

# ON TRACK TOGETHER

2023 ESG EXECUTIVE SUMMARY



# Message from Our CEO



Greenbrier has a legacy of providing products and services that enhance rail freight transportation and the communities we serve. The world is transitioning toward a lower carbon, more socially conscious future, and Greenbrier is proud to do our part. Greenbrier's history of employee health and safety, product quality and innovation, social and environmental responsibility and dedication to communities continues to break new ground. We have also evolved by embedding ESG principles in our business and risk management strategies.

In fiscal year 2023, we continued to align our report to the TCFD framework. We developed a gap analysis to determine next steps toward full alignment, and assessed physical risks at our facilities worldwide.

In addition to our TCFD progress, we have made advancements in product quality and engineering expertise, and we also progressed on our Scope 2 GHG emissions reduction goal by introducing a renewable energy project at Greenbrier Tlaxcala in Mexico.

Dedication to our employees deepened in fiscal year 2023. We introduced our Dynamic Hand Safety program to address the most significant injury type at Greenbrier. We also built new programs to support employee growth and development, as well as diversity, equity and inclusion (DEI). We hosted our first-ever DEI Summit in 2023 to celebrate our successes and develop new goals for the future of our Inclusion, Diversity, Equity, Access and Leadership (IDEAL) commitment.

Finally, Greenbrier implemented our Better Together Strategy in fiscal year 2023. Our intent is to align Greenbrier across business units to continue our manufacturing leadership, grow our services activities, enhance manufacturing margins and build recurring revenue. Our new strategy is based on the premise that Greenbrier will perform Better Together as a unified operation.

Greenbrier has made great strides in our ESG journey. I encourage you to read about the actions we are taking in fiscal 2023 and in the future.

A handwritten signature in black ink, reading "Lorie Tekorius". The signature is fluid and cursive, with the first name "Lorie" being more prominent than the last name "Tekorius".

**Lorie Tekorius**  
CEO & President

# ESG at Greenbrier

## Our ESG Approach

We prioritize innovative sustainability strategies to deliver impact at a global scale and seek to build trust with stakeholders by achieving measurable progress toward our sustainability goals.


Greenbrier's legacy of supporting our communities, operating safely and ethically and protecting the environment began long before our years of ESG reporting—it is embedded in our company values. Further, ESG is overseen at the highest levels of management: the board and executive leadership.

We strive to continually integrate our ESG Values of Safety and Quality, People, Environmental Sustainability, Governance and Ethics and Communities into our broader business strategy. We recognize that connecting all aspects of business strategy and sustainability drives long-term value for Greenbrier and all of our stakeholders.

## Disclosures Frameworks


To guide our ESG efforts, we rely on several reporting standards and frameworks, including the TCFD framework, the International Financial Reporting Standards Foundation's Sustainable Accounting Standards Board (SASB) standards for our industry and the United Nations Sustainable Development Goals (SDGs).

View our enhanced TCFD disclosure on [page 65](#) of our 2023 ESG Report



[Click here](#)

View our SASB disclosure and our continued commitment to UN SDGs on [page 62](#) of our 2023 ESG Report



[Click here](#)

## 2023 ESG Report Highlights



### Safety & Quality

- Enhance product sustainability, innovation, quality and safety
- Keep our workforce safe and healthy



### People

- Continually enhance our Human Capital Management approach
- Invest in our Inclusion, Diversity, Equity, Access and Leadership (IDEAL) commitment
- Treat all employees, contractors, customers, suppliers and stakeholders with respect and care



### Environmental Sustainability

- Manage climate change and GHG emissions
- Mitigate waste, water and air pollutant activity
- Monitor and enhance supply chain management



### Governance & Ethics

- Regular ethics and compliance training
- Responsible governance practices
- Embed risk management across the business
- Enhance cybersecurity efforts



### Community






- Engage with and support local communities
- Support the Sustainable Development Goals

