



TRINITY INDUSTRIES

Green Financing Framework

June 2025

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1. Introduction



General

Trinity Industries, Inc. and its consolidated subsidiaries (“Trinity,” “Company,” “we,” “our,” or “us”) own businesses that are leading providers of railcar products and services in North America. We market our railcar products and services under the trade name TrinityRail. The TrinityRail platform provides railcar leasing and management services; railcar manufacturing, maintenance and modifications; and other railcar logistics products and services.

Trinity was incorporated in 1933 and became a Delaware corporation in 1987. We are headquartered in Dallas, Texas, and our principal executive offices are located at 14221 N. Dallas Parkway, Suite 1100, Dallas, TX 75254-2957. Our telephone number is 214-631-4420, and our Internet website address is www.trin.net.

Reportable Segments

We report our operating results in two reportable segments.

Reportable Segments	
Railcar Leasing and Management Services Group	Rail Products Group
	

Business Overview and Strategy

Our purpose is delivering goods for the good of all by being a premier provider of railcar products and services. We operate industry-leading railcar leasing, manufacturing, and services businesses, providing a single source for comprehensive rail transportation solutions and services in North America. Our objective is to deliver attractive leased railcar portfolio returns and outstanding customer experiences by providing high quality, innovative products and services. Sustainability is at the core of this objective and is what we have advanced for over 90 years. Rail is one of the most energy-efficient ways to move goods today and will be an integral part of national transportation sustainability moving forward. We are making rail even more sustainable. We are innovating our products and operations to reduce upstream and downstream greenhouse gas (GHG) emissions. Our facilities’ environmental initiatives will contribute to a longer-term reduction of Scope 1 and 2 intensity emissions, which we have reduced annually since we began tracking in 2019. We continuously grow and enhance our product and service offerings to optimize the ownership and use of railcars and improve our customers’ logistics operations and footprint. We also boast quality rates far above the industry average, boosting our customers’ ability to take advantage of rail’s sustainability edge. We coordinate sales and marketing activities under the TrinityRail platform, thereby providing a single point of contact for railroads, shippers, and third-party leasing companies seeking rail equipment and services. Our rail platform offers a complete portfolio of railcar solutions to our customers as summarized below:

	Commercial End Markets & Commodities				
	Refined Products & Chemicals	Energy	Agriculture	Construction & Metals	Consumer Products
Covered Hopper Cars	Plastics	Industrial Sand	Grain Products, Dry Fertilizer, Flour, Starch	Cement, Construction Materials, Lumber	
Open Hopper & Gondola Cars		Coal		Scrap Metal, Aggregates, Finished Steel	
Other Freight Cars	Other Chemicals		Food Products	Lumber, Steel and Metals, Cement	Autos, Paper, Intermodal
Non-Pressure Tank Cars	Chemicals, Petroleum Products	Crude Oil, Biofuels	Food Products, Grain Products	Aggregates (Clay Slurry)	
Pressure Tank Cars	Liquified Gases, Chemicals, Petroleum Products		Fertilizer		

Safety is likewise at the core of our sustained 90+ years of success. All of our railcar manufacturing and maintenance facilities in the US and Mexico, as well as our corporate headquarters, are: ISO 45001 – Occupational Health & Safety certified (in addition to being ISO 14001 - Environmental Management System certified) and we continuously advance our safety technologies and culture. Trinity has published progress on our strategic sustainability efforts in our CSR Reports since 2020. To view our most recent report and for more information on our current CSR goals and initiatives please visit our website at <https://www.trin.net/sustainability/csr-report/default.aspx>.

2. Green Financing Framework

We have established this Green Financing Framework (the “Framework”) to further align our financings with our sustainability strategy and commitments. The Framework outlines the methodology and associated principles for classifying a financing as a “Green Financing Instrument”. The Framework specifies the eligibility criteria and process associated with the issuance of Green Financing Instruments.

