CORPORATE SOCIAL RESPONSIBILITY

Our commitments to sustainable transport





YOUR LEASING SOLUTION FOR SUSTAINABLE TRANSPORT

Touax supports its customers by providing sustainable means of transport: **freight railcars**, **river barges** and **intermodal containers**. Located at the heart of goods flows and world trade, **Touax offers tailor-made solutions for the leasing and sale of sustainable transport equipment**, **to continually meet its customers' expectations for a low-carbon economy.**

€

ASSETS UNDER MANAGEMENT

€1.2 billion

at 31 December 2023, of which **48%** on behalf of third parties



FREIGHT RAILCARS

No. 2 lessor

in Europe (intermodal wagons) and India RIVER BARGES No. 1 lessor

ر-ىحىل

in Europe and South America

INTERMODAL CONTAINERS

No.1 lessor

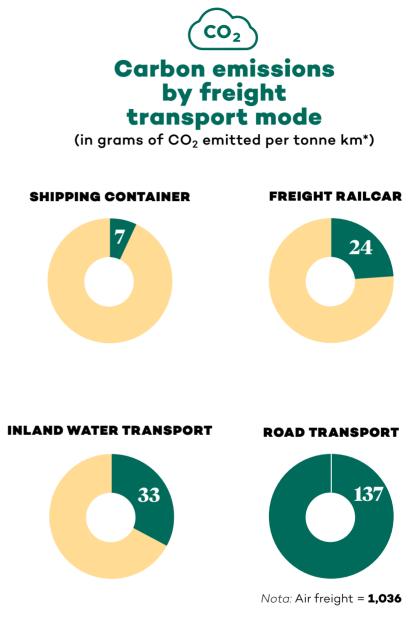
in Europe



for third-party investors worldwide

THE COMPETITIVE ADVANTAGES OF OUR OFFER

- > Touax offers quality services throughout the economic life of the asset: from the design stage, during its rental life and particularly during maintenance and servicing, until its sale and/or recycling.
- > Touax is helping to make trade more fluid, whether international or regional. Intermodal containers offer a long-distance mass transport solution and provide flexibility, enabling rail freight and river transport to be combined with other means of transport.
- > Touax's activities respond to the need to decarbonise the economy by playing a full part in the ecological transition of transport. $\overline{(co_2)}$
- > Touax offers transport assets with $low CO_2$ emissions in terms of tonnes transported per kilometre. co_2



* European Environment Agency - Methodology for GHG efficiency of Transport Modes - Fraunhofer I SI and CE Delft, 2020.

OUR COMMITMENT TO A MORE SUSTAINABLE FUTURE



"Conducting our business an eco-responsible manner is at the heart of our corporate strategy. Our CSR approach, which encompasses environmental, social, ethical and governance issues, illustrates our initiatives to adopt sustainable practices in all our operations. This brochure underlines our commitment to transparency, accountability and continuous improvement. Our service offerings encourage low-carbon freight transport, reinforcing our leadership role in promoting an even more sustainable industry."

Fabrice and Raphaël Walewski, Managing Directors

Our CSR STRATEGY is an integral part of our business:

- Contribute to concrete actions for a more sustainable world
- Create competitive advantages and increase our ability to develop and retain customers who share the same ESG objectives
- Increase the motivation and commitment of the Group's employees
- Increase our access to sustainable capital (bank financing, equity and third party investors)
- Preserve and promote the Group's reputation in its relations with all stakeholders (public authorities, suppliers, customers, etc.)



A SUSTAINABLE DEVELOPMENT STRATEGY AT THE HEART OF OUR ACTIVITIES

Touax at the heart of the circular economy for a more sustainable future







FREIGHT RAILCARS VS. **ROAD TRANSPORT 6X** less CO₂ emissions*



RIVER BARGES VS. ROAD TRANSPORT 4X less CO₂ emissions*



INTERMODAL CONTAINERS

equipment with the lowest **CO₂ emissions** in tonnes of freight transported per kilometre







Committed employees

worldwide

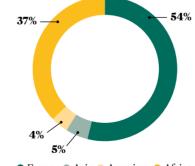


The involvement of our employees is crucial to the success of our business. We foster a safe and healthy working environment where talent and cultural diversity flourish within our global organisation.

