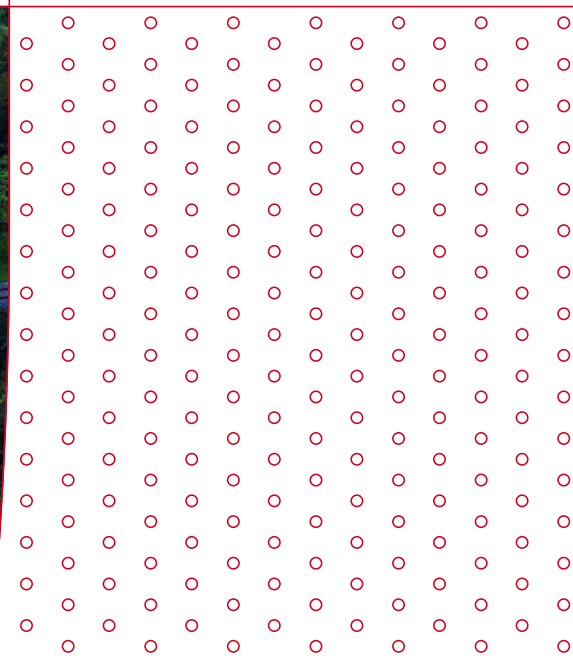


STREEM

Enabling the future of freight



2022

Sustainability report



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1. CEO FOREWORD

Dear Partners, Investors and Friends,

At Stroom, we firmly believe that sustainability is not merely an option but a responsibility that lies at the core of our business practices. We are therefore delighted to present this annual Sustainability Report for 2022 which represents our commitment to transparency, accountability and our ongoing dedication to sustainable practices.

The report provides a comprehensive overview of our environmental, social and governance (ESG) performance through the description of the actions we have taken to embed sustainability across our operations and the provision of a comprehensive review of KPIs in areas such as occupational safety, carbon emissions, employee well-being and gender equality.

In the wake of our regained independence in 2021 and despite a challenging environment (situation in Ukraine, inflation, economic slowdown), 2022 was very successful for our Group with excellent safety and commercial results as well as a record-high level of investment in our fleets and industrial sites. It was about time to renew our identity.

We are Stroom. We are enabling the future of freight.

Freight transportation is vital but needs to be decarbonized for the reasons we all know. This is the future of freight: a decarbonized, safe and cost-efficient system serving the communities and preserving the planet. Our 125,000 railcars & tank containers, our workshops and depots, our 1,300+ colleagues play an active role in this journey.

We know that achieving it requires collaboration and shared responsibility and we therefore extend our gratitude to our valued stakeholders, including customers, suppliers, investors and the wider community, for their support and partnership.

We invite you to delve into the following pages and hope you enjoy reading them.



David Zindo
Stroom CEO

An aerial photograph of a train yard. Several freight cars are visible, mostly covered in blue tarps. One car in the lower-left has a red tarp. The cars are parked on tracks. The image is divided into four quadrants by thin white lines. The text '2. ABOUT STREEM' is overlaid in the top-left quadrant.

2.

ABOUT STREEM

2. ABOUT STREEM

Streem is one of the leading global players in the freight railcar and tank container leasing industries. Founded in 1956 in Geneva (Switzerland), the Group today represents more than 1,300 employees in 39 locations worldwide. Streem specializes in designing, optimizing, financing and managing strategic assets for the global supply chain, offering customers safe, cost-efficient and environment-friendly asset solutions.

With operations throughout Europe for railcars and worldwide for tank containers, Streem offers local expertise to a world of customers from industries as diverse as steel, energy, chemical, construction, mining, agribusiness, foodstuffs, cosmetics and logistics & transportation. Streem guarantees today's and tomorrow's low carbon transport solutions by actively working to ensure the total safety of people and good

STREEM

ASSETS
125,000 managed



RAILCARS
45,000



TANK CONTAINERS
80,000



WORLDWIDE
39 Locations & more
than 40 nationalities



ISO 9001

ISO 14001

ECM



MORE THAN
1,400 customers



UTILISATION RATE
91%



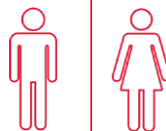
WORKSHOPS
8 in Europe



STAFF
1,270

GENDER SPLIT

76% | 24%



57%* | 43%*

*Workshops excluded



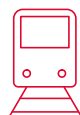
GOLD MEDAL
* RailcarBU



REVENUE
542 m.



VS



5X LESS GREENHOUSE GAS EMISSION FOR RAIL*

*Source: Rail Freight Forward



3.

MANAGEMENT AND VALUES

3. MANAGEMENT AND VALUES

3.1 Corporate Management

The highest authority is the **Supervisory Board** which has eight members (4 representatives of the shareholders, 3 independent members and the CEO). Supported by the Audit & Risks Committee, the HR Committee and the Investment Committee, it examines and monitors the activity of the **Management Committee (MC)** which leads the business activities and consists of eight members:

- **David Zindo** Chief Executive Officer
- **Etienne Fallou** Chief Financial Officer
- **Agathe Marie** Legal and Insurance Director
- **Stéphane Gavard** Safety, Risks and Synergies Director
- **Caroline Tomkevitch** Human Resources Director
- **Peter Reinshagen** Managing Director Railcar Leasing (Ermewa)
- **Julien Mathiaud** Managing Director Railcar Maintenance and Engineering (Inveho)
- **Vincent Martin** Managing Director Tank Container Leasing (Stroom Containers)

Stroom activities are conducted through three business units (Ermewa, Inveho, Stroom Containers) supported by corporate functions (Finance, Legal, HR, Safety, ESG, Insurances, IT).

3.2 Sustainability Management

Our stakeholders (shareholders, customers, states, territories, Stroom employees) express strong expectations on ESG topics. Climate change, resilience, customer satisfaction, regulatory compliance, employees safety, are, among others, issues which require the implementation of a structured Group policy and dedicated resources.

These missions are entrusted to the Safety, Risks and Synergies department which reports to the CEO. The MC evaluates and approves the principal ESG policies and initiatives collectively.

Senior executives' compensation packages include a fixed share, an annual bonus and a long-term incentive (4 to 8 years). The annual bonus and long-term incentive include CSR objectives, notably in terms of occupational safety and carbon footprint reduction.

✓ SAFETY

Safety covers the management and coordination of the Safety Management System (SMS) and risk mapping. These tools, which aim to identify risks, measure our exposure to them and monitor the corresponding action plans, constitute the Group's dashboard in this field and are the subject of regular communication to the Group's Supervisory Board.