We intend for this Framework and any issuance of Green Financing Instruments to be aligned with established market principles and guidelines, including the International Capital Markets Association (“ICMA”) Green Bond Principles (with June 2022 Appendix 1) and the Loan Syndications & Trading Association (“LSTA”) Green Loan Principles (March 2025) (collectively, the “Principles”). The Principles recommend transparency and disclosure and seek to promote integrity in the development of the sustainable finance market. This Framework intends to align with the Principles, which outline the following core components and key recommendations:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting
5. External Review

This Framework will guide future green financings that may include bonds, private placements, securitizations, term loans, or other capital markets issuances (“Green Financing Instruments”). Securitizations may take the form of either a “Secured Green Collateral Bond” or a “Secured Green Standard Bond”, as defined by the Green Bond Principles (with June 2022 Appendix 1).

2.1. Use of Proceeds

If we issue Green Financing Instruments, we intend to allocate an amount equal to the net proceeds of any Green Financing Instruments to finance and/or refinance, in whole or in part, new or existing eligible expenditures, investments or assets ("Eligible Green Projects") from any of the categories listed below.

For any securitization issued by the Leasing Group as a Secured Green Collateral Bond, the collateral underlying the securitization will align with the Eligibility Criteria set forth in this Framework at the point of issuance. The Leasing Group's railcar financings enable it to acquire discreet railcar portfolios (which may qualify as Eligible Green Projects if consistent with Eligibility Criteria defined below) on lease to customers that utilize the railcars to transport a variety of commodities on the North American railroads.

In a Secured Green Standard bond, allocations to Eligible Green Projects may consist of a combination of a) a portion of the collateral underlying the security (aligned with the Eligible Green Project criteria herein), and b) expenditures, investments, or assets to finance and/or refinance Eligible Green Projects outside of the collateral pool, together totaling an amount equal to the net proceeds raised.

For any securitization issued by the Leasing Group, the Issuer will clearly specify whether a transaction is a Secured Green Collateral Bond or a Secured Green Standard Bond with any additional details clearly outlined in the offering documentation.

For the avoidance of doubt, expenditures or investments that align with the Eligibility Criteria for "Low-Carbon Transportation" will be considered eligible collateral for a securitization. Trinity will ensure that there is no occurrence of double counting of Eligible Green Projects under Secured Green Collateral Bonds, Secured Green Standard Bonds, or any other outstanding Green Financing Instruments.

