

# Second-Party Opinion

Reviewed by:

MORNINGSTAR

SUSTAINALYTICS



## Second-Party Opinion

# Trinity Industries, Inc. Green Financing Framework

## Evaluation Summary

Sustainalytics is of the opinion that the Trinity Industries, Inc. Green Financing Framework is credible, impactful and aligned with the four core components of the Green Bond Principles 2021 and the Green Loan Principles 2025. This assessment is based on the following:



**USE OF PROCEEDS** The eligible categories for the use of proceeds – Low Carbon Transportation; Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes; Renewable Energy; Energy Efficiency; Pollution Prevention and Control; and Sustainable Water and Wastewater Management – are aligned with those recognized by the Green Bond Principles and the Green Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 6, 7, 9 and 12.



**PROJECT EVALUATION AND SELECTION** Representatives from Trinity's Treasury, Legal, Sustainability and Capital Markets teams will be responsible for evaluating and selecting projects in line with the eligibility criteria under the Framework, while the Chief Financial Officer, Chief Compliance Officer and Head of Capital Markets will provide the final approval for the selected projects. Trinity has adopted internal policies and processes to address environmental and social risks associated with the financed projects. Sustainalytics considers the project selection process to be in line with market practice.



**MANAGEMENT OF PROCEEDS** Trinity's Capital Markets, Treasury and Accounting teams will be responsible for tracking and managing proceeds using internal systems. Trinity intends to allocate proceeds within 36 months of issuance. Pending full allocation, unallocated proceeds will be held in cash or cash equivalents, invested as per the company's liquidity management policies, or be used to repay existing debt that is not directly linked to carbon-intensive activities. This is in line with market practice.



**REPORTING** Trinity commits to report on the allocation of proceeds on its website on an annual basis until full allocation. Allocation reporting may include the amount of proceeds allocated to each category and the share of financing versus refinancing. In addition, Trinity intends to report on relevant impact metrics. Sustainalytics views Trinity's allocation and impact reporting as aligned with market practice.

**Evaluation date** June 25, 2025

**Issuer Location** Dallas, Texas, US

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## Introduction

Trinity Industries, Inc. ("Trinity", the "Company" or the "Issuer") provides railcar products and services in North America through two business segments: railcar leasing and management services, and rail products. The Company was established in 1933 and serves more than 700 customers through a fleet of more than 144,000 owned and managed railcars, as of March 2025.<sup>1</sup>

Trinity has developed the Trinity Industries Inc. Green Financing Framework dated June 2025 (the "Framework"), under which Trinity and its subsidiaries<sup>2</sup> may issue bonds, private placements,<sup>3</sup> securitizations,<sup>4</sup> or obtain term loans, and other financial instruments (the "Green Financing Instruments")<sup>5</sup> and use the proceeds to finance or refinance, in whole or in part, existing or future projects ("Eligible Green Projects") that are expected to contribute to the transition to a low carbon economy. The Framework defines eligibility criteria in six areas:

1. Low Carbon Transportation
2. Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes
3. Renewable Energy
4. Energy Efficiency
5. Pollution Prevention and Control
6. Sustainable Water and Wastewater Management

Trinity engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2021 (GBP)<sup>6</sup> and the Green Loan Principles 2025 (GLP).<sup>7</sup> The Framework has been published in a separate document.<sup>8</sup>

### Scope of work and limitations of Sustainalytics' Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent<sup>9</sup> opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Green Bond Principles 2021, as administered by ICMA, and the Green Loan Principles 2025, as administered by LMA, APLMA and LSTA;
- The credibility and anticipated positive impacts of the use of proceeds; and

The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.18, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Trinity's management team to understand the sustainability impact of its business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the Framework. Trinity

<sup>1</sup> Trinity Industries, "Overview", at: <https://www.trin.net/investor-relations/overview/default.aspx>

<sup>2</sup> Trinity has communicated to Sustainalytics that it will have operational control over the issuance process of its subsidiaries, as it pertains to any financing under the Trinity Industries Inc. Green Financing Framework. Trinity has further confirmed that it will be responsible for ensuring alignment of any issuances with the criteria defined in the Framework.

<sup>3</sup> Trinity has confirmed that private placements are limited to debt instruments.