Safety also covers the Group HSE aspect whose main objective is to coordinate actions relating to safety at work and, on the other hand, the management of the continuous improvement process.

✓ BUSINESS ASSURANCE

The purpose of the Business Assurance mission is to ensure the reliability of our decision-making and transactional processes, as well as the compliance of our business relationships with the regulations in force.

This mission includes on the one hand Internal Control, Internal Audit and Compliance.

Moreover, this mission includes the technical validation of Business Units' investments. In accordance with the requirements of the Safety Management System, these validations concern significant technical choices, substantial change and manufacturer audits.

✓ SYNERGIES

The Synergies mission is in charge of implementing a training program at the Group level. The aim of this ambitious project is to develop a common culture around many of the Group's pillars such as corporate culture and to strengthen our skills and know-how to achieve our common goals.

✓ CORPORATE SOCIAL RESPONSIBILITY

This function ensures the implementation of practices and policies that respect the environment, ethics and societal issues that concern the company daily.

Stroom is intending to participate in the GRESB Infrastructure Benchmarking assessment starting in 2023, which assesses the ESG credentials of the business from both a management and performance perspective.



3.3 Responsibility to stakeholders

3.3.1 Our ESG Policy and Values

April 2023

STREEM

Safety, Quality and Environment Policy

Our business operations must fall within a long-term sustainability logic. This means that on top of the need for technical, economic and commercial performance on a day-to-day basis, our Group must depend on fundamentals which guarantee long-term development and make a certain number of commitments towards its employees and stakeholders.

For Stroom, these fundamentals are

- **first, assets to be maintained:** Group employees' expertise, economic effectiveness of our operations and environmental quality;
- **and second, basic principles to be observed:** risk management, investment by everyone, responsibility shown by everybody, continual improvement process and environmental protection.

With regard to our commitments, our duty is to

- Ensure the health and safety of our employees and persons involved in our operations.
- Satisfy our clients and assist them to ensure the safety of their operations.
- Deliver reliable, compliant and certified products and services.
- Comply with applicable laws, regulations and procedures.
- Naturally apply a sustainable development approach.
- Maintain employee satisfaction and motivate them to be involved in the continual improvement process.

In order to observe these commitments,

We have

- Implemented a Group Safety Management System.
- Created a Group Safety Management Committee.
- Adopted a common event management method in order to provide optimized feedback.

We keep

- Controlling compliance with procedures and regulatory requirements relating to Safety, Quality and the Environment.
- Communicating internally on the performance of the Safety Management System.
- Assessing the risks of all our operations by using relevant indicators.
- Providing continuous training to all our employees.
- Ensure the health and safety of our employees and persons involved in our operations.

Stroom Management Committee

David Zindo
CEO

Etienne Fallou
CFO

Agathe Marie
Legal & Insurance Director

Caroline Tomkevitch
HR Director

Stéphane Gavard
Safety, Risk & Impact Director

Peter Reinshagen
Managing Director Ermewa

Julien Mathiaud
Managing Director Inveho

Vincent Martin
Managing Director Eurotainer

STREEM

April 2023

STREEM

Values

Team Spirit



We foster team spirit

- We identify ourselves with Stroom and share the same values.
- We operate as one team with one fleet in each of our activities.
- Worldwide, our teams collaborate to ensure the success of our projects.

Proximity



We know our customers

- We offer solutions optimized to the needs of our customers.
- Local contacts are our strength to better address our customers' requirements.
- Being close to the market, we participate actively in the evolution of our industry.

Commitment



Stroom is a trusted and professional partner

- We deliver on our commitments to the various stakeholders.
- We guarantee the highest standard of service.
- We empower people to take up challenges.

Technical Expertise



We master technical complexity

- Our technical expertise brings real added value to our customers.
- We are committed to deliver tailor made solutions.
- We encourage innovative approach.

Proactive



Our approach is proactive and entrepreneurial

- We anticipate customer needs and requirements.
- Response time is one of our key assets.
- We think out of the box.

Sustainable Development



We care for people and the planet

- The security of our assets and safe environmental practices are our top priorities.
- We value our employees and contribute to their development.
- We prioritize long-term strategies and deliver results to our shareholders.



3.3.2 Materiality and Risks

✓ SAFETY MANAGEMENT SYSTEM (SMS)

The implementation of a **Safety Management System** aims to achieve (1) the adoption of a common culture and the application of harmonized rules to reach the safety performance targets; and (2) the integration of human factors in the decisions and in the feedback from experience process is essential to manage the risks and improve safety.

This approach involves the knowledge of individual and collective behaviours, supported by training sessions for employees, dedicated to human factors and risk assessments.

The SMS guarantees the control of all the risks associated with the Group activities. It organizes the supervision and control of the risks to anticipate the risks and safety (risks assessment) and to gather and classify events in relation to safety (traceability). The majority of the issues identified as relevant in the Materiality Matrix are covered by the risk mapping.

The Management Committee members are part of the SMS Steering Committee as well as coordinators from the three business units and corporate functions. The Steering Committee meets regularly to assess, validate the KPIs and the management evaluation of the risks monitored through the risk mapping. The targets are also fixed for the following year.

✓ MATERIALITY

In 2022, Strem initiated its first materiality assessment to determine which environmental, social and governance (ESG) issues matter most to its stakeholders. This double materiality has been built taking into consideration the internal and external interested parties. It is important to understand how the company is impacting environmental and social conditions and how the overall context of those conditions is impacting Strem.

The graph below represents the results:



3. MANAGEMENT AND VALUES

3.4 Stroom and SDGs

3.4.1 The United Nations sustainable development goals

Stroom supports all the 17 SDGs adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which sets out a 15-year plan to achieve the Goals. However, based on its activity, Stroom contributes most to the following goals:



Stroom is an equal opportunities employer that promotes inclusive and sustainable growth in the regions in which it operates.



Stroom supports the development of new infrastructure and its use, promoting the shift towards intermodal and rail base logistics and transportation flows.



Stroom is at the heart of the circular economy. From wagons to containers and spare parts, the Group prepares an annual recycling plan and selects sustainable recycling centres which allow raw materials to be re-integrated into the value chain.



Through its investments, Stroom contributes to the global reduction of GHG emissions, allowing its clients to use safer, less consuming and more reliable assets for transporting their goods. It also supports the development of new infrastructures and their use, promoting the shift towards intermodal and rail base logistics and transportation flows.