Eligible Green Project Category	Eligibility Criteria and Example Projects	Objectives
Low-Carbon Transportation 	<p>Expenditures and investments related to the acquisition, lease, manufacture, design, maintenance, and service of freight railcars.</p> <ul style="list-style-type: none"> Freight rail cars such as tank cars, covered hoppers, auto racks, flat & intermodal, gondolas, open hoppers, and box cars will be defined as “Eligible Green Projects” which exclude freight railcars that are dedicated to the transportation of fossil fuels (e.g., coal, crude oil, natural gas liquids, and refined products) Design improvements to reduce weight and increase capacity of freight railcars 	<p>Reduce GHG emissions through the modal shift of freight transportation to rail</p>
Eco-efficient and/or circular economy adapted products, production technologies and processes  	<p>Expenditures and investments related to technologies, systems, programs, or equipment that support the reuse, repurpose, refurbishment, and remanufacturing of freight railcars and components, including but not limited to:</p> <ul style="list-style-type: none"> Sustainable Railcar Conversion™ Program including major modifications, retrofits, rebuilds of freight railcars, inspection, testing, recertification, and reuse of existing railcar wheel sets, trucks, valves, and brakes Reuse of freight railcar components through recasting Rebuild and recondition brake equipment, draft components, truck components, and wheels Lower carbon composite and sustainable materials 	<p>Reduce environmental impact through the reduction, reuse, and recycling of materials by bring renewed and extended useful life to freight railcars and components</p>
Renewable Energy 	<p>Expenditures and investments related to (i) the construction, development, acquisition, maintenance, and operation of renewable energy generation assets (on-site or off-site), or (ii) purchases of renewable energy pursuant to long-term (≥ 5 years) power purchase agreements (“PPAs”) or virtual power purchase agreements (“VPPAs”) entered prior to the commencement, or in the case of repowering projects, the re-commencement, of commercial operation of the renewable energy project, including the following sources:</p> <ul style="list-style-type: none"> Solar photovoltaic Wind Geothermal with direct emissions <100 gCO₂e/kWh 	<p>Reduce GHG emissions through electricity consumed or from our own on-site generation capacity from renewable sources compared with more emissions intensive alternatives</p>
Energy Efficiency 	<p>Expenditures and investments related to equipment, systems and technologies that are designed to reduce energy consumption and GHG emissions and aim to improve the energy efficiency of our offices and facilities by 30%, including but not limited to:</p> <ul style="list-style-type: none"> Energy efficient LED lighting and heating, ventilation, and air conditioning (“HVAC”) systems Technology systems, smart meters, load controls and sensors that enable the monitoring and optimization of energy usage and consumption 	<p>Reduce GHG emissions by reducing power usage through energy efficiency improvement measures</p>
Pollution Prevention and Control  	<p>Expenditures and investments related to reducing the amount of waste sent to landfill and other air emissions or environmental pollution across our operations, including but not limited to:</p> <ul style="list-style-type: none"> Recycling of disassembled steel components Waste sorting systems and processes to enhance recycling rates Reduce volatile organic compounds (“VOC”) emissions through switching to low-VOC coatings Low-global warming potential refrigerants for refrigerated box cars 	<p>Reduce waste sent to landfill from operations and the release of other air emissions and environmental pollution</p>
Sustainable Water & Wastewater Management 	<p>Expenditures and investments related to technologies, processes, systems, equipment, or facilities that track and address water use, consumption, and wastewater management, including but not limited to:</p> <ul style="list-style-type: none"> Installation of TERSUS (robotic cleaning process with a water recycling system) that allows for the reuse of wash water during railcar cleaning process Capture and treatment of industrial wastewater from rail car cleaning and maintenance Collection, distribution, treatment, recycling or reuse of water, stormwater, or wastewater 	<p>Reduce, reuse, and recycling water from operations including the treatment of wastewater</p>

2.2. Process for Project Evaluation and Selection

Representatives from our treasury, legal, sustainability, and capital markets teams will be responsible for identifying, evaluating and selecting Eligible Green Projects based on our sustainability priorities and the Eligibility Criteria outlined in the Framework. Once selected, Eligible Green Projects will be reviewed and approved by Trinity's Chief Financial Officer, Chief Compliance Officer, and head of Capital Markets. Eligible Green Projects will be selected based on the following factors:

- Alignment with Eligibility Criteria set forth in the Framework, and consideration for any exclusionary criteria, where necessary
- Consistent with our broader sustainability strategy, targets and objectives
- Feasibility of tracking expenditures and actual or expected impact
- Allocation of funds within the applicable allocation period as defined in the Framework

Trinity will adhere to our policies and procedures on environmental and social risks when selecting Eligible Green Projects. We will assess the environmental and social risks associated with Eligible Green Projects and determine appropriate mitigating measures, as needed. We will use reasonable efforts to substitute any Eligible Green Projects that no longer meet Eligibility Criteria, as soon as practicable, upon identifying an appropriate substitute Eligible Green Projects that align with the Eligibility Criteria outlined in the Framework.

For Secured Green Collateral Bonds (and, where relevant, for portions of Secured Green Standard Bonds), collateral underlying the securitization will be evaluated and selected based on railcar type, age, lease rate, remaining term, and commodity transported in addition to the Eligibility Criteria above.