<sup>4</sup> For securitizations, Trinity has confirmed to Sustainalytics that these will be secured GSS standard bonds or secured GSS collateral bonds and will be clearly distinguished in the respective offering documents as per the voluntary process guidelines published in the June 2022 Appendix 1 of the GBP 2021. Trinity has additionally committed to ensuring that: i) the collateral underlying the securitization of a secured collateral bond is aligned with the criteria in the Framework; and ii) there will be no double-counting of eligible assets with any outstanding sustainable financing instruments.

<sup>5</sup> Sustainalytics has reviewed just those financial instruments that are specified in the Framework.

<sup>6</sup> The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

<sup>7</sup> The Green Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association and are available at <https://www.lsta.org/content/green-loan-principles/>

<sup>8</sup> The Trinity Industries Inc. Green Financing Framework is available at: <https://www.trin.net/sustainability/Green-Financings/default.aspx>

<sup>9</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

representatives have confirmed that: (1) they understand it is the sole responsibility of Trinity to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Trinity.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Trinity has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Trinity Industries Inc. Green Financing Framework

Sustainalytics is of the opinion that the Trinity Industries Inc. Green Financing Framework is credible, impactful and aligned with the four core components of the GBP and GLP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible categories – Low Carbon Transportation; Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes; Renewable Energy; Energy Efficiency; Pollution Prevention and Control; and Sustainable Water and Wastewater Management – are aligned with those recognized by the GBP and GLP.
  - The Framework defines a look-back period of 24 months for refinancing, which is in line with market practice.
  - Under the Low Carbon Transportation category, Trinity may finance or refinance expenditures related to the acquisition, lease, manufacture, design, maintenance and service of freight railcars. Sustainalytics notes the following:
    - Freight railcars include unpowered wagons, such as tank cars, covered hoppers, auto racks, flat and intermodal, gondolas, open hoppers, and box cars. While the financing may include a variety of railcar types, Trinity has confirmed to Sustainalytics that the amount of debt issued under the Framework will be equal to or exceed the fair market value (FMV) of railcars that are not used for the transportation of fossil fuels (such as coal, crude oil, natural gas liquids, or alternative fuels blended with fossil fuels).
    - Investments may also include design improvements to reduce the weight and increase the capacity of freight railcars.
    - Sustainalytics considers these investments to be in line with market practice.
  - Under Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes, Trinity may finance or refinance expenditures related to technologies, systems, equipment or programmes that enable the Company to reuse, repurpose, refurbish and remanufacture its unpowered freight railcars and components. Examples of activities include:

- Processes that will enable the repurposing and reuse of railcar materials and components in the manufacturing process of new railcars under Trinity's Sustainable Railcar Conversion Program.<sup>10</sup> Examples of such processes that support circularity include: i) major modifications and retrofits necessary for rebuilding freight railcars; and ii) inspection, rebuilding, testing and recertification that may be required for the reuse of railcar valves and brakes.
  - Reuse of freight railcar components through recasting.
  - Rebuilding and reconditioning of brake equipment, draft components, truck components and wheels.
  - Rebuilding and reconditioning otherwise unusable or outdated Autorack chock devices under the Company's Chock Reconditioning Program, as well as utilizing reusable containers and storage solutions for shipping.
  - Procurement of lower carbon composite and sustainable materials for use in the refurbishing, manufacturing or remanufacturing of freight railcars. Examples of such materials include fibre-reinforced polymer used in composite flooring for refrigerated boxcars, which replace heavier materials, such as steel and wood, while enhancing the thermal insulation and durability of the refrigerated boxcars.
    - Sustainalytics notes the Company's confirmation that all activities under the category will increase the beneficial life of railcar assets.
  - Sustainalytics considers investments under this category to be aligned with market practice.
- Under the Renewable Energy category, Trinity may finance or refinance expenditures and investments related to the following:
  - Construction, development, acquisition, maintenance and operation of on- and off-site renewable energy generation assets, including: i) solar photovoltaic; ii) wind; and iii) geothermal with direct emissions below 100 gCO<sub>2</sub>e/kWh.
  - Purchase of renewable energy through long-term (at least five years) power purchase agreements (PPAs) or virtual power purchase agreements (VPPAs) entered prior to the commencement (or recommencement, in the case of repowering projects) of the renewable energy project's commercial operation. Trinity has confirmed to Sustainalytics that all PPAs and VPPAs eligible for green financing will be tied to renewable energy sources as defined in the Framework.
  - Sustainalytics considers this to be aligned with market practice.
- Under the Energy Efficiency category, Trinity may finance or refinance expenditures and investments intended to improve the energy efficiency of its offices and facilities by 30%. Examples of expenditures financed under the category include equipment, systems and technologies designed to reduce energy consumption and GHG emissions, such as: i) LED lighting and heating, ventilation and air conditioning systems; and ii) technology systems, smart meters, load controls and sensors that enable the monitoring and optimization of energy usage and consumption.
  - Trinity has confirmed to Sustainalytics that smart meters are limited to electricity and do not include smart gas meters.
  - Sustainalytics considers these investments to be aligned with market expectations for improving building-level energy performance.
- Under the Pollution Prevention and Control category, Trinity may finance or refinance expenditures and investments related to reducing the amount of waste sent to the landfill and other air emissions or environmental pollution from its operations, including:
  - Recycling of disassembled steel components. Trinity has confirmed to Sustainalytics that if the disassembled steel components being recycled contain any electrical or electronic equipment (e.g. control systems or refrigeration units), robust waste management processes would be in place to manage such e-waste.
  - Waste sorting systems and processes to enhance recycling rates.
  - Switching to low volatile organic compounds (VOCs)<sup>11</sup> to reduce emissions.