3.4.2 United Nations Global Compact Initiative

Since 2021 Stroom has supported the United Nations Global Compact initiative by contributing as a “Participant” (highest level of contribution for companies of Stroom’s size).

In a letter addressed to the Secretary General of the United Nations, the Stroom CEO committed to respect the ten principles of the UNGC initiative and make them part of our strategy.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and dissemination of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



4.

ASSOCIATIONS

4. ASSOCIATIONS

The company is member of several industry associations such as:

› **AFWP** (Association Française des détenteurs de wagons / French association of wagon keepers)

AFWP is an union that defends the interests of wagon owners, users, entities in charge of maintenance and railway rolling stock workshops.

Ermewa SA is the chairman of this association.

› **VPI** (Vereinigung der Privatgüterwagen-Interessenten / Association of Private Freight Wagon Users)

VPI is the industry association for private keepers of wagons as well as workshops in Germany. It promotes the growth of the railway sector within the various committees and working groups of the sector (Ermewa SA is part of them).

VPI European Rail Service (VERS) is a subsidiary of VPI. The company offers a wide range of services in particular the VPI European Maintenance Guide (VPI-EMG).

› **TIS** (Technical Innovation Circle for Rail Freight Transportation)

Ermewa SA is a member of TIS. Its goal is to draw up viable proposals for further development of freight railcars (innovative bogies, brake systems, wheelsets) and new technologies (telematics, automated operations such as brake tests) introduced on a step-by-step basis between now and 2030. The work on Digital Automatic Coupling has led to the definition of technical specifications for validation tests of the solution which will become the European standard.

› **UIP** (International Union of Wagon Keepers)

UIP is the umbrella association of national associations (e.g., AFWP in France) from 14 European countries representing more than 250 freight wagon keepers and ECMs (Entities in Charge of Maintenance). By means of research, lobbying and focused cooperation with all stakeholders and organizations interested in rail freight transportation, the UIP's target is to secure the long term future of rail freight transport by improving its attractiveness and competitiveness.

› **UIC** (International Union of Railways)

UIC is a worldwide professional association representing the railway sector and promoting rail transport with the objective of responding effectively to current and future challenges relating to mobility and sustainable development. Ermewa SA is the very first wagon keeper and ECM to join this association as an affiliated member. Aligned with our objectives of excellence and safety, our experts closely interact with UIC within working groups at European level.

› **ITCO** (International Tank Container Organisation)

The ITCO mission is to promote and represent tank containers as safe, cost-efficient and flexible means of transport, with a strong focus on enhancing technological and business developments for the sake of quality, health, safety, environment and Corporate Responsibility in the tank container industry. Eurotainer, Raffles Lease and DEMI are active members.

5.

HEALTH AND SAFETY



5. HEALTH AND SAFETY

5.1 Occupational Health and Safety

The frequency rate for 2022 relative to 2021 was as follows:

	2021	2022	Delta	Delta %
LTI	90	60	-30	-33%
LTIFR	42.2	27.7	-14.5	-34%
Days lost	2,263	1,719	-544	-24%

*LTIFR = number of occupational accidents with leave for 1,000,000 worked hours.

An encouraging reduction in the number of accidents at work and a significant drop in the number of days lost due to accidents at work.

ACTIONS IMPLEMENTED

- Reinforcement of HSE Inveho tours (multiplied by 2 vs 2021) and implementation of a performance monitoring indicator.
- Group DSRS internal audits.
- HSE standard and golden rules drafted and communicated to field teams.
- Launch of a LEAN-oriented working group at the Inveho Fos-sur-Mer site.

› GREAT PLACE TO WORK

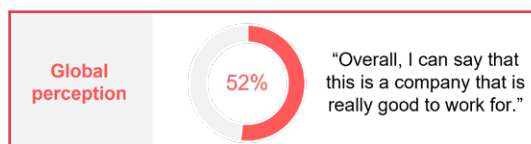
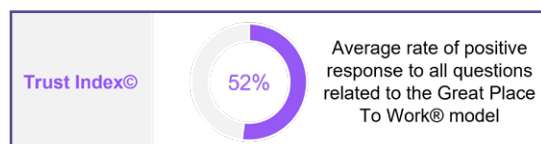
In 2020, Stroom carried out the first “Great Place to Work®” survey. It focuses on quality of life at work, mutual trust between employees and management and overall company performance. Overall, 56% of our employees think that Stroom is a great place to work, exactly matching the representative sample of comparable companies.

676 employees gave their opinion, a **participation rate of 56%**.

There has been an increase of more than 35% in the number of participants in the **Great Place To Work®** survey following the integration of Raffles Lease, Demi and Inveho Germany into Stroom.

The **average rate of positive responses (“trust index®”)** on all questions is **52%**.

Overall, **52% of the employees consider Stroom to be a really good company to work for.**



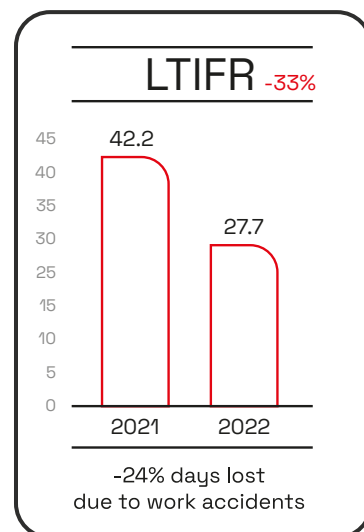
Three strengths for Stroom were highlighted by the **Great Place To Work®** organization, which analysed the responses:

Trusting and caring relationship:

- **Trusting relationship** in the company, **autonomy** (65%) and **responsibility** (62%) given to employees to achieve their goals.
- Organization perceived as **an honest and upright organization** (60%).
- Employees feel they are **treated as an integral part of the organization** regardless of their role (63%).

Quality of the employee experience:

- **Work environment contributing to employee well-being** (safety conditions 75%, quality resources and equipment 66%, welcoming new employees 65%).
- **Work environment perceived as inclusive** (gender 76%, sexual orientation 86%, age 63%, ethnic origin 78%) and where you can be yourself (65%).
- The **flexibility of the organization** is also highlighted by the teams.





Commitment and solidarity:

- Employees feel they make a **personal contribution** to the company (70%) and are **proud of their achievements** (67%), which is reflected in a **strong commitment** to the company on a daily basis.
- **Solidarity and mutual aid** within the teams (60%).
- **CSR also fosters a sense of pride among employees** (57%) and is on the rise.