Total workforce at 31 December 2023:

- \rightarrow 246 employees (including 144 in transport activities),
- → **19** nationalities represented.

Geographical breakdown of the group's workforce in 2023



• Europe • Asia • Americas • Africa

Ethical and responsible operations at the heart of our value chain



Our commitment to ethical and responsible business practices guides our actions throughout our value chain. We aim to promote high standards of governance, integrity and sustainability so that all our stakeholders can benefit. This is reflected particularly in our rigorous approach to sustainable procurement.

3 AGO MULLEIN → M → PHENERINARY 10 REVEALED 12 RESOLUTION NO. 10 REVEALED 12 RESOLUTION NO. 10 REVEALED 10 REVEA



OUR 2023 PROGRESS IN CSR







- Establishment of a solid governance with a CSR Committee within the Supervisory Board, in which the Managing Partners participate. Deployment of dedicated resources within the company and sponsorship of all the Group's CSR issues by one of the two Managing Partners.
- **> Strengthening our CSR policies,** particularly with the publication of an ethics charter, an anti-corruption charter and a supplier code of conduct.
- > Membership of the **United Nations Global Compact,** marking our commitment to the ten universal principles of human rights, social responsibility, environment, governance, and anti-corruption.
- > Carrying out a **full carbon footprint** (including Scope 3) on our 2022 data.
- > Launch of workshops and projects on **Quality of Life at Work** (QWL) and **Sustainable Procurement.**
- **> Numerous and systematic training courses** on CSR themes: health in the workplace, first aid, cybersecurity and anti-corruption.

EXTRA-FINANCIAL RATINGS ON THE RISE

→ Awarded the EcoVadis Gold Medal⁽¹⁾ in November 2023 for the second year of assessment, with a score of 72/100, up +9 points.

→ Improvement in the CSR rating awarded by Ethifinance Ratings⁽²⁾
to Touax share, listed on EuroNext – Compartment C, for the second year in a row.

A CONCRETE EXPRESSION OF SUSTAINABLE FINANCE

→ 75% of Group's debt is green or linked to sustainability indicators (December 31st 2023)

→ Indexation of the cost of financing, in the Container activity, to EcoVadis CSR rating (February 2023)

 → Establishment of a financing framework in line with the European taxonomy, the Green
Finance Framework (October 2023)

→ Conversion to Green Loans of all compartments of the financing contract for the Freight railcars activity (October 2023)

(1) The EcoVadis extra-financial rating assesses a company's main CSR impacts according to four themes: Environment, Social & Human Rights, Ethics and Responsible Purchasing.

(2) Ethifinance ratings: Evaluation of companies listed on the stock exchange on the basis of a reference framework of around 140 criteria, including: Environmental, Social, Governance and External Stakeholders.



At Touax, we place environmental responsibility at the heart of our development strategy. As one of the leaders in our industry, we are sensitive to our impact on the environment and take a proactive approach to minimising it. Our commitment to the environment is a commitment to the future, influencing everything we do. We aim to reduce our ecological footprint, not only to meet environmental standards, but also to inspire and lead change in our industry. We are proud to make this commitment, demonstrating our determination to be an agent of positive change.

Our eco-responsible approach must also be seen in the light of the life cycle of the equipment we offer for lease or sale. Touax offers its customers leasing solutions for assets that facilitate sustainable transport. These assets give our customers a clear competitive advantage in terms of decarbonisation. Moreover, the acquisition and financing of these assets are governed by an ever-growing sustainable finance framework.

We contribute to supporting the following SDG

5 ON LAND

8 DECENT WORK AN

M

REDUCING OUR CLIMATE IMPACT

Touax has taken a major step forward in its drive for environmental transparency regarding its carbon emissions.

OUR COMMITMENTS IN ACTION

Carbon footprint

In 2022, Touax carried out an initial simplified carbon assessment. In 2023, the company carried out a more in-depth carbon footprint, covering the vast majority of its 2022 operations. This is a necessary tool for identifying and measuring greenhouse gas emissions, which should enable Touax to steer its strategy and gradually reduce its ecological footprint.