<sup>10</sup> Trinity Rail, "What is Sustainable Railcar Conversion?", at: <https://www.trinityrail.com/sustainability/src>

<sup>11</sup> VOCs are compounds that have high vapor pressure and are emitted as gases from certain solids or liquids. Many VOCs are human-made chemicals that are used and produced in the manufacture of paints, pharmaceuticals and refrigerants.

- Refrigerants with low global warming potential for refrigerated box cars. Trinity has confirmed to Sustainalytics that a refrigerant leak control, detection and monitoring process and end-of-life measures (e.g. recovery, recycling or destruction) will be in place for such expenditures.
  - Sustainalytics considers such investments to be aligned with market practice.
- Under the Sustainable Water and Wastewater Management category, Trinity may finance or refinance expenditures and investments related to technologies, processes, systems, equipment or facilities that track and address water use, consumption and wastewater management, including:
  - Installation of TERSUS, a 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 railcar cleaning and maintenance.
  - Collection, distribution, treatment, recycling or reuse of water, stormwater or wastewater.
  - Trinity has confirmed to Sustainalytics that the financed systems under this category will not be dependent on fossil fuels.
  - Sustainalytics considers such investments to be aligned with market practice.
- Project Evaluation and Selection:
  - Representatives from the Company's Treasury, Legal, Sustainability and Capital Markets teams will be responsible for identifying and evaluating Eligible Green Projects in accordance with the criteria outlined in the Framework, while the Chief Financial Officer, Chief Compliance Officer and Head of Capital Markets will provide final approval.
  - Trinity has risk management policies and processes to identify and manage risks across its operations, including environmental and social risks. These policies will be adopted to address risks associated with the projects financed under the Framework. Sustainalytics considers these risk management processes to be adequate. For more details, refer to Section 2.
  - Based on the allocation of responsibilities for project evaluation and selection, and the presence of risk management policies, Sustainalytics considers this process to be aligned with market practice.
- Management of Proceeds:
  - Members of Trinity's Capital Markets, Treasury and Accounting teams will be responsible for overseeing the allocation of net proceeds to Eligible Green Projects, in accordance with the eligibility criteria defined in the Framework.
  - Trinity has communicated to Sustainalytics that in case any multi-tranche loan facilities are obtained under the Framework, only those tranches of such facilities will be labelled green whose proceeds are allocated according to the eligibility criteria in the Framework.
  - Trinity intends to allocate an amount equal to the net proceeds to the Eligible Green Projects within 36 months of the date of issuance. Pending full allocation, net proceeds may be held in cash or cash equivalents, or invested in accordance with Trinity's liquidity management policies, including using the proceeds to repay outstanding debt that is not directly linked to carbon-intensive activities.
  - For secured green collateral bonds, net proceeds will be fully allocated at issuance, with no flexibility for reallocation following the issuance.
  - In the case of sales, divestments or repayments and for as long as the respective Green Financing Instrument is outstanding, Trinity will seek to replace affected Eligible Green Projects on a best-efforts basis to maintain alignment with the allocation requirement.
  - For all green financing instruments, Trinity will apply a 10% fair market value cushion to manage fluctuations in asset value, cash reserves and amortization.
  - Based on Trinity's defined procedures and safeguards for the management and tracking of net proceeds, Sustainalytics considers this approach to be aligned with market expectations.
- Reporting:
  - Trinity commits to report on the allocation of net proceeds for all standard Green Finance Instruments under the Framework in a Green Financing Report, which it will publish on its website on an annual basis until full allocation. Trinity will also seek external verification of the

allocation of net proceeds issued to the eligible green projects from an independent external reviewer.