The results are currently being analysed in order to set up action plans to improve the quality of life at work and make Streem a “Great Place To Work®”.

› HOME OFFICE

In a context of increasing digitalization of society and the working environment, home office is an opportunity for improving the quality of life at work for employees. Telework also makes it possible to limit commuting, alleviating situations of strikes and pollution peaks. Streem has published a charter allowing employees whose work is compatible with telework for up to two days a week.

Telework may allow, for certain positions, in situations of long-term illness, disability and/or other situations, an adaptation of telework to the situation in addition to the adaptation of the physical workstation if necessary.

› INDUCTION DAY

In 2020, in link with the Covid crisis, the induction day was digitalized and is accessible by the employees on our Group Digital University. An updated version will be released in the coming months.

From September 2022 we restarted the “face-to-face” Induction Days that were paused during the Covid-19 pandemic. These induction days allow the Group Management Committee to share with new employees the vision, values and strategy of the Group for the coming years in a friendly setting.

These days also promote the development of a common culture within the Group.



› BIKE LEASING

Streem actively promotes light modes of transportation by offering its employees in Levallois and Geneva the possibility of long-time rentals of a catalogue of different bikes, to limit car use, with “Zenride” or “Cyclable”. A “Company Bike Use Charter” has been drawn up and is mandatory. This initiative is a good opportunity for employees to improve their health by practicing sport daily.

If bicycles are a replacement for a company car, they are 100% sponsored. Otherwise, the figure is 70%. This initiative has two-fold benefits: it improves the health of our employees and contributes to a reduction in their carbon footprint (at a professional and personal level).

Employees at Inveho’s German workshops also can purchase a bike through the company.

5. HEALTH AND SAFETY

5.2 Safety and infrastructure operations

Ermewa SA is certified Entity in Charge of Maintenance, according to regulation 2019/779 of 16 May 2019, laying down detailed provisions on a system of certification of entities in charge of maintenance of vehicles.



As such, Ermewa SA is responsible for monitoring the following functions:

a) Management function, which supervises and coordinates the maintenance functions referred to in points b to d and ensures the safe state of the freight wagon in the railway system.

b) Maintenance development function, which is responsible for the management of the maintenance documentation, including the configuration management, based on design and operational data as well as on performance and feedback from experience.

The Ermewa Maintenance Manual is the synthesis of our know-how about maintenance and technique: best practices from VPI (German maintenance guideline) and SNCF (French maintenance guideline) for the infrastructure (bogies, brake system, etc.) and standards, regulations and best practices for the superstructure.



c) Fleet maintenance management function, which manage the freight wagon's removal for maintenance and its return to operation after maintenance.

d) Maintenance delivery function, which delivers the required technical maintenance of a freight wagon or parts of it, including the release to service documentation. All the Inveho workshops are ECM-certified.

Ermewa SA continues to develop and implement a safety culture within the company.

After signing the “European Railway Safety Culture Declaration” in 2019, Ermewa SA confirmed its commitment by deploying e-learning training courses and then joining forces with the European Union Agency for Railways (EUAR) to provide face-to-face training based on the importance of human factors in the safety culture.

This training program has been deployed to all Railcars BU employees.

Thanks to a long and constructive partnership with the European Railway Agency, as well as active participation in various working groups where safety is the focus of concern, Ermewa SA was invited to participate in the European Rail Safety Days.

In 2022, the same presentation from the European Rail Safety days was shared with the French sector at the request of the French national authorities.

Ermewa also presented the lessons learned from the partnership with the EUAR regarding Safety Leadership at the annual IRSC congress.

Every year the International Railway Safety Council (IRSC) offers an in-depth exchange of experiences and conferences on new developments, lessons and best practice to improve railway safety around the world.

6.

SOCIAL



6. SOCIAL

6.1 People

6.1.1 Recruitment, training, retention

› IMPLEMENTATION OF A GROUP UNIVERSITY

After the launch in 2021 of a training initiative called Go2Train, a decision was taken to create and harmonize the coordination of training through a central global organization.

This investment will make it possible to enroll our 1,270 staff members. The aim of this ambitious project is to develop a common culture around many of the Group's pillars such as corporate culture and to strengthen our skills and know-how to achieve our common goals.

To make this project beneficial for everyone, a dedicated committee was created with members of each Business Unit and Support function. This structure will be in charge of discussing the projects and orientations of the training to be given to all employees.



The first module provided by the University was a Corporate Social Responsibility training course on our 360Learning platform. The main objective was to explain and understand the stakes of a sustainable development through the social, environmental and economic pillars.

Many other subjects are under construction, such as security and onboarding of new employees, to complete the University's offer.

Developing and sharing skills is one of the keys to achieving our ambitions.

› EMPLOYEES' EXPERIENCE AND INTERNAL MOBILITY

In 2022 a Human Resources Information System (HRIS) was implemented at Group level with the aim of improving the employee experience.

Through this HRIS, an internal job offer site was opened. The target is to make all of the Group's job openings accessible to employees and to further encourage internal mobility whenever possible.

It is important to offer equal access to mobility and professional development opportunities.

› TAKING ON AND RAISING FUTURE TALENTS

On the development of International Volunteers in Business (VIE), since 2018, Stroom has made greater use of this type of contract, which allows a young professional to develop his or her international experience and the company to test him or her over a long period. Assignments ranging, from 6 to 24 months within our subsidiaries reinforce our attractiveness as an employer.

100% of these have led to permanent employment (in Switzerland, Italy, Spain, Germany, UK, Netherlands).

For apprenticeship contracts, this formula has been increasingly successful and the ratio of recruitment to apprenticeship contract is 75%. The two parties involved have time to get to know each other and the very good conversion rate at the end of the apprenticeship demonstrates the attractiveness of the formula.

Stroom plans to strengthen this formula, particularly with ESTACA (Ecole Supérieure des Techniques Aéronautiques et de Construction Automobile/Aeronautic, Aerospace, Automotive and Railway Engineering School) and UTC (Université de Technologie de Compiègne / Technological University of Compiègne), with which we have established genuine partnerships over time.





6.1.2 Diversity and inclusion

› GENDER EQUALITY

At Streem level, the gender pay gap is -8.8% in favour of women.

Since the implementation of the gender equality index in 2019 (in accordance with a French law initially published in 2014 and amended in 2016), the scores obtained by the relevant on the gender equality index are broadly above the threshold* (75/100) requiring corrective measures and progress targets.