# Goals Progress & Road Map











✔ Achieved
 ⚙️ In Progress







## FISCAL YEAR 2023

GOAL	CATEGORY	PROGRESS
Deploy new onboarding framework across U.S. operations	 People	<span style="color: green;">✔</span> Greenbrier rolled out a new program that spans the employee's pre-hire period through the employee's first 90 days of employment. Today, our onboarding at Greenbrier equips employees and managers with information and tools to guide them through successful integration. It also establishes ongoing connections to encourage a culture of open dialogue early in the employment cycle.
Identify successes and gaps in our vendor selection approach	 People	<span style="color: green;">✔</span> We developed a strategy committee to analyze our vendor selection approach. This group will use this information to develop the next steps in a holistic review of our supply chain partners, including building a vendor survey to track supplier diversity and working with executive leadership to increase our supplier participation toward meeting our environmental, social and governance (ESG) objectives.
Establish a recognition and rewards program	 People	<span style="color: green;">✔</span> Greenbrier launched GBX RailDepot, an online communication platform for connecting people and information. Employees can view information about the company, access employee resources and recognize others for their contributions.
Expand the employee survey to our operations in Mexico	 People	<span style="color: green;">✔</span> Mexico hosted the employee survey in fiscal year 2023 and received a 95% participation rate. The facilities are convening additional conversations with leadership to help progress on action items that resulted from the survey.
Expand waste management tracking to include what our facilities send to landfills	 Environment	<span style="color: green;">✔</span> Waste tracking has been implemented and will be refined to better track waste and material recycling efforts.












**FISCAL YEAR 2023 (Cont.)**

<p>Implement a formal Environment, Health and Safety (EHS) policy rollout and initiate an environmental audit process</p>	 <p>Safety &amp; Quality; Environment</p>	 Greenbrier's EHS policy was rolled out through multiple communication processes and has been posted at each manufacturing facility. In addition, we have started third-party environmental compliance audits at several of our larger facilities. Compliance assurance processes are being put in place to provide improved corporate oversight on environmental activities at the production level.
<p>Audit seven additional manufacturing facilities for corporate safety standards</p>	 <p>Safety &amp; Quality</p>	 We conducted audits at eight plants. Opportunities for improvement were identified and have either been implemented or are in progress.
<p>Fully implement new non-destructive testing (NDT) techniques</p>	 <p>Safety &amp; Quality</p>	 In our 2022 ESG report, we established the goal to fully implement new non-destructive testing (NDT) techniques in fiscal year 2023. We are reevaluating this approach and will share an update on our processes in the future.
<p>Internal audit of ESG data</p>	 <p>Safety &amp; Quality</p>	 All (100%) of Greenbrier manufacturing facilities were audited by our internal audit team. The sample data set was verified and, if necessary, corrected. If specific data was corrected from the sample set, that data was audited for the entire year. The process was upgraded so monthly data is now tracked and compared to online data records to provide ongoing assurance of data quality. A new environment, health and safety standard was introduced to formalize the process.

**FISCAL YEAR 2024**

GOAL	CATEGORY	PROGRESS
<p>Implement air quality, waste management and water quality control procedures</p>	 <p>Environment</p>	 Drafts have been developed.
<p>Bolster employee feedback loops through additional surveys in the U.S., Mexico and Europe</p>	 <p>People</p>	 In fiscal year 2023, we issued an employee survey in Mexico and received a 95% response rate. We also began drafting surveys for additional stages of the onboarding experience and for employee surveys in markets beyond the U.S. and Mexico.
<p>Introduce an enhanced safety onboarding approach that provides a comprehensive and consistent framework across our North American operations</p>	 <p>Safety &amp; Quality; People</p>	 Onboarding tools and videos are in draft process. The specific safety training can vary slightly between facilities so it is important to provide tailored materials and flexibility for each location to onboard appropriately.