- Trinity has confirmed to Sustainalytics that reporting for any green revolving loans obtained under the Framework will continue until loan maturity. Reporting related to green revolving and term loans will be furnished to lenders as provided under the credit agreement.
- Allocation reporting may include: i) amount of net proceeds allocated to each Eligible Green Project category; ii) share of financing versus refinancing; and iii) balance of unallocated proceeds, if any.
- For secured green collateral bonds, where proceeds are fully allocated at issuance, Trinity may furnish reporting with the offering document, with information on the alignment of the underlying assets with the eligibility criteria under the Framework.
- Trinity also intends to report on relevant impact indicators, where feasible, including: i) estimated GHG emissions avoided; ii) energy or water savings; iii) waste diverted from landfill; and iv) reused or recycled components.
- Sustainalytics considers Trinity's reporting commitments on allocation and impact disclosure, to be aligned with market practice.

### Alignment with the Green Bond Principles 2021 and Green Loan Principles 2025

Sustainalytics has determined that the Trinity Industries Inc. Green Financing Framework aligns with the four core components of the GBP and GLP.

## Section 2: Sustainability Strategy of Trinity Industries Inc.

### Contribution to Trinity's sustainability strategy

As part of its commitment to sustainability, Trinity focuses on the following environmental areas: i) reducing GHG emissions and energy intensity; ii) improving water efficiency; iii) promoting circularity through railcar refurbishment and reuse; and iv) minimizing air emissions and operational waste.<sup>12,13</sup>

To address GHG emissions and energy intensity, Trinity achieved its 2023 goal of reducing energy use per labour hour by 5%, on a year-on-year basis.<sup>14</sup> This was supported by operational changes, such as consolidating five manufacturing plants into two at the Longview, Texas site and retrofitting the Cartersville, Georgia, facility with LED lighting. Through 2024, Trinity continued to install additional LED lighting throughout its facilities with a goal to ultimately transition all plants to 100% LED lighting.<sup>15,16</sup> As a result of these and other measures, Trinity reduced GHG emissions intensity from 72.5 to 33.7 metric tonnes CO<sub>2</sub>e per million USD of revenue between 2020 and 2024.<sup>17</sup> Trinity also achieved its 2023 target of reducing its water intensity by 5% per labour hour, as compared to 2022, by installing TERSUS water-recycling systems at its Jonesboro, Arkansas, facility.<sup>18</sup> With this installation, Trinity increased the share of its maintenance locations with water reuse systems to 50%.<sup>19</sup>

Trinity's approach to circularity is reflected in its Sustainable Railcar Conversion programme,<sup>20</sup> which involves refurbishing railcars to extend their useful life and avoiding emissions from new manufacturing. In 2024, the Company completed 1,095 railcar conversions under this programme.<sup>21</sup> Regarding its focus on improving air quality, Trinity prioritizes initiatives that reduce air emissions, such as selecting materials and components used in railcar manufacturing. In 2024, Trinity estimated that its transition to low VOC coating technologies helped the Company avoid more than 178,951 pounds of VOC emissions across its operations.<sup>22</sup>

<sup>12</sup> Trinity Industries, "Sustainability", at: <https://www.trinityrail.com/sustainability/>

<sup>13</sup> Trinity Industries, "2024 Corporate Social Responsibility Report", (2025), at: [https://s25.q4cdn.com/774532758/files/doc\\_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf](https://s25.q4cdn.com/774532758/files/doc_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf)

<sup>14</sup> Trinity Industries, "2022 Corporate Social Responsibility Report", (2023), at: [https://s25.q4cdn.com/774532758/files/doc\\_financials/2022/sr/trinity-industries-2022-csr-report-final.pdf](https://s25.q4cdn.com/774532758/files/doc_financials/2022/sr/trinity-industries-2022-csr-report-final.pdf)

<sup>15</sup> Ibid.

