

## **Rail First awarded Australia's first Green Loan for freight industry**

**14 December 2022:** Rail First Asset Management has been awarded Australia's first freight Green Loan accreditation for a A\$125 million tranche, recognising the energy efficiency of rail transport. The Green Loan is aligned with the Loan Market Association's (LMA) Green Loan Principles and issued under the 'Clean Transportation' category.

Rail First is Australia's leading provider of full-service integrated rolling stock leasing and maintenance solutions and owns the nation's third largest intermodal fleet, which includes more than 1,200 wagons. It is Australia's only local manufacturer of intermodal wagons and is not used to transport fossil fuels.

The Green Loan will fund Rail First's ESG commitments, including the acquisition, upgrade and maintenance of intermodal wagons that have zero direct tailpipe carbon emissions. These initiatives further support the decarbonisation of Australia's transport sector, which currently accounts for approximately 20% of the nation's greenhouse gas emissions. Rail freight is one of the most energy efficient forms of transport, producing 16 times less carbon pollution for every tonne-km travelled compared to road freight and significantly reducing crash costs. The Green Loan is intended to meet the United Nations' Sustainable Development Goals 9 and 13.

As part of its Green Loan requirements, Rail First will report annually on relevant impact metrics including the estimated CO2 emissions avoided or reduced through the operation of its intermodal wagon fleet.

Commenting on the Green Loan, Rail First Chief Executive, Mark Kirkpatrick said, "This industry-first accreditation reflects the ongoing sustainability improvements to our assets and operations, further supporting our customers as they work to reduce their carbon emissions. We are incredibly proud of our Australian manufacturing capability, using sustainably sourced materials and local labour to offer the highest quality intermodal wagons, maintenance, and solutions to the Australian rail industry."

The accreditation follows Rail First's acquisition by experienced infrastructure investors Amber Infrastructure and DIF Capital Partners in September.

Amber Infrastructure's Head of Asia-Pacific, Vaughan Wallace, said: "Rail First's strong ESG credentials were a key reason for our attraction to the business, aligning with Amber's responsible investment philosophy. Rail is well-placed to benefit from government decarbonisation initiatives with significant environmental and cost advantages over road transportation. Rail First's domestic wagon manufacturing capability facilitates job creation, sustainable sourcing of raw materials, and end-of-life waste reduction. It also reduces unnecessary emissions from the transport of built wagons to Australia."

DIF Capital Partners' Head of CIF, Willem Jansonius, said, "Green Loan accreditation endorses the business' ESG framework, and holds it accountable against relevant sustainability metrics. This information will be increasingly important to Rail First's customers and end-users as Australia transitions to a low carbon economy."

ING Bank is the sole sustainability co-ordinator of Rail First's Green Loan facility.

ING APAC's Head of Sustainable Finance, Martijn Hoogerwerf said, "Sustainability is core to our business strategy, and we are proud to support Rail First as they lead the freight industry to a more sustainable future. This new partnership marks an important step for ING as our sustainable finance business matures, and we look forward to supporting more freight businesses as they look to reduce their environmental footprints."

Mandated Lead Arrangers, Underwriters and Bookrunners are ING Bank (Australia) Limited, Nord/LB, Singapore Branch and Siemens Bank GmbH.

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### **About Rail First**

Rail First is Australia's leading provider of full-service vertically integrated rolling stock leasing and maintenance solutions to the rail industry. The company operates over 1,300 locomotives and wagons with two strategically located workshops in Islington (SA) and Goulburn (NSW) which service a blue-chip customer base that is primarily focused on the intermodal market.

For more information on Rail First, please see [www.railfirst.com.au](http://www.railfirst.com.au)

### **About Amber Infrastructure Group**

Amber Infrastructure ('Amber') is a specialist international investment manager, focused on investment origination, asset management and fund management. With over €5.5 billion in funds under management, Amber invests across eight funds and a number of managed accounts. Amber's core business focuses on sourcing, developing, advising, investing in and managing infrastructure assets across the public, transport, energy, digital and demographic infrastructure sectors that support the lives of people, homes and businesses internationally. Amber is headquartered in London with offices in Europe, North America and Australia and manages over 175 investments. Amber employs over 160 infrastructure professionals globally.

### **About DIF Capital Partners**

DIF Capital Partners is a leading global independent investment manager, with ca. EUR 14 billion in assets under management across eleven closed-end infrastructure funds and several co-investment vehicles. DIF invests in infrastructure companies and assets located primarily in Europe, the Americas, and Australia through two complementary strategies: • Traditional DIF funds, of which DIF Infrastructure VII is the latest vintage, target core infrastructure equity investments with long-term contracted or regulated income streams including public-private partnerships, concessions, utilities, and energy transition projects (incl. renewable energy). • DIF CIF funds, of which DIF CIF III is the latest vintage, target equity investments in small to mid-sized core-plus infrastructure companies in the telecom, energy transition, and transportation sectors.