## 2025 & BEYOND

GOAL	CATEGORY	PROGRESS
<p>Create five new pathways to providing consistent diversity scholarship funding by 2025</p>	 Community	<p>Four out of the five pathways are complete:</p> <ol style="list-style-type: none"> <li>1. William A. Furman Technical Training Scholarship: This scholarship is given to a high school senior pursuing an education in a technical field at Portland Community College.</li> <li>2. Black River Technical College (BRTC) Scholarship: We maintain a partnership with the BRTC in Paragould, Arkansas. This scholarship supports students obtaining a degree in a technical field.</li> <li>3. University of Oregon Foundation Law Program: University of Oregon students who receive these scholarships serve at nonprofits that serve the public interest. Typically, the recipients of legal assistance are in underserved and underrepresented communities.</li> <li>4. Black American Engineering Scholarship: This organization promotes educational STEM opportunities for Black American students.</li> </ol>
<p>Establish Volunteer Time Off (VTO) program by 2025</p>	 Community	 VTO rolled out to identified employee groups.
<p>Implement a corporate-level Environmental Management System (EMS) by 2025</p>	 Environment	 In addition to several specific action steps, we will finalize the EMS standards and will begin training across locations in fiscal year 2024.
<p>Reduce Scope 2 GHG emissions per unit of output by 20% by 2027 (from 2022 baseline)</p>	 Environment	 Our first pilot project for site-level generation of renewable energy was implemented at our manufacturing plant in Tlaxcala, Mexico.
<p>Engage in an external ESG audit by 2025</p>	 ESG Strategy	 We will develop a scope for an ESG audit to further validate our report data.
<p>Fully align with the Task Force on Climate-Related Financial Disclosures (TCFD)</p>	 ESG Strategy	 We identified a vendor to evaluate the feasibility of hosting a 2-degree Celsius scenario event.

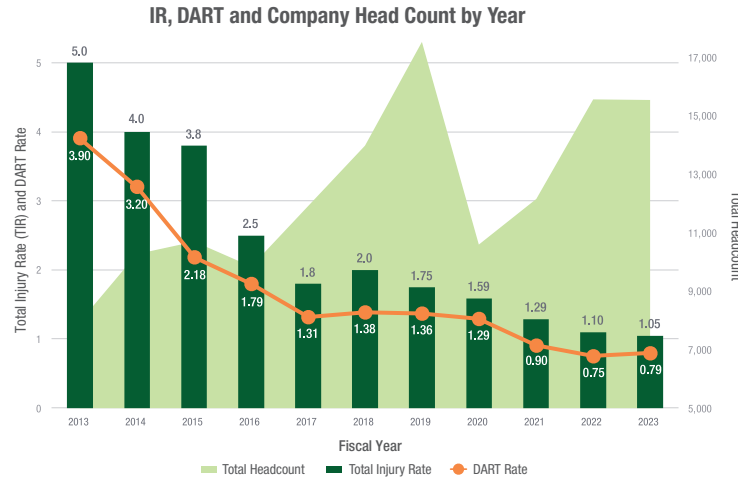
# Safety & Quality

Greenbrier is dedicated to our Core Values of Safety and Quality through our product development and production, and among our employees, customers and contractors.

## Safety Performance

At Greenbrier, we believe that no one should be injured on the job. Our commitment to safety applies to all employees at every level of the company. Greenbrier's commitment to improvement is demonstrated by the steady decrease in our recordable injury rate (IR) and our rate for injuries resulting in Days Away, Restrictions and Transfer (DART).

**In fiscal year 2023, one new railcar manufacturing facility and eight maintenance locations achieved at least one year without a recordable incident.**



## Technical Services—Center of Excellence

In fiscal year 2023, Greenbrier established the Technical Services—Center of Excellence, which is responsible for working with each business unit to develop standardized technical services to the highest level of product quality. It also focuses on the efficient and proficient use of resources and minimizes business risk to support Greenbrier's needs.