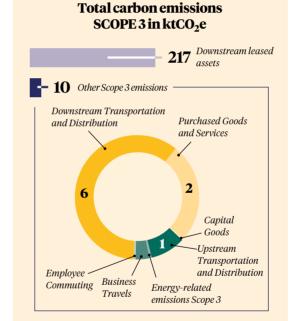
To carry out our carbon assessments, we follow the GHG Protocol method, which consists of considering 100% of emissions in the year in which they occur (no rule for amortisation over time).

Scope 1 and 2 emissions (direct and indirect energy-related greenhouse gas emissions) come from the operation of its **offices** (services) around the world and from the energy consumption of the **vehicles** used by its employees. Touax also has a modular construction business, with a factory in Morocco.

To study its **Scope 3** environmental impact (other indirect greenhouse gas emissions), Touax is analysing its value chain, focusing on the emissions generated by all its suppliers. As Touax is a transport equipment lessor, the asset acquisition cycle generates most of Scope 3 emissions.

Total carbon emissions SCOPES1 and 2 in tCO₂e 47.37 1.82 Indirect emissions from imported energy Direct emissions other than electricity from Stationary Combustion 203.82 SCOPE 1 306.58 SCOPE 2 259.21 200.08 Indirect emissions Direct emissions from imported from mobile electricity combustion 1.92 Direct fugitive emissions from the release





Climate risks

The Group is aware of climate-related risks. It is taking steps to respond to them and to ensure the resilience and sustainability of its operations. We analyse the impact of climate risks on each of our activities, by assessing the value chain in which we operate. In the

of GHG in anthropogenic systems

event of major climate change, Touax would be only marginally affected, at least in the short term. Touax's strong resilience stems from its profile as a service provider and longterm leasing company, guaranteeing a stable level of income.

OUR ENVIRONMENTAL OBJECTIVES

Touax undertakes to:

- → **Strengthen** its environmental policy;
- → Raise awareness/Train

staff in environmental issues and waste management;

→ Reduce its carbon footprint,

by implementing reduction and offsetting mechanisms to decrease net emissions from Scopes 1 and 2 by 50% by the end of 2025 and by 100% by the end of 2038;

→ Reduce Scope 3 emissions

through sustainable procurement and encourage initiatives and selection of suppliers with sustainable practices;

→ Carry out a full-cycle study

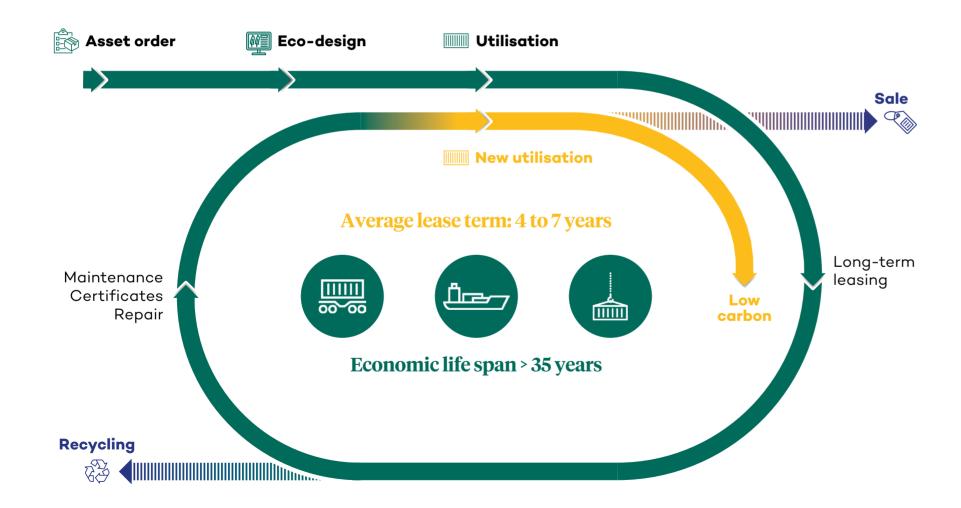
(manufacturing, operations) of greenhouse gas emissions linked to its assets and publish the results;

→ Organise greater traceability of the effective recycling of end-of-life assets.

