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NRC SUSTAINABILITY COMMITTEE

The Sustainability Committee provides education and resources to address the ever-changing sustainability landscape within the railway industry. Our mission is to provide all member companies with a resource to understand requirements and trends and to ensure the continuous improvement of our industry and the customers we serve.

October 2026

Dear NRC Members,

Sustainability continues to be an increasingly important topic across the railway industry. The NRC Sustainability Committee has noted a growing interest in how companies manage environmental, social, and governance considerations as part of normal business operations through ongoing discussions with Class I and short line railroads, suppliers, and industry stakeholders.

For many NRC members – particularly small and mid-sized businesses – sustainability can feel like a complicated and burdensome topic better suited to large corporations with extensive reporting requirements and dedicated sustainability teams. The reality is that sustainability often starts with practices many of our members already have in place today, such as strong safety programs, employee development initiatives, ethical business practices, operational efficiency efforts, and a commitment to continuous improvement.

NRC Sustainability Starter Kit - The purpose of this update is to introduce a practical sustainability resource kit for NRC members. We encourage you to think about how sustainability may impact your business in the future and identify foundational steps that can help you prepare for evolving customer expectations and supply-chain requirements.

Looking Forward - The NRC Sustainability Committee is committed to helping our members navigate this evolving landscape. Our objective is not to create additional burdens but rather to provide practical tools and insights that help members prepare for future customer expectations and to continue strengthening their businesses.

We remain actively engaged with sustainability leaders in our industry to better understand emerging trends and how they may impact NRC members. Those discussions will continue throughout 2026 and will help shape our Sustainability Panel at the January 2027 NRC Conference in Phoenix.

Whether your company is just beginning to think about sustainability or already has established initiatives in place, we encourage you to take a few simple steps, document the good work you are already doing, and continue building upon that foundation. The NRC Sustainability Committee is here to support our industry, provide resources, and help ensure our members are prepared for the opportunities and challenges ahead.

Sincerely,

NRC Sustainability Committee

NRC Sustainability Starter Kit, *a Practical Guide for NRC Members*

Many NRC member companies are already supporting sustainable outcomes through safe work practices, material reuse, recycling, fuel efficiency, environmental compliance, and durable rail infrastructure solutions. However, these efforts are not always formally documented in a way that can be shared with customers, included in proposals, or used to respond to supplier sustainability questionnaires.

The NRC is pleased to introduce the NRC Sustainability Starter Kit to help rail contractors, suppliers, and service providers better understand the evolving sustainability expectations. It provides practical templates, examples, and basic guidance to help you identify and document your current sustainability practices, prepare customer reporting requests, and begin to build a simple sustainability plan.

Sustainability Is More Than Environmental Reporting - When many people hear the word sustainability, they immediately think about carbon emissions or environmental reporting. While those topics are certainly part of the conversation, sustainability is much broader.

Several railroads have indicated that sustainability discussions increasingly include safety, employee programs, governance practices, and business resilience—not solely environmental performance. The good news is that many NRC members are already making meaningful contributions in these areas through their everyday operations.

Consider these three additional areas:

Environmental

- Fuel efficiency and emissions reduction
- Waste management and recycling
- Equipment modernization
- Resource conservation
- Infrastructure resilience
- Customer health & safety
- Child/forced labor prevention

Social

- Employee health and safety
- Workforce development, training, and retention
- Employee benefits and engagement activities
- Community engagement
- Diversity and inclusion initiatives

Governance

- Ethical business practices
- Compliance programs
- Supplier management
- Data privacy and cybersecurity
- Risk management and accountability

A Basic Sustainability Starter Kit – For companies just beginning this journey, the Committee recommends focusing on a few foundational elements, including policies, operational practices, and measurable performance.

1. **Develop a Sustainability Policy Statement –** A policy does not need to be lengthy or complex. A simple one-page document can communicate your company's commitment to:
   - Safe operations
   - Environmental responsibility
   - Employee development
   - Ethical business conduct
   - Continuous improvement

   A policy statement can serve as the foundation for future customer questionnaires and supplier assessments.

   Sample Policy Statement

   [Company Name] is committed to conducting business in a safe, responsible, and ethical manner. We recognize that sustainability includes environmental stewardship, employee health and safety, workforce development, operational efficiency, and sound business governance. We strive to continuously improve our operations, support our employees and communities, and deliver value to our customers while maintaining responsible business practices.

2. **Identify What You Are Already Doing –** Since sustainability covers such a wide range of topics, many companies are further along than they realize. Here are some common activities to consider documenting:
   - Safety programs and performance metrics
   - Employee training programs
   - Apprenticeship or workforce development initiatives
   - Fuel conservation efforts
   - Equipment modernization investments
   - Waste reduction or recycling activities
   - Community involvement
   - Company code of conducts
   - Supplier qualification processes
   - Company Certifications (ISO, AAR, etc.)

   Much of this information already exists within your organization and simply needs to be organized.