<sup>16</sup> Trinity Industries, "2024 Corporate Social Responsibility Report", (2025), at: [https://s25.q4cdn.com/774532758/files/doc\\_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf](https://s25.q4cdn.com/774532758/files/doc_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf)

<sup>17</sup> Ibid.

<sup>18</sup> Trinity Industries, "2022 Corporate Social Responsibility Report", (2023), at: [https://s25.q4cdn.com/774532758/files/doc\\_financials/2022/sr/trinity-industries-2022-csr-report-final.pdf](https://s25.q4cdn.com/774532758/files/doc_financials/2022/sr/trinity-industries-2022-csr-report-final.pdf)

<sup>19</sup> Ibid.

<sup>20</sup> Trinity Rail, "What is Sustainable Railcar Conversion?", at: <https://www.trinityrail.com/sustainability/src>

<sup>21</sup> Trinity Industries, "2024 Corporate Social Responsibility Report", (2025), at: [https://s25.q4cdn.com/774532758/files/doc\\_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf](https://s25.q4cdn.com/774532758/files/doc_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf)

<sup>22</sup> Ibid.



Sustainalytics is of the opinion that the Trinity Industries Inc. Green Financing Framework is aligned with the Issuer's overall sustainability initiatives and will further its actions on its key environmental priorities. Sustainalytics recognizes Trinity's commitment to further its sustainability and encourages it to develop and publicly disclose a sustainability roadmap, establish quantified time-bound targets and report on its progress towards them.

### Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the Green Financing Instruments issued or obtained under the Framework will be directed towards eligible projects that are expected to have a positive environmental impact. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may involve: i) emissions, effluents and waste generated in operations; ii) land use and biodiversity issues; iii) occupational health and safety (OHS); and iv) community relations and stakeholder participation.

Sustainalytics is of the opinion that Trinity is able to manage or mitigate potential risks through implementation of the following:

- To address risks associated with emissions, effluents and waste, Trinity commits to focus on six areas in its Environmental Statement:<sup>23</sup> i) reducing air emissions from processes such as abrasive blasting, painting, railcar cleaning, heat treating and metalworking in its railcar manufacturing and maintenance facilities; ii) reducing energy consumption from non-renewable sources and increasing the use of renewable energy across operations; iii) reducing GHG emissions and its carbon footprint; iv) environmental stewardship by reducing the impact on natural resources; v) product stewardship by applying innovation to improve the sustainability performance of products from development to end of life; and vi) water and waste management. Additionally, Trinity has implemented an ISO 14001-certified environmental management system (EMS)<sup>24</sup> across all its railcar manufacturing and maintenance facilities in the US and Mexico.<sup>25</sup>
- Regarding land use and biodiversity issues, as noted above, Trinity has implemented an ISO 14001-certified EMS across its facilities. Additionally, Trinity has confirmed that it commits to complying with the following national regulations: i) the Endangered Species Act, which identifies threatened and endangered plant and animal species, defines the guidelines and establishes a programme related to conservation and protection of critical habitats and land;<sup>26,27</sup> ii) the Clean Air Act, which regulates and sets limitations for hazardous air pollutant emissions from stationary and mobile sources, including the construction, operation and maintenance projects, and enables the US Environmental Protection Agency to establish national ambient air quality standards to protect public health;<sup>28,29</sup> and iii) the Resource Conservation and Recovery Act, which establishes conditions for the storage and disposal of all hazardous and non-hazardous waste in the US.<sup>30</sup>
- To address risks associated with OHS, Trinity has an OHS policy, which includes relevant procedures that extend to employees and suppliers,<sup>31</sup> and commits to: i) zero injuries and incidents across its operations; ii) designing and developing products that can be used safely; iii) promoting safety and security in the operation of facilities and fleets; iv) complying with the applicable OHS legal requirements as a minimum standard and integrating Trinity's OHS standards into its workplace activities; v) encouraging employees to actively participate in OHS programmes; vi) reducing and addressing hazards and risks in businesses and fleets that may affect the safety, security or health of individuals; vii) actively engaging with relevant stakeholders on OHS initiatives; and viii) encouraging accountability for overseeing OHS responsibilities. The Company also conducts regular reviews of its OHS policy, objectives and targets, and communicates them to all employees and