In addition, Touax helps its customers cope with climate change by supplying river barges adapted to different navigability conditions, and diversified transport assets enabling modal shift in the event of certain infrastructures being blocked due to unfavourable climatic conditions.

THE TOUAX VALUE CHAIN

Through the life cycle of its assets, which begins at the order stage, Touax is a key player in low-carbon transport.



ECO-DESIGN

Our assets comply with the growing demands of the market in terms of environmental and safety standards. Technological innovations are also introduced to optimise cycles and improve the traceability of equipment (GPS installations, for example).

MAINTENANCE/CERTIFICATES/ REPAIR

High-quality long-term operational leasing requires equipment to be properly maintained. Wagons are subject to specific maintenance cycles (after 3, 6 and 12 years), barges are subject to navigation certificates that must be renewed, and containers to regular maintenance by the lessees.

RECYCLING

Our equipment is almost entirely recyclable at the end of its life (around 40 years after it was commissioned), as it is made up of more than 95% of metal: wagons are scrapped, barges are cleaned and dismantled, and containers are recycled. In all cases, the steel is recovered and re-melted, making it possible to build new equipment.

Our solutions enable our various customers to transport goods with less CO2 emissions than road and air freight, over multiple leasing cycles.

SUSTAINABLE FINANCE

Financing enables Touax to implement its environmental strategy. To offer our customers more decarbonisation solutions, we need to invest in new assets. And to invest, financial resources management is essential.





all the compartments of this €180m framework contract into **Green Loans.**

This was achieved by implementing a Groupwide **Green Finance Framework.** This framework is linked to the European taxonomy and enables green finance instruments to be issued to finance or refinance eligible assets and projects.

Financing that includes one or more CSR criteria (Green Loans or sustainability-linked financings) represents **75% of the Group's debt** at 31 December 2023.



INCREASED RESOURCES BY ASSET MANAGEMENT

Around half of the fleet managed by Touax is owned by third-party investors. Our CSR commitment to our investors is vital to the development of our business.

Many investors want to make impact investments.

The additional capital provided by our thirdparty investors increases our capacity to serve sustainable transport. Touax invests on its balance sheet and manages the fleet owned by investors. Thanks to the investors' resources, the volume of new sustainable assets brought into service is increased. This accelerates investment in reducing greenhouse gas emissions in freight transport.

Touax has a **broad investor base.** Touax is especially the exclusive operating partner of a Luxembourg SICAV (Real Asset Income Fund), and of a newly created fund in the European transport sector, backed by the European Investment Bank. In 2023, these two funds obtained European Article 8 classification, which validates and demonstrates the CSR commitment of our investment policy.

INVESTING TO DECARBONISE

For many years now, Touax has established a solid governance structure to manage its acquisitions of new equipment, via its **Investment Committee**, which is part of the Executive Committee. Every investment request from Touax's transport businesses is approved at the highest level of the organisation. The Investment Committee is made up of the two Managing Partners, the Managing Director of Administration and Finance, the Managing Director of Asset Management, and the General Managers of each activity.

To amplify its sustainability policy, the Investment Committee has been incorporating several CSR criteria into its decision-making since the beginning of 2024.

FINANCINGS AS A CATALYST

Our strategy

As a lessor requires regular investment, Touax operates in an environment strongly influenced by finance, and has a close relationship with specialised lenders. Over the past few years, the various players in this field have shown a growing appetite for CSR financing. Wherever it makes sense, Touax seeks to introduce green financing or to link financing costs to sustainable performance indicators.

Our commitment in action

Touax has a long track record of sustainable financing:

• In December 2020, Touax arranged a **€120m** Green Loan for its Freight railcars activity;

• In June 2022, Touax SCA's parent company issued **€33m in Euro-PP sustainability-linked bonds,** which required a carbon footprint to be carried out on a representative scope in order to improve the cost of borrowing;

• In February 2023, Touax linked its **\$115m container financing framework contract** to the EcoVadis CSR extra-financial rating carried out on the Group.