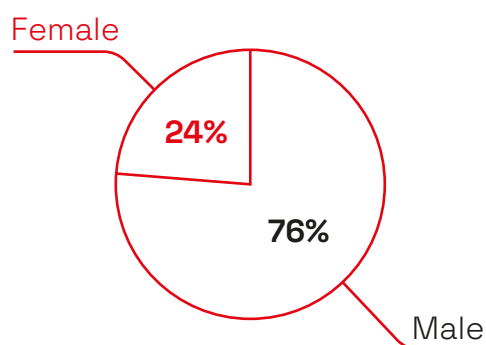
(*based on the overall score obtained or pro-rata calculation based on the scores obtained for the indicators, if the overall score cannot be calculated due to an insufficient number of women for calculating certain indicators).

The gender equality index presented in the sustainability report is an indicator calculated for the French legal entity Ermewa SA (cf. it is indicated in the report that it is an example); this is why the results of these indicators are very different.

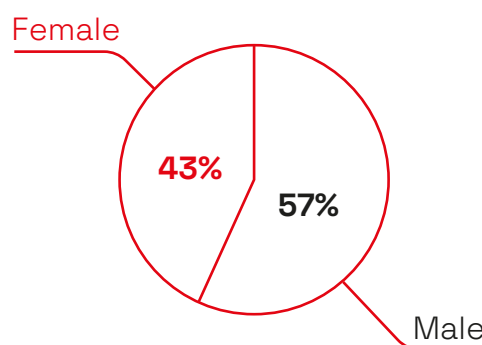
In France, the gender equality index was designed to advance equality between women and men. Scored out of 100, it is calculated from the following indicators:

Example for Ermewa SA: 93/100

- The gender pay gap: 0.6% in favour of men; score obtained: 39/40
- The gender pay gap in individual pay rises: 3.40% (in favour of women): score obtained: 35/35
- Parity among the ten highest earners: 5/10



Gender distribution of Streem workforce



Gender distribution of Streem workforce
excluding Inveho

Actions are regularly implemented to attract more women to our technical professions, particularly within our Inveho workshops (presentation of our professions at school forums, neutrality of job offers, etc.).

Of the seven non-executive members of the Supervisory Board, three are women.

Two women and six men form the Management Committee.

6.1.3 Wage attractivity

The Group has several levers at its disposal to implement an attractive and appropriate remuneration policy:

- Annual increases: the Group considers the economic context, in particular inflation, to best support the purchasing power of its employees.
- Individual or collective bonuses
- Employee savings through savings schemes
- Social benefits in kind or in cash

These tools are designed to acquire and retain skills and motivate employees and thus strengthen the Group's competitiveness and performance.

6. SOCIAL

6.2 Wellbeing

Our commitment to our employees and our communities is not limited to sustainable growth and economic development. We have a duty towards our stakeholders to promote integration and equality and to train our colleagues to help them develop and prepare the future for coming generations.

6.3 Community relationship

Streem is involved in territories through its activity and we consider it our responsibility to supporting communities through our shared values. Below are a few initiatives illustrating our involvement:

- › **WOMEN'S FOOTBALL TEAM SPONSORSHIP:** Inveho UAB is pleased to sponsor the Olympique Lievin girls' football team (10-11 years-old). This sponsorship is fully in line with our approach to promote gender equality and equal opportunities, and further supports the positive values conveyed by sport.
- › **STREEM AT THE TOP:** Streem supports the Peaks4All association, which aims to promote the integration of migrants through the practice of mountain sports in Switzerland, by encouraging human development, self-fulfilment and self-confidence. In August 2022, after several months of training, six migrants and their volunteer guides reached the summit of the Bishom, a 4,153m/13,625ft peak in the Valais Alps (Switzerland). Streem is proud to be associated with this great challenge.
- › **SPECIAL OLYMPICS:** After two years of disruption, seven athletes with mental disabilities and 21 Levallois employees enjoyed meeting again on the esplanade of la Défense (Paris) in October, with a 10km relay race and a 2.5km walk.
- › **(DE)RAILLE EVENT:** For several years now, we have been carrying out many actions to promote Ermewa SA as a company committed to CSR (Corporate Social Responsibility) and more particularly to the circular economy. The Amadurave association, in partnership with Durand Récupération and the Osaro agency, came up with the (DÉ)raille project following the discovery of a painting in a railcar destined for dismantling. This project perfectly reflects our commitment as it values and promotes recycling, artists and art. Street artists from the (DÉ)raille event gave a second artistic life to end walls and plates from Ermewa SA railcars, meant for recycling.



Artist 1SECKTE
photo credit: Fabecollage



➤ **ECOTREE:** Ermewa SA signed a partnership with EcoTree, a forest manager. EcoTree acts for the renewal and the good management of French forests. Ermewa SA wishes to **make a positive contribution to the Environment**, regarding consumption and resources, with the goal of replanting the wood species that the company uses for the construction or maintenance of the wagon floors, the majority of which derives from the Grand Est region (East of France, Alsace, Champagne-Ardenne et Lorraine).

Moreover, according to ISO26000, one of the CSR Core Subjects is **Community and local development** (also called **Territorial Anchoring**), i.e., its impact on the territory in which the company operates.

This new partnership responds to this issue for:

Local projects

Forestry experts on the ground to ensure the proper management of forests throughout the life cycle of trees.

Employment development

Local employment for large-scale forestry work, felling or splitting and the development of wood products.

Partnerships in the region

Nurseries and sawmills near the forests managed by EcoTree to avoid CO₂ emissions linked to transport, as well as the export of wood to other countries. The wood is transformed and used in France.

Ermewa SA has become the owner of:

- 200 Laricio pines in the Luthenay forest
- 315 sessile oaks in the Luthenay forest
- A communication pack, including a client area and communication support.

EcoTree will manage the trees acquired throughout their lifetime and then pay the proceeds of the cutting, once this has been completed.

➤ **CAFÉ JOYEUX:** As part of our sustainable development policy, we are maintaining our partnership with “Café Joyeux”, a company specializing in the distribution of fair-trade coffee which colleagues from Levallois enjoy every day. Café Joyeux is also a brand of solidarity café-restaurants, which trains and employs people with mental and cognitive disabilities. Its ambition is to make the disability visible and to promote possible meetings in an ordinary environment. Café Joyeux enables each of its team members to gain confidence, experience and feel fully involved in the company.

➤ **NECKER ENFANTS MALADES:** For the fifth year running, Levallois-Perret and Geneva staff worked to donate toys to the children in Paris Necker children’s Hospital. Forty gifts were given and the Group also donated €1,500 to the hospital.