3. **Establish Basic Metrics** - Identify what you're tracking today. Start small by tracking information such as:
    - Safety performance
    - Employee retention
    - Training hours
    - Fuel consumption
    - Energy usage
    - Waste reduction efforts

    The objective is not perfection. The objective is understanding your baseline and identifying opportunities for improvement over time.

4. **Organize Your Documentation –** Create a central location for key documents such as:
    - Safety policies
    - Employee handbook
    - Ethics or Code of Conduct
    - Environmental policy
    - Training records
    - Compliance documentation

    Many sustainability assessment platforms place significant emphasis on having documented policies and supporting evidence and reporting data available when requested.

5. ***Start the Data-Collection Process –*** Gather data to feed basic metrics you will be tracking. Here are some basics to consider:
    - Utility bills – These are useful in developing a greenhouse gas (GHG) inventory.
    - Fuel records and mileage claims – Use this information to as the basis for understanding fuel efficiency and management practices.
    - Waste disposal invoices – Use this information to establish baseline annual volumes of waste disposal.
    - Health and safety data/incident logs – Determine your baseline safety performance. Measuring safety performance is critical to Class I and short line railroads.
    - Employee data, such as turnover, training hours, and employee surveys – These metrics are useful starting points to measure employee retention, productivity, and satisfaction.

Looking Ahead: Building a More Mature Program – For companies interested in taking the next step, a more comprehensive sustainability program may include:

- Executive oversight and governance
- Formal sustainability goals and objectives that are published
- Aligning sustainability goals with global standards
- Greenhouse gas (GHG) inventory tracking
- Supplier sustainability expectations
- Annual sustainability reporting
- Participation in industry assessment platforms
- Climate resilience planning
- Enhanced employee engagement initiatives

There is no single approach that fits every organization. A company's sustainability program should reflect its size, operations, customer base, and available resources.

Questions You May Encounter – As more customers evaluate sustainability-related topics, your company may see some of the same questions frequently arise, such as:

- Do you have a sustainability or environmental policy?
- How do you measure safety performance?
- Do you provide employee training programs?
- How do you manage business ethics and compliance?
- Do you track fuel or energy consumption?
- How do you manage waste and recycling?
- Do you have a supplier code of conduct?
- What steps are you taking to improve operational efficiency?
- Does your company track carbon emissions, and have a plan to meaningfully reduce emissions?

Many of these questions focus less on having perfect answers and more on demonstrating awareness, accountability, and a commitment to continuous improvement.

Resources to Help You Get Started – Here are some publicly available resources that can provide additional guidance:

- EcoVadis website - https://resources.ecovadis.com [resources....ovadis.com]
- EcoVadis Supplier Assessment Overview [ecovadis.com]
- FRA -Enabling the Safe, Reliable, and Efficient Movement of People and Goods https://railroads.dot.gov [railroads.dot.gov], [rosap.ntl.bts.gov]
- EcoVadis Sustainable Rail Initiative - [sector.ecovadis.com]
- UIC Rail Sustainability Resources - [uic.org]

These resources can help organizations better understand industry trends, reporting expectations, and practical approaches for implementing sustainability initiatives. Explore on line for cost-effective and free tools you can use to conduct initial and basic self-assessments.

Background Information

- EcoVadis is widely recognized as one of the most comprehensive sustainability assessment frameworks used across global supply chains, including by Class 1 railroads for their key suppliers. The questionnaire asks for policies, operational practices, and measurable performance across environmental, labor and human rights, ethics, and sustainable procurement topics. While not all organizations may be asked to complete an EcoVadis assessment, it's a valuable roadmap for organizations of any size looking to better understand and advance their sustainability practices.
- Other sample policy statements
    - **EcoVadis environmental policy summary guidance** - An environmental policy is the foundation of a company's formal public commitment to addressing the environmental impacts of its operations. It should set clear commitments and targets that all company stakeholders, including business units and subsidiaries, should strive to achieve. Environmental topics that should be addressed in a policy include energy use, greenhouse gas (GHG) emissions, water, biodiversity, air pollution, material use, chemicals and waste, product use, product end-of-life, customer health and safety, and the provision of environmental services and advocacy. The topics selected should cover a company's environmental impacts on the local communities in which it operates and on a broader regional or global scale. A company's size, industry, and geographic location all influence which of these topics have the most relevance to its operations.
    - **EcoVadis business ethics policy summary guidance** - A business ethics policy is the foundation of a company's formal public commitment to addressing ethics issues such as corruption including bribery, conflicts of interest, money laundering and fraud, anti-competitive practices, and information security. It outlines how a company strives to combat issues like corruption within its day-to-day operations and also serves as a guide for exemplary ethical behavior. Finally, it acts as an outward confirmation of the commitments and quantitative targets the company aims to achieve.

Send Us Your Comments and Questions

Our members are the eyes and hears about the ever-changing sustainability/ESG landscape. If you have questions, experiences, or insights to share, please contact awieland@nrcma.org. Your input helps us stay informed and responsive to the needs of our industry.