**In fiscal year 2023:**

We hosted

**21**

supplier audits

We hosted

**69**

weld audits

Greenbrier's Quality Assurance team enabled

**8**

facility audits

**We maintain a standardized approach for conducting audits, tracking audit observations and corrective actions.**

## Sustainable Conversions

Our Sustainable Conversions are an efficient, environmentally sustainable and cost-saving option for railcar owners looking to diversify and optimize their fleets.

**In fiscal year 2023, 46,000 materials were reused, reclaimed or recycled through Sustainable Conversions.**

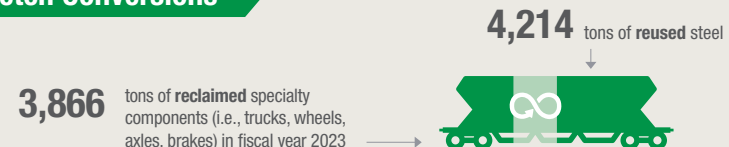
We offer rebody, stretch and auto carrier conversions programs as part of the Sustainable Conversion program, which converts existing covered hoppers and tank cars and is often able to reuse many existing components to reduce the overall cost.

### Rebody Conversions



Rebody Conversions reclaim and reuse specialty components such as trucks, wheels, axles and brakes. Scrapped steel from the railcar bodies is recycled at the end of the railcar's lifespan (see more details on [page 45](#) of our 2023 ESG report).

### Stretch Conversions



Stretch Conversions use approximately 65% less steel versus newly built ones. In fiscal year 2023, Greenbrier's 344 total Stretch Conversions resulted in only **258 total tons of scrapped (recycled) steel**.

# Our People

We are committed to creating a culture of feedback and inclusion that supports our Inclusion, Diversity, Equity, Access and Leadership (IDEAL) commitment and reinforces our Core Value of Respect for People.

## IDEAL Connect 2023

Greenbrier hosted IDEAL Connect in July 2023, our first-ever diversity, equity and inclusion summit. The event brought leaders from across the organization together, including representatives from our eight employee resource groups, to receive education, tools and guidance around IDEAL programs from guest speakers and DEI experts to determine the next steps in our journey.

## Retaining & Developing Our People

At all levels of the organization, we encourage and reinforce the importance of learning new skills and competencies through a number of training opportunities. **In 2023 we invested in two new learning and training opportunities—Greenbrier University and Continuous Improvement—resulting in more than 3,000 additional training hours.**

### Greenbrier University

We developed Greenbrier University (GBU) in fiscal year 2022 and continue to expand its content based on business needs and employee skill sets. The courses focus on behaviors and skills that are important for employment success.

**1,603**

GBU training hours in fiscal year 2023.

### Continuous Improvement

In fiscal year 2023, Greenbrier began a companywide Continuous Improvement Training initiative. The purpose of the program is to train and empower our teams to solve problems and make improvements together, with a common language and framework.

**1,600**

Continuous Improvement training hours in fiscal year 2023.

# Environmental Sustainability

## Environmental Management System

In our 2022 ESG report, we set a target to implement a corporate-level Environmental Management System (EMS) by 2025. Greenbrier's sustainability and environmental compliance efforts continued in fiscal year 2023, and we made significant progress in implementing our EMS:

- Four environmental audits were performed by a third party to identify opportunities for improvement.
- Our three manufacturing facilities in Romania became ISO 14001-certified, bringing our total number of ISO 14001-certified manufacturing facilities to five.
- We held our first Environmental Summit for environmental managers from across the company to receive training and share best practices.
- We implemented a pilot project to automate corporate compliance oversight at five of our Maintenance Services facilities.
- We upgraded our corporate-level environmental management standards for consistent application at all our facilities.