7.

CUSTOMER/ PRODUCT





7.1 Customer Satisfaction

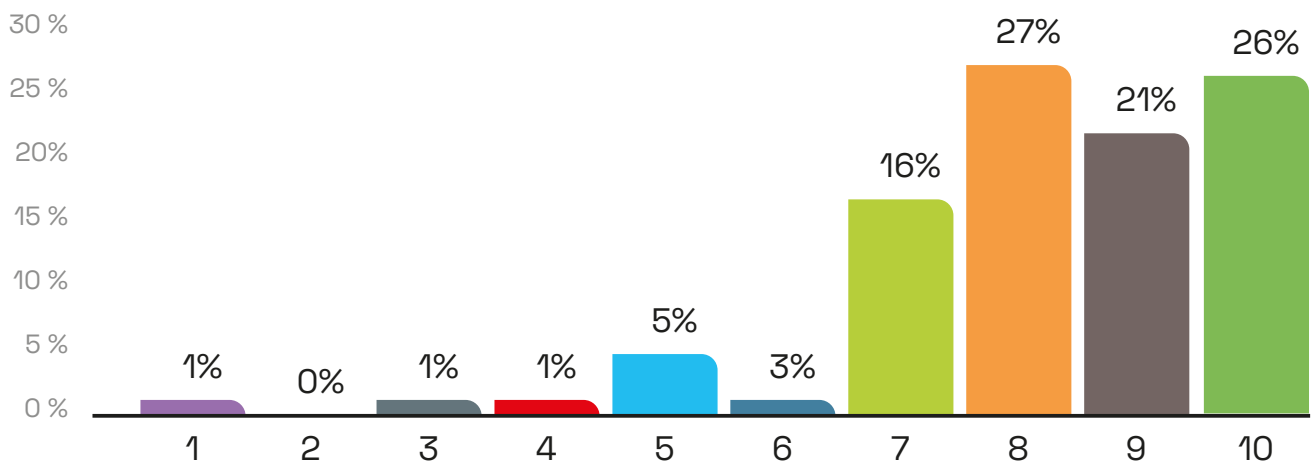
Eurotainer organized a survey for the following reasons:

- As a key method for obtaining client feedback and opinions on the products and service.
- To allow the client to provide unfiltered and honest opinions.
- To gauge our standing against our competitors.
- To identify our strengths and weaknesses.
- To help provide strategic direction for the future.
- To identify areas where improvement is needed.

How would you rate Eurotainer overall?

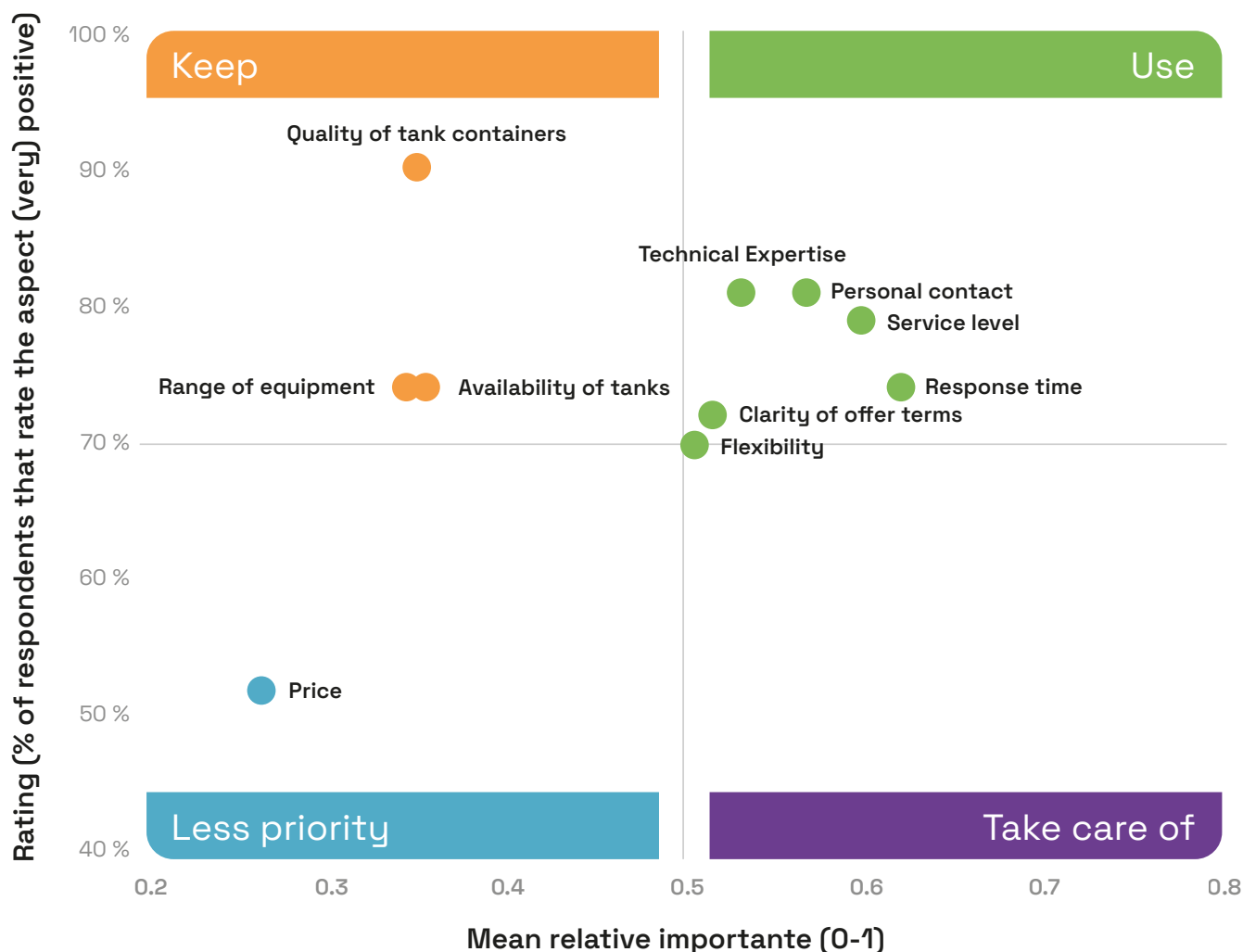
Base: all respondents

8.2



7. CUSTOMER/PRODUCT

As seen in the priority matrix below, the ratings on technical expertise, personal contact and service level are big influencers of the overall satisfaction.