Touax has met all the targets set for 2022 and 2023 and has therefore been able to reduce the cost of its financings.

Our growing commitment

Touax seeks to structure and improve its approach to sustainable financing. In October 2023, Touax renewed the equipment investment line (Capex) of its railcar financing contract and took advantage of the opportunity to transform



SOCIAL AND HUMAN RIGHTS

Touax's social commitment is rooted in its desire to be an exemplary company and employer. It's a strong commitment that stems from Touax's origins and history, spanning 170 years and five generations of entrepreneurs. Our policy aims to ensure that all employees are treated with respect and fairness, within a safe and healthy working environment, and to defend the Human Rights of all stakeholders within the Group. Touax strives to integrate responsible practices into all aspects of its activities, recognising the importance of its role in the community and ensuring that its actions have a positive social and societal impact. The company is naturally committed to respecting fair labour, health and safety standards for its employees and customers, but also to supporting the local communities in which it operates.

To achieve this ambition, Touax relies on strong values that are rooted in the Group's DNA:

- \Rightarrow Customer satisfaction
- → Integrity and honesty
- → Open mindedness
- → Responsiveness and reliability
- → Team spirit
- → Respect
- → Personal commitment, pleasure and pride

QUALITY OF LIFE AT WORK

At Touax, **Quality of Life at Work (QWL)** in its broadest sense is of great importance, whether in terms of health and safety at work, risk prevention, work organisation, social dialogue or employee motivation and support.

OUR COMMITMENTS

The health and safety of our employees is an absolute priority that we are firmly committed to ensuring in the workplace. Every Touax structure, whether in France or abroad, is required to implement and maintain a prevention policy in terms of health and safety risks.

In addition to this essential foundation, Touax is a company that advocates exchanges between employees and **social dialogue**, through staff representative bodies or other channels of communication. Aiming for excellence in its human resources management system, Touax seeks to **measure employee satisfaction.** In 2023, the Group launched a QWL survey, which received a very high response rate of 97%. Several positive points emerged, including good team cohesion, a good work-life balance, and a management style that is seen as benevolent and supportive.

Overall employee satisfaction rate



OUR COMMITMENTS IN ACTION

In 2023, the Touax Human Resources Department launched a series of **QWL workshops** in the form of working groups, involving employees from each of the company's activities. The topics addressed were the integration process for new arrivals, ways of improving internal communication, and the management of office space to include the rapid changes taking place in remote and on site working.

Various **training courses** are organised on all these QWL-related topics:

• Professional training is provided to teach the correct movements and postures at work, in order to reduce the risk of accidents and occupational illnesses; • The Touax Group goes beyond its legal obligations by training its employees in first aid and the use of defibrillators.

Regarding **employee safety:**

- In 2023, Touax recorded only three work-related accidents resulting in time off work;
- In response to the Covid-19 pandemic, we also reviewed our **occupational risk assessment** in France and the UK. The aim is to identify risk situations, assess the hazards that our employees could face and prioritise improvement measures to develop an action plan.





OUR OBJECTIVES

- → Ensure a safe working environment for all employees, continuing to record no serious accidents.
- → Strengthen and sustain safety training initiatives in 2024 and beyond.
- → Organise compulsory annual medical check-ups for all employees (100% by 2025).
- → Following on from the QWL workshops begun in 2023, aim for a minimum employee satisfaction rate greater than 80% over the long term.
- → To eventually obtain "Great Place to Work" Human Resources certification.

SKILLS DEVELOPMENT



Touax is a service company renowned for delivering **quality services** to its customers. Our quality services are based on efficient processes and on the skills of our employees.

OUR POLICY

To achieve and maintain a high level of quality, we need to implement the most efficient processes and optimise them on an ongoing basis. As part of this **continuous improvement approach**, the company has set up a Lean Management programme to train and develop its employees on a daily basis.

Training and skills development are a priority. On the one hand, there is a common base of knowledge that the company wants all its employees to acquire, in terms of business aspects (in respect of English language and of certain IT tools, for example), intrinsic values and managerial practices. On the other hand, individual training needs may arise from annual appraisal interviews and be implemented subsequently. In terms of permanent resources, we have set up a Digital Learning platform.