2.3. Management of Proceeds

We intend to allocate an amount equal to the net proceeds from the issuance of Green Financing Instruments to Eligible Green Projects, selected in accordance with the Eligibility Criteria and the Process for Project Evaluation and Selection above. For any Green Financing Instruments outstanding, our internal records will be periodically updated to reflect the amount of net proceeds from issuance of such Green Financing Instruments allocated to Eligible Green Projects to date, as well as the amount of net proceeds pending allocation.

Eligible Green Projects (not including Eligible Green Projects underlying securitizations) may include expenditures or investments that were financed up to 24 months prior to the issuance of each Green Financing Instrument. We intend to fully allocate Green Financing Instruments within 36 months of each issuance date.

Pending full allocation, proceeds may be invested in cash or cash equivalents, used to repay existing indebtedness, or held in accordance with our treasury liquidity management policies.

For Secured Green Collateral Bonds, net proceeds will be fully allocated to Eligible Green Projects at issuance. As such, there is no temporary allocation or flexibility for re-allocation over time.

In the case of intervening circumstances, such as sales, divestments, or repayments, for so long as the applicable Green Financing Instruments are outstanding, we will use reasonable efforts to replace Eligible Green Projects to ensure that an amount equal to the net proceeds from outstanding Green Financing Instruments will be allocated to Eligible Green Projects.

During the life of green financings, following full allocation, we will manage the portfolio applying a 10% cushion to accommodate for fluctuation in fair market value, cash reserves within the transaction, and amortization over time for each transaction.

2.4. Reporting

Allocation Reporting

We intend to make and keep readily available public reporting on the allocation of net proceeds to Eligible Green Projects, which we expect to provide to investors annually (until full allocation) and thereafter in the event of material developments. Such a report ("Green Financing Report") is expected to include information on:

- Amount of net proceeds of all outstanding Green Financing Instruments
- Amount of net proceeds allocated to Eligible Green Projects, at least at the category level, as defined in the Use of Proceeds section of this Framework
- The share of financing and refinancing of new or existing Eligible Green Projects

For Secured Green Collateral Bonds or Secured Green Standard Bonds fully allocated at issuance, annual reporting on the allocation of net proceeds is not required given all of the net proceeds will be immediately allocated to Eligible Green Projects. For the avoidance of doubt, reporting may occur at the time of issuance in conjunction with the respective offering documentation.



Impact Reporting

Where feasible, on an annual basis, until full allocation, we intend to report on and include quantitative impact metrics and their associated definition, calculation, methodology and any impact assessments conducted, subject to available detail and feasibility, to provide increased transparency to our stakeholders. An overview of examples impact metrics is provided below.

Eligible Green Project Category	Example Impact Metrics
Low-Carbon Transportation	<ul style="list-style-type: none"> • Breakdown of railcars allocated to by fair market value and commodity • Weight reduced from railcar design by railcar type (tons or % weight reduction) • Increased design capacity of railcars by railcar type (% capacity increase)
Eco-efficient and/or circular economy adapted products, production technologies and processes	<ul style="list-style-type: none"> • Number of railcars converted through Sustainable Railcar Conversion™ Program • Number of and/or absolute amount in tons of redundant products that have been repurposed, refurbished and/or remanufactured • Number of inspected, rebuilt, tested, and recertified existing railcar components • Number of railcars/components fitted with lower carbon composite and sustainable materials
Renewable Energy	<ul style="list-style-type: none"> • Annual renewable energy generated or purchased in MWh/GWh • Percentage of renewable energy consumed • Annual GHG emissions reduced/avoided (tons CO₂e)
Energy Efficiency	<ul style="list-style-type: none"> • Annual energy savings in MWh/GWh (electricity) and GJ (other energy savings) • Annual GHG emissions reduced/avoided (tons CO₂e)
Pollution Prevention and Control	<ul style="list-style-type: none"> • Waste diversion from landfill (tons) • Percentage of waste diverted from landfills • Recycled or disassembled steel components (tons) • Annual VOC emissions reduced/avoided (pounds) • Number of refrigerated railcars equipped with low-global warming potential refrigerants
Sustainable Water & Wastewater Management	<ul style="list-style-type: none"> • Annual water consumption reduced/avoided (gal or gal per million dollars of revenue) • Annual water recycled (gal or gal per million dollars of revenue) • Annual amount of wastewater treated (gal or gal per million dollars of revenue) • Direct water usage per labor hour (gal per labor hour)

