy CO ₂ (t)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change
Bus Diesel CO ₂ (t)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change
EC4T CO ₂ (t)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change
Rail Diesel CO ₂ (t)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change
Carbon emissions per passenger journey (kgs)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change
Water use (m ³)
% of waste recycled
VOSA emissions test pass rate %
Bus Fleet fuel economy (MPG)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change
Rail Diesel Fleet fuel economy (vehicle kms/ltr)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change
Rail Electric Fleet fuel economy (vehicle kms/kwh)
2010/11 vs 2009/10 – % change
2010/11 vs 2007/08 (baseline year) – % change

Passengers

Passenger journeys (to nearest 5 million)
Rail Passenger km (million)
Rail punctuality (PPM) MAA (%)
Rail customer satisfaction (%)
Average age of bus fleet (years)

Employees

Average number of employees
Average length of service (years/month)
Turnover rate (%)
Absence rate (%)
Women employed (%)
Total spent on training (£m)

Community

Number of stakeholder events held
Charitable giving and investment (£m)



Go-Ahead London	Go North East	Go South Coast	Metrobus	Brighton & Hove	Oxford Bus Co	Plymouth City Bus	Konnectbus [†]	Southern	Southeastern	London Midland	Head office	Go-Ahead Group Total
81.00	25.00	41.24	47.79	15.73	15.81	50.88	21.84	-	-	-	-	299.29
-	-	-	-	-	-	-	-	0.89	0.76	0.56	-	2.20
-	-	-	-	-	-	-	-	0.54	0.63	1.27	-	2.43
100%	100%	47%	98%	100%	100%	86%	-	100%	74%	50%	-	-
-	-	-	-	-	-	-	-	98%	78%	79%	-	86%
0.90	1.80	2.01	0.10	2.30	1.00	2.93	5.00	1.15	0.60	1.19	-	18.99
0	0	0	0	0	0	0	0	0.92	0.47	1.98	-	3.37
4,656	2,011	1,827	968	1,211	511	738	16	18,197	15,688	9,685	52	55,509
-2.30%	-2.40%	-0.29%	-6.00%	3.94%	-0.57%	2.80%	-	3.46%	0.01%	0.57%	-	0.96%
-8.27%	-21.54%	-20.25%	1.53%	-13.75%	-16.80%	-	-	-8.33%	-7.27%	-6.03%	-	-7.45%
12,6155	57,226	34,308	42,380	22,584	15,387	9,865	2,737	-	-	-	-	310,644
-1.84%	0.71%	-0.76%	1.31%	0.96%	-0.21%	61.55%	-	-	-	-	-	1.64%
-3.27%	0.85%	-1.41%	17.84%	-0.54%	-2.12%	-	-	-	-	-	-	4.82%
-	-	-	-	-	-	-	-	198437	207670	76106	-	482,213
-	-	-	-	-	-	-	-	1.30%	-4.85%	-12.57%	-	-3.79%
-	-	-	-	-	-	-	-	10.00%	-10.37%	-16.92%	-	-4.27%
-	-	-	-	-	-	-	-	14799	-	33001	-	47,800
-	-	-	-	-	-	-	-	-1.11%	-	-6.05%	-	-4.57%
-	-	-	-	-	-	-	-	3.30%	-	-5.66%	-	-3.05%
0.36	0.82	0.90	0.57	0.51	0.81	0.74	0.94	1.43	1.37	2.13	-	0.88
0.03%	0.21%	0.89%	-1.64%	0.04%	-1.75%	-13.01%	-	1.30%	-7.32%	-14.66%	-	-3.01%
-4.05%	-2.74%	-14.02%	-47.37%	-21.68%	47.52%	-	-	-6.64%	-14.77%	-21.60%	-	-11.68%
74,069	40,311	22,892	12,302	18,452	11,288	6,051	1,047	356,047	290,240	222,297	-	1,054,996
-2.62%	-14.71%	-6.79%	-33.67%	-12.21%	-21.35%	-4.50%	-	4.73%	-8.87%	24.81%	-	0.99%
56%	67%	61%	58%	59%	52%	82%	75%	64%	65%	76%	-	65%
5%	12%	-1%	-2%	-2%	4%	24%	-	22%	5%	30%	-	13%
100%	100%	100%	100%	100%	100%	100%	100%	-	-	-	-	100%
5.53	7.21	6.83	5.90	5.70	7.92	7.30	9.23	-	-	-	-	6.32
0.55%	-4.00%	-4.30%	-0.38%	0.91%	-0.78%	4.41%	-1.29%	-	-	-	-	0.06%
10.24%	-2.00%	-9.11%	-2.56%	3.61%	2.05%	-	-	-	-	-	-	2.76%
-	-	-	-	-	-	-	-	1.64	-	1.73	-	1.70
-	-	-	-	-	-	-	-	-1.05%	-	-1.71%	-	-1.58%
-	-	-	-	-	-	-	-	-20.73%	-	-1.50%	-	-7.61%
-	-	-	-	-	-	-	-	0.53	0.57	0.55	-	0.55
-	-	-	-	-	-	-	-	3.09%	10.83%	9.44%	-	7.45%
-	-	-	-	-	-	-	-	9.21%	26.90%	41.19%	-	21.97%
362	72	40	77	47	17	14	3	162	163	56	-	1,012.67
-	-	-	-	-	-	-	-	4,058,303,468	4,005,180,004	1,168,002,730	-	9,231,486,202
n/a	93.0	88.2	89.0	90.0	96.5	83.0	94.1	89.0	89.7	89.4	-	-
-	-	-	-	-	-	-	-	82.0	82.0	83.0	-	82.0
6.7	8.7	9.0	5.6	8.2	5.5	11.4	7.2	-	-	-	-	7.57
4761	2032	1493	1425	1087	559	462	85	4,039	3,709	2,342	65	22,059
08/02	12/00	07/03	06/00	09/06	08/10	10/00	02/00	09/15	12/00	12/00	06/00	-
17%	10%	15%	13%	10%	13%	3%	1%	7%	7%	6%	0%	9%
4%	4%	5%	4%	6%	3%	2%	1%	4%	3%	5%	0%	3%
9%	8%	14%	10%	8%	9%	13%	15%	15%	10%	17%	40%	14%
5.4	0.8	0.1	0.9	0.5	-	-	0.9	1.1	1.7	0.6	0.0	12.0
43	60	434	80	312	397	58	11	225	150	168	-	1,938
10,595	1,612	9,771	854	30,000	2,016	1,520	376	11,193	6,625	695	50,000	125,257

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