<sup>23</sup> Trinity Industries, "Environmental Statement", (2022), at: [https://s25.q4cdn.com/774532758/files/doc\\_downloads/ESG/2022/10/Trinity-2022-Environmental-Statement.pdf](https://s25.q4cdn.com/774532758/files/doc_downloads/ESG/2022/10/Trinity-2022-Environmental-Statement.pdf)

<sup>24</sup> ISO, "ISO 14001:2015 – Environmental management systems", at: <https://www.iso.org/standard/60857.html>

<sup>25</sup> Trinity Industries, "2024 Corporate Social Responsibility Report", (2025), at: [https://s25.q4cdn.com/774532758/files/doc\\_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf](https://s25.q4cdn.com/774532758/files/doc_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf)

<sup>26</sup> US Fish & Wildlife Service, "Endangered Species Act of 1973", at: <https://www.fws.gov/sites/default/files/documents/endangered-species-act-accessible.pdf>

<sup>27</sup> US Environmental Protection Agency, "Summary of the Endangered Species Act", (2023), at: <https://www.epa.gov/laws-regulations/summary-endangered-species-act>

<sup>28</sup> US Government Publishing Office, "Clean Air Act", (2022), at: <https://www.epa.gov/clean-air-act-overview/clean-air-act-text>

<sup>29</sup> US Environmental Protection Agency, "Summary of the Clean Air Act", (2023), at: <https://www.epa.gov/laws-regulations/summary-clean-air-act>

<sup>30</sup> US Environmental Protection Agency, "Resource Conservation and Recovery Act (RCRA) Laws and Regulations", at: <https://www.epa.gov/rcra>

<sup>31</sup> Trinity Industries, "Statement on Occupational Health and Safety", (2021), at: [https://s25.q4cdn.com/774532758/files/doc\\_downloads/ESG/2021/Statement-on-Occupational-Health-and-Safety-2021.pdf](https://s25.q4cdn.com/774532758/files/doc_downloads/ESG/2021/Statement-on-Occupational-Health-and-Safety-2021.pdf)

contractors. Additionally, all of Trinity's railcar manufacturing and maintenance facilities in the US and Mexico are ISO 45001-certified.<sup>32,33</sup>

- Regarding community relations, Trinity commits to conducting its business in a socially responsible manner and contributing to communities in its Statement on Social Responsibility.<sup>34</sup> Trinity has confirmed to Sustainalytics that it has internal guidance and procedures to manage community relations. Such procedures include collaborating with multiple stakeholders on key environmental issues to reduce the impact of the Company's operations on the community.<sup>35</sup>
- All the projects under the Framework will be financed in the US, which is recognized as a Designated Country under the Equator Principles, indicating the presence of strong environmental and social governance systems, legislation and institutional capacity to mitigate environmental and social risks associated with projects intended to be financed and refinanced under the Framework.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Trinity has implemented adequate measures and is well positioned to manage or mitigate environmental and social risks commonly associated with the eligible categories.

### Section 3: Impact of Use of Proceeds

The use of proceeds categories are aligned with those recognized by the GBP and GLP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

#### Importance of clean rail transportation in the US

Rail networks carry 7% of freight transport but account for only 2% of energy use in the transport sector globally.<sup>36</sup> In the US, the freight rail network transports more than 2 billion tonnes of goods across 140,000 miles annually, making it the largest freight system in the world.<sup>37</sup> Freight moved by rail accounts for 28% of the US' total domestic freight transport, with 52% of all bulk commodities (such as construction materials, chemicals, equipment, food and energy products) in the country transported by rail.<sup>38</sup>

Transport emissions in the US account for 28% of the country's emissions<sup>39</sup> and 20.8% of total transport emissions globally, making the US the world's biggest polluter in terms of transportation-related activities.<sup>40</sup> However, rail transportation is responsible for only 2% of the total transport emissions in the country.<sup>41</sup> Rail freight is the most energy-efficient and least carbon-intensive land-based transport mode, considering that trains are eight times more energy-efficient than trucks per tonne of freight carried. Trains also have the benefit of high capacities, capable of transporting large volumes of goods per vehicle, and the advantage of infrequent stopping. It also contributes to reducing congestion on road networks.<sup>42</sup> Given these advantages, freight railroads play a key role in economic growth by addressing future transportation challenges with increasing urbanization in the US.<sup>43</sup>

Based on the above, Sustainalytics recognizes the importance of low carbon freight transport and its impact on reducing carbon emissions from the transport sector. Sustainalytics is of the opinion that Trinity's financing of low carbon transportation projects is expected to contribute positively to the US' transition to a decarbonized economy.