2.5. External Review

Second Party Opinion

In connection with this Framework, we appointed Sustainalytics, an internationally recognized external review provider, to evaluate the Eligible Green Projects and Eligibility Criteria in this Framework and to provide a Second Party Opinion ("SPO") on the alignment of the Framework with the relevant Principles. The SPO will be publicly available on our website.

For Secured Green Collateral Bonds or Secured Green Standard Bonds fully allocated at issuance, the Issuer may appoint an SPO provider to review and evaluate the alignment of Eligible Green Projects to this Framework. The resulting report from the SPO provider will be made publicly available on our website.

Post-Issuance Review

Subsequent to full allocation of any Green Financing Instrument (not fully allocated at issuance), we expect that our Green Financing Report will be accompanied by (i) an assertion by our management as to the amount of the net proceeds from any Green Financing Instruments that have been allocated to Eligible Green Projects; and (ii) an assurance report from an independent accountant or an independent third-party who will examine management's assertions. The assurance report will be made publicly available on our website.



3. Disclaimer

This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Trinity Industries, Inc. ("Trinity") and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Trinity as to the fairness, accuracy, reasonableness or completeness of such information. This Framework may contain statements about future events and expectations that are forward-looking statements.

Some statements in this Framework, which are not historical facts, are "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements about Trinity's estimates, expectations, beliefs, intentions or strategies for the future, and the assumptions underlying these forward-looking statements, including, but not limited to, future financial and operating performance, future opportunities and any other statements regarding events or developments that Trinity believes or anticipates will or may occur in the future. Trinity uses the words "anticipates," "assumes," "believes," "estimates," "expects," "intends," "forecasts," "may," "will," "should," "guidance," "projected," "outlook," and similar expressions to identify these forward-looking statements. Forward-looking statements speak only as of the date of this report, and Trinity expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Trinity's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, except as required by federal securities laws. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from historical experience or our present expectations, including but not limited to risks and uncertainties regarding economic, competitive, governmental, and technological factors affecting Trinity's operations, markets, products, services and prices, and such forward-looking statements are not guarantees of future performance. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" and "Forward-Looking Statements" in Trinity's Annual Report on Form 10-K for the most recent fiscal year, as may be revised and updated by Trinity's Quarterly Reports on Form 10-Q, and Trinity's Current Reports on Form 8-K.

None of the future projections, expectations, estimates or prospects in this Framework should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the Framework. The information and opinions contained in this Framework are provided as at the date of this document and are subject to change without notice. Trinity does not assume any responsibility or obligation to update or revise any such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise.

It should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or an equivalently labelled project or as to what precise attributes are required for a particular project to be considered "green" or falling under such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time.

Prospective investors in any Green Financing Instrument should determine for themselves the relevance of such information for the purpose of any investment in such Green Financing Instrument together with any other investigation such investors deem necessary. In particular, no assurance is given by Trinity that the use of the net proceeds of such Green Financing Instrument will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws, investment policy or other governing rules or investment portfolio mandates. Nothing in this Framework is intended to create, modify or add to any covenant or other contractual obligation of Trinity.

This Framework is not intended to be and should not be construed as providing legal or financial advice. Furthermore, this Framework does not constitute a recommendation regarding any Green Financing Instruments of Trinity. This Framework is not, does not contain and may not be intended as an offer to sell or a solicitation of any offer to buy any Green Financing Instruments issued by Trinity. In particular, neither this Framework nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations.

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