Conclusions and findings from the survey:

In the latest Eurotainer Customer Satisfaction Survey, the clients and prospective clients indicated that quality of the tank containers, service level, technical expertise and pricing were the most important aspects they consider when selecting a tank container leasing company.

The survey found that the clients are overall very satisfied with the service provided by Eurotainer.

Eurotainer learned that there should always be a focus on technical expertise as this is an element that differentiates Eurotainer from the competition.

The company also heard from the survey respondents that Eurotainer's lease pricing is higher than the market and our lease terms can sometimes be "inflexible".

Eurotainer received all the feedback, positive and constructive and used it to identify areas of improvement for the team and to identify their strengths which should be the focus of their sales and marketing messages.



7.2 Product Quality

As a provider of maintenance services and manufacturer of new wagons, Inveho has set up an indicator to measure the number of customer claims (in maintenance and new wagons). The stated objective is <1% of customer claims. For 2022, the results are 0.31%.

The implementation of a final inspection prior to the release of wagons enables defects to be corrected and wagons to be supplied in compliance with safety and quality requirements corresponding to customers' needs.

For the wagon and container BUs, two types of evaluation are carried out: (1) at the end of each purchase contract, an evaluation is carried out based on various criteria such as the quality of the products delivered and compliance with deadlines; (2) an annual or triennial audit that evaluates the quality system as a whole.

For each construction, a risk assessment grid is established; based on the criteria assessed, a score defines the supplier's level of control. If the level of risk is not deemed satisfactory, actions are implemented to reduce the risk and improve control.

7.3 Sustainable innovation

Innovation is one of the pillars of Stroom's sustainable development strategy. Our customers, investors and communities expect us to provide ever safer, more reliable and environment-friendly equipment. Our Group prides itself on offering cutting-edge designs, promoting innovative maintenance schemes and services and, finally, on contributing to international working groups.

› DIGITAL AUTOMATIC COUPLING (DAC)

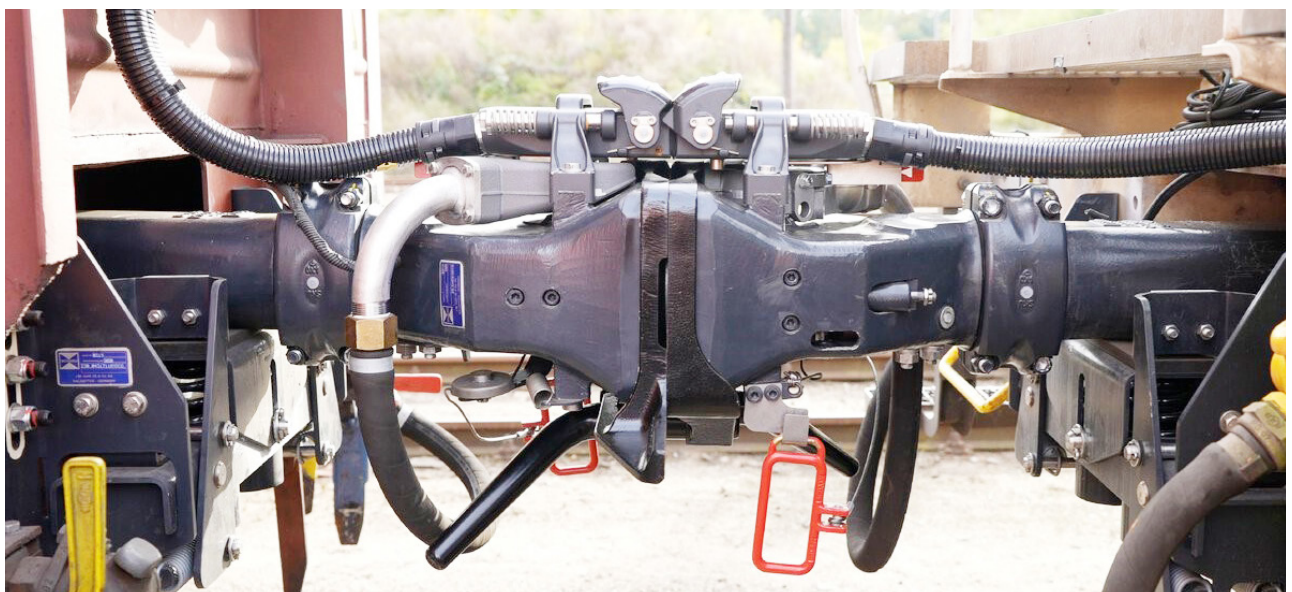


Ermeva SA is proud to be an active partner in this innovative project that will revolutionize rail freight transport throughout Europe.

Digital Automatic Coupling automatically connects freight railcars, as well as their lines for power, data and compressed air, without any need for strenuous physical work. It will open the door to a system of rail freight transport that is fully automated and digitalized.

In 2022 we selected the future European DAC technology standard: Scharfenberg type 10.

A demonstrator train was launched with two railcars produced by Inveho.



DAC is a key element in achieving the ambitious objectives set out in the EU Green Deal (carbon neutrality) and achieving the necessary increase in efficiency and transparency of rail freight.

7. CUSTOMER/PRODUCT

› AGREEMENT FOR INNOVATION AND RESEARCH

Ermewa SA, Inveho and Technological Research Institute Railenium signed an innovation and research agreement at the last trade fair InnoTrans in Berlin.

This collaborative innovation project aims to improve the safety and reliability of freight wagons through the development of conditional and predictive maintenance.

The increase in visibility, the anticipation of failures, the planning of maintenance and the reduction of Turnaround Time will bring decisive benefits to all actors.

This fits perfectly with the sector's objectives in France and Europe: to double the share of rail freight by 2030 (to reach 18% and 30% respectively).

The climate objectives of the European Green Deal cannot be achieved without this modal shift to rail.



Peter REINSHAGEN, Ermewa SA Managing Director, Julien MATHIAUD, Inveho Managing Director, Bertrand MINARY, Railenium CEO

When innovations are a factor of opportunities: tons of CO₂ saved thanks to Eurotainer gas tanks.

German copper manufacturer, Aurubis AG, utilizing Eurotainer gas tanks, has successfully made the first shipment of blue ammonia (low-carbon ammonia is a promising large-scale hydrogen carrier and potential clean fuel for various applications) from the Middle East to Germany.