<sup>32</sup> ISO, "ISO 45001:2018 – Occupational health and safety management systems", at: <https://www.iso.org/standard/63787.html>

<sup>33</sup> Trinity Industries, "2024 Corporate Social Responsibility Report", (2025), at: [https://s25.q4cdn.com/774532758/files/doc\\_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf](https://s25.q4cdn.com/774532758/files/doc_financials/2023/sr/Trinity-Industries-CSR-Report-2024.pdf)

<sup>34</sup> Trinity Industries, "Statement on Social Responsibility," (2021), at: [https://s25.q4cdn.com/774532758/files/doc\\_downloads/ESG/2021/Statement-on-Social-Responsibility-2021.pdf](https://s25.q4cdn.com/774532758/files/doc_downloads/ESG/2021/Statement-on-Social-Responsibility-2021.pdf)

<sup>35</sup> Trinity Industries, "Environmental Statement", (2022), at: [https://s25.q4cdn.com/774532758/files/doc\\_downloads/ESG/2022/10/Trinity-2022-Environmental-Statement.pdf](https://s25.q4cdn.com/774532758/files/doc_downloads/ESG/2022/10/Trinity-2022-Environmental-Statement.pdf)

<sup>36</sup> IEA, "The Future of Rail Opportunities for energy and the environment", (2019), at: [https://iea.blob.core.windows.net/assets/fb7dc9e4-d5ff-4a22-ac07-ef3ca73ac680/The\\_Future\\_of\\_Rail.pdf](https://iea.blob.core.windows.net/assets/fb7dc9e4-d5ff-4a22-ac07-ef3ca73ac680/The_Future_of_Rail.pdf)

<sup>37</sup> US Department of Transportation, "Freight Rail Overview", at: <https://railroads.dot.gov/rail-network-development/freight-rail-overview>

<sup>38</sup> Ibid.

<sup>39</sup> US Environmental Protection Agency, "Fast Facts on Transportation Greenhouse Gas Emissions", 2022, at: <https://www.epa.gov/greenvehicles/fast-facts-transportation-greenhouse-gas-emissions>

<sup>40</sup> Statista, "Distribution of carbon dioxide emissions from the transportation sector worldwide in 2023, by select country", at: <https://www.statista.com/statistics/1304870/transportation-emissions-worldwide-by-country-shares/>

<sup>41</sup> US Environmental Protection Agency, "Fast Facts on Transportation Greenhouse Gas Emissions", (2022), at: <https://www.epa.gov/greenvehicles/fast-facts-transportation-greenhouse-gas-emissions>

<sup>42</sup> IEA, "The Future of Rail Opportunities for energy and the environment", (2019), at: [https://iea.blob.core.windows.net/assets/fb7dc9e4-d5ff-4a22-ac07-ef3ca73ac680/The\\_Future\\_of\\_Rail.pdf](https://iea.blob.core.windows.net/assets/fb7dc9e4-d5ff-4a22-ac07-ef3ca73ac680/The_Future_of_Rail.pdf)

<sup>43</sup> Ibid.



## Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Green Financing Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Low Carbon Transportation	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
Pollution Prevention and Control	12. Responsible Consumption and Production	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment
Sustainable Water and Wastewater Management	6. Clean Water and Sanitation	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

## Conclusion

Trinity has developed the Trinity Industries, Inc. Green Financing Framework, under which it may issue bonds, private placements, securitizations, or obtain term loans and other financial instruments and use the proceeds to finance and refinance, in whole or in part, existing or future projects that are expected to contribute to the transition to a low carbon economy. Sustainalytics considers that the eligible projects are expected to provide positive environmental impacts.

The Framework outlines a process for the tracking, allocation and management of proceeds and makes commitments for reporting on allocation and impact. Sustainalytics considers that the Framework is aligned with the overall sustainability strategy of Trinity and that the use of proceeds will contribute to the advancement of UN Sustainable Development Goals 6, 7, 9 and 12. Additionally, Sustainalytics is of the opinion that Trinity has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that Trinity is well positioned to issue or obtain Green Financing Instruments and that the Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021 and Green Loan Principles 2025.

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