In addition, the Human Resources department implements, by department, **a forward-looking management of jobs and skills.** The objective consists in anticipating resource and training requirements to meet the challenges of our businesses over a 2-to-3-year horizon. This skills development policy enables Touax to secure the commitment and loyalty of its employees.

OUR COMMITMENTS IN ACTION

2023 in-class training:

- 96 participants (48 participants in 2022)
- 1,383 hours dedicated (659 hours in 2022)
- Including the following themes:
- Improved management
- IT productivity tools
- Health and safety
- Developing specific skills
- Cybersecurity
- Languages

OUR OBJECTIVES

To make further progress, the following roadmap has been drawn up:

- → Strengthen the career management and training policy by setting quantitative and qualitative targets;
- → Build employee loyalty by reducing staff turnover (maintaining an annual rate of less than 15%).

CSR criteria are now included in the annual objectives of the Business Unit Directors.

DIVERSITY, EQUAL OPPORTUNITIES

Touax is committed to **equal opportunities and diversity,** with a transparent and fair human resources policy where differences are valued, and everyone feels respected and integrated.

OUR COMMITMENTS

No discrimination is tolerated, in line with the company's values and ethics charter dating from 2011.

By joining the **United Nations Global Compact** in 2023, Touax is also affirming its commitment to **fundamental respect for human rights.**

Moreover, Touax is committed to extending its influence beyond its business and social spheres, and is taking into account the **socie-tal dimension** of its actions.

OUR COMMITMENTS IN ACTION

Touax's international nature means that it promotes and welcomes different cultures and nationalities within its teams. This **diversity** is reflected in the profile of its employees, representing 19 nationalities (out of a total workforce of 246 by the end of 2023, including 144 for its transport activities; refer to page 5).

Employees are **recruited based on their skills**, regardless of their origin, and diversity of experience is valued.

In terms of **gender equality**, 30% of the Group's workforce on 31 December 2023 are women. Among managers, 20% are women.

Touax applies a policy of equal pay for men and women, based on the principle of "equal pay for equal work". Touax strives to ensure equal treatment for all its employees, focusing on the requirements of the job descriptions.

At the same time, the Group is committed to the inclusion of disabled workers by purchasing supplies from companies such as "Le Chêne", which employs disabled people.

OUR OBJECTIVES

Touax will study the following subjects:

- → Maintaining perfect pay equality between men and women;
- → Deployment of a diversity charter in line with the Group's values.



GOVERNANCE, ETHICS AND SUSTAINABLE PROCUREMENT

We have a general objective of good governance, aiming to guarantee ethical practices with all stakeholders (fight against corruption, refusal of anti-competitive and illegal practices) and to manage information with a high degree of security and responsibility. Integrity and responsibility are two fundamental values that are intrinsic to the Touax Group. We want to strengthen and formalise our rules of governance and business ethics.

The Group ensures that high standards are followed in its management practices and business transactions. Touax ensures that its policies are guided by irreproachable ethics. This applies to our <u>purchasing policy</u>, which we aim to be increasingly responsible. Our ambition is to promote the best social, environmental, and ethical practices among all the Group's suppliers, so that every decision we make and every partnership we enter into reflects our ethical and responsible commitment.

GOVERNANCE AND BUSINESS ETHICS

The Touax Group adheres to high standards of corporate governance and guarantees a high level of compliance.





OUR POLICY

Since 2011, an **Ethics charter** is in place, that highlights the company's sound governance principles and applies to all Touax employees. We are committed to enforcing absolute integrity to prevent any act of corruption. To reinforce these rules, Touax drew up an **anti-corruption code of conduct** in 2023.

The **security of our information systems** and data protection are at the heart of our concerns. In addition to regulatory obligations – such as the General Data Protection Regulation (GDPR) applicable in the European Union – Touax implements advanced cybersecurity strategies to guarantee the safety and confidentiality of its information. An **IT charter**, signed by all Group employees, has also been in place since early 2022. Once again, we are affirming our commitment to responsible and secure governance.