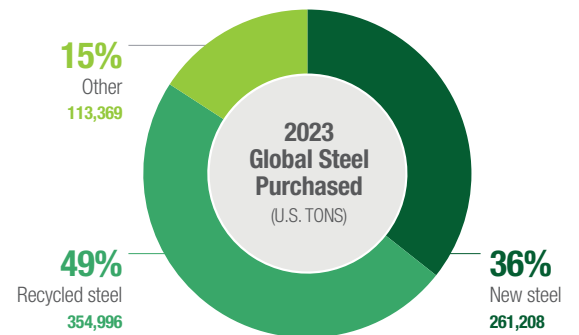
## Climate Change & Greenhouse Gas Emissions

We progressed on our Scope 2 GHG emissions reduction goal by introducing a renewable energy project.

Our production facility in Tlaxcala, Mexico, completed Greenbrier's first pilot project for renewable energy with an installation of 925 solar panels in the company parking lot, with a capacity of 498 kilowatts (kW) of power. **This project has a projected average energy production of just over 67,000 kW-hours per month.** In fiscal year 2024, we plan to evaluate the feasibility of increasing the renewable energy capacity at Greenbrier Tlaxcala.

## Recycled Steel

Greenbrier and our customers value recycling and the environmental and cost savings it brings. **In fiscal year 2023, 49% of global steel purchased for railcar manufacturing was recycled.**



Fiscal Year 2022: 43% Recycled steel | 41% New steel | 16% Other



# Governance & Ethics

## Governance & Board of Directors

Greenbrier has completely refreshed its Board over the last eight years and has an average tenure of approximately five years. The Board regularly engages in identifying highly qualified candidates for future Board service.

Effective after Greenbrier's 2024 Annual Meeting of Shareholders, we will have an increasingly diverse board, including **44% female members and 33% members who identify as ethnically diverse.**



## Risk Management & Oversight

Greenbrier's Enterprise Risk Management (ERM) program is used to evaluate risks, including climate-related risks, that have the potential to substantially impact the organization and shareholder value. Our ERM process helps ensure that the appropriate risk owner is assigned to each risk and that action steps are established to mitigate potential negative impacts.

In fiscal year 2023, we tracked approximately 40 risks through this process, including risks related to climate, safety and loss prevention, as well as operational risks.

# Communities

## Corporate Giving

Consistent with our Core Value of Respect for People, Greenbrier strives to make a positive difference in the communities where we operate.

Through our Corporate Giving Committee, Greenbrier donated \$1 million to nonprofits and organizations across the United States in fiscal year 2023.

## Annual Charitable Donations (U.S. DOLLARS)



\* Fiscal years 2022 and 2023 were elevated due to a special one-time donation to the Papé Foundation.

## Employee Volunteerism

Greenbrier supports volunteerism across our employee base. All full-time, regular employees based in the U.S. in non-production roles are eligible for Volunteer Time Off (VTO) after three months of continuous full-time employment.

**In fiscal year 2023, Greenbrier employees logged more than 11,100 volunteer hours.**

# Awards & Recognitions

**America's Most Responsible Companies**  
*Newsweek and Statista*

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**Best Small Companies**  
*Forbes*

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**Best ESG Investment Ideas for 2023**  
*TD Cowen*

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**Women in Rail, Sandra Ocaña**  
*Railway Age*

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**Women in Rail, Lindsay Day**  
*International Railway Journal*

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**Fast Tracker, Jeremy Dark**  
*Railway Age*

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**50/50 Women on Boards**  
*3+ Rating*

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**HR Leadership Award, Laurie Dornan**  
*Portland Business Journal*

**Most Admired Companies**  
*Portland Business Journal*

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**Corporate Philanthropy**  
*Portland Business Journal*

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**Outstanding Executive of the Brazilian  
Railroad Industry, Eduardo Scolari**  
*Railroad Magazine*

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**Best Freight Railcar Manufacturer,  
Greenbrier Maxion**  
*Railroad Magazine*

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**Corporate Platinum Partner**  
*League of Railway Women*

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**2023 Manufacturing Leadership  
Award Finalists, Virtual Sample Railcar**  
*National Association of Manufacturers*



**RAILWAY AGE**



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*THE*  
***GREENBRIER***  
*COMPANIES*



For more information, please view  
our full [2023 ESG report](#)

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