The blue ammonia was shipped to make the first industrial test of changing from LNG to blue ammonia in the production of copper. Use of ammonia reduces the amount of natural gas required to produce copper wire rod by up to 20%.

During the eight-week test series, low-emission ammonia will partially replace fossil natural gas in the rod plant. If the pilot project is successful, up to 4,000 tonnes of CO₂ per year could be saved in the Aurubis plant in Hamburg alone.



8.

GOVERNANCE



8. GOVERNANCE

8.1 Ethics Charter

Streem has developed an Ethics Charter to promote diversity and respect while providing a framework to protect employees from discrimination and harassment and has implemented a “Whistleblowing guide” for employees.

Sustainability and ethics are at the heart of Streem’s decision process, given the company certainty that environmental, social and governance topics have an impact on the long-term growth of the company. Streem aims to ensure that values and ethical principles are respected at all levels within the company following the charter below.

For a responsible commitment combined with respect of our partners

Responsibility towards civil society

- We comply with laws and regulations.
- We actively manage risks in accordance with sustainable development principles and act in favour of greater environmental responsibility by reducing the overall impact of the transport industry on the planet.
- We respect personal commitments provided they do not involve the Group.
- We do not tolerate corruption nor encourage illicit practices.

Responsibility to our commercial partners

- We are representatives of the commitment and values of the Group.
- We believe in free competition and respect our competitors.
- We do not accept gifts and benefits that would create a situation of obligation.
- We act properly and in an appropriate manner with our customers providing quality, fairness and confidentiality where appropriate.
- We confer importance to our partners sharing our ethical principles.

Responsibility towards our Group and our shareholders

- We contribute to the enhancement of the Group’s image by sharing the same environmental, social and governance values.
- We develop our business activities responsibly and we stand by our undertakings.
- We communicate reliable and appropriate information concerning our business activity and results.
- We protect confidential documents and data.
- We respect and protect property made available to us.
- We avoid conflicts of interest or situations that may be perceived as such.
- We fulfil our employment contracts conscientiously.

Responsibility towards our staff

- We respect obligations arising from the law and contracts.
- We respect diversity and condemn all discrimination.
- We promote mutual respect and do not tolerate harassment.
- We encourage our staff to consider the environmental consequences of their actions and seek to minimize the impact where it is reasonable.
- We maintain a healthy and harmonious working environment.
- We respect the individual and his/her private life.
- We are committed to resources and competencies development and improvement policy.
- We value expertise and support and encourage entrepreneurial spirit.



8.2 Anti-bribery and anti-corruption training

Streem has put in place a Third-party Code of Conduct to ensure compliance with applicable laws and standards on health and safety, anti-bribery, anti-corruption and labour rights throughout the supply chain.

The Group is carrying out a compliance methodology to comply to the pillars of the anti-bribery French law (Sapin II):

- › Anti-bribery code of ethics
- › Ethic hot line
- › Anti-bribery third party screening
- › Training
- › Reporting to senior management
- › Provisions of disciplinary sanctions included in the “Internal Regulations”.

Since 2018, Streem has implemented the Sapin II Act continuous training campaign in the form of e-learning.

At end of 2022, 100% of new employees were invited to follow the training in the first months of their onboarding.

› Due Diligence Procedure

To comply with French anti-bribery law, in 2022 Streem engaged a service provider to screen all third party entities for corruption and ethics issues prior to entering into any business relationship.

These checks must be performed on a regular basis during the relationship period. In 2022, the Group also addressed existing clients with the purpose of ensuring their compliance with the same requirements. The objective is to secure our business through adequate screening of our business partners to reduce the risk exposure to corruption practices or breach of export control laws.

This year we also applied the procedure to our customers and our builders and reinforced the process with our suppliers.

To facilitate the consistent rollout of this third-party screening, we will write a procedure more adapted to the specificities of our different activities.

The application of the process is also linked to the main objectives of the company and the managers. Streem has developed an Ethical Charter to promote diversity and respect while providing a framework to protect employees from discrimination and harassment.

In addition, Streem is incorporated and has most of its business operations in France, a member country of the OECD that complies with major international human and labour rights standards, such as the Universal Declaration of Human Rights and the International Labour Organization Declaration.

Streem observes French legislation under which it is a criminal offence for companies to engage in activities that breach people’s rights and equality laws, and that provides a legal framework to tackle corruption and promote transparency.

Streem also follows the OECD Guidelines on Multinational Enterprises and is a signatory of the United Nations Global Compact.

8.3 Data protection and Cybersecurity

Streem has a formal feedback security policy (ISSP) and an IT Charter. These documents establish the rules for the use of the information systems (hardware and software) by the Group’s stakeholders.

These documents are validated by the Group’s Management Committee, which meets twice a year to validate the main orientations of this security policy.

A dedicated team within the Group is responsible for proposing and implementing this policy on a daily basis. It is led by the Head of Information Systems Security, who has the appropriate human and financial resources, as well as the assistance of specialized partner service providers.

The aim of this policy and these dedicated resources is to ensure the security and confidentiality of the data produced and used by Streem and its stakeholders for their collective good functioning.

Various audits and tests are carried out several times a year to test the robustness of this policy and to continually update the policy to account for new threats.



9.

ENVIRONMENT AND ADAPTATION

9.1 Green Financing Committee

The **Green Financing Committee** comprises representatives from the finance department, the railcars business unit and the technical department. This task force oversees qualifying the Group's investments in terms of "green" classification and makes the link with the ESG strategy and business developments: the investment committee meets once a month to discuss the Group's new investments, as well as strategic developments (new markets, customers, etc.).

The **Green Financing Committee** reviews annually the composition of the Eligible Green Assets portfolio to provide an annual reporting. In addition, each of Stroom's issuances have been certified by the Climate Bond Initiatives under the Low Carbon Transport Standard. Stroom has been a pioneer in this field, since it was the first railcar lessor to be certified under this standard. The eligibility criteria set out in the Green Financing Framework encompasses railcars assets that do not transport fossil fuel, petrochemicals, or coal.

Climate Bonds Standard and Certification Scheme: LC Transport Technical Working Committee



Table 2: Possible threshold options for new land transport products and projects based on IEA Mobility Model data

Direct emissions	2000	2010	2015	2020	2030	2050
IEA 2DS Passenger Activity (gCO ₂ per p-km)	107	94	87	75	56	33
IEA 2DS Freight Activity (gCO ₂ per t-km)	35	30	27	25	21	18

As mentioned in last year's report, this Committee is part of the larger Investment Committee which meets once a month to discuss the new investments from the