OUR COMMITMENTS IN ACTION

In 2023, Touax has strengthened its rules of governance with the introduction of an **anticorruption code of conduct** (published on our website www.touax.com). The code is based on two fundamental principles for the Group: integrity and transparency.

Touax employees are therefore required to comply with standards designed to ensure sound governance and fair competition, and to guard against the risks of corruption and/or influence peddling. In line with the recommendations of the French Anti-Corruption Agency, the Group has set up an internal whistleblowing system to prevent any risk of corruption. The system can be used by all Group employees, as well as by any external stakeholder. The Group's ethics charter will also be revised in 2024 to incorporate the more precise anti-corruption rules set out in the code.

Touax also provides **regular training** for its managers and employees in both ethics and cybersecurity. Ethics training was provided at the highest level of the organisation in 2023 and will be rolled out to employees in 2024. To deal with the increased risk of cybercrime, Touax has also organised its first cyber awareness campaign, training 100% of its staff in the risks associated with cybersecurity and the secure use of internal communication tools.

of Touax staff trained to cybersecurity risks



OUR OBJECTIVES

- → Supplement our governance and ethics policies with regular updates, gradually strengthening the system (anti-fraud, prevention of conflicts of interest).
- → Train all employees in business ethics and the fight against corruption.
- → Regularly train all employees in cybersecurity risks and the safe use of the company's communication tools.
- → Strengthen our risk management in terms of ethics and anti-corruption.

SUSTAINABLE PROCUREMENT

As a committed company, Touax pays particular attention to respecting the rules of governance and environmental protection, as well as social and human rights.

OUR POLICY

In 2023, we signed up to the **United Nations Global Compact.** As part of its development strategy, Touax promotes responsible purchasing and a sustainable supply chain: we want to promote best practices among all the Group's suppliers.

In 2023, we drew up a **Supplier Code of Conduct** (available on our website www.touax.com) which we hope all our suppliers and subcontractors will respect*.

This code requires compliance with international laws and regulations, respect for human rights and social regulations, integrity in business conduct and environmental responsibility.

* This Code of Conduct applies to suppliers, their parent companies, subsidiaries and affiliates, their employees – temporary or otherwise – as well as to suppliers' subcontractors and suppliers, and to any person having a business relationship with a Touax company.

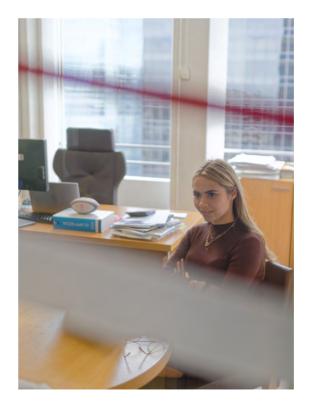
OUR COMMITMENTS IN ACTION

Purchasing plays a central role at Touax and is one of the driving forces behind our value chain: every year we acquire large volumes of transport equipment; we also buy services, which are often directly linked to new assets or their maintenance.

In 2023, Touax launched an initiative to strengthen its sustainable procurement policy, starting with its freight railcars business, by sending out an **evaluation questionnaire** to its main suppliers. The aim was to gather information and assess our suppliers' commitment to CSR, as well as getting them to sign the supplier code of conduct.

These analyses will enable Touax to carry out ongoing monitoring and implement precise action plans.

The **health and safety of our customers** is one of our major concerns and is linked to our acquisition process and to monitoring the maintenance of our equipment. In our value chain, the eco-design of new assets is studied right from the order stage. This phase includes design issues, as well as innovations in sustainable development (recycled and eco-responsible materials, safety devices, etc.). To ensure compliance with CSR criteria, the Touax Group regularly **visits its suppliers' main sites** (production plants, maintenance workshops).







OUR OBJECTIVES

- → Significantly strengthen the Group's sustainable procurement policy for both goods and services.
- → Implement standard CSR clauses in all our supplier contracts.
- → Carry out internal or external audits to ensure compliance with good CSR practices in the field.
- → Promote CSR among all our suppliers, to make our value chain increasingly sustainable, in particular by progressing towards more accurate measurement of suppliers' environmental impact.
- → Regular training for our buyers in best practice in sustainable development and responsible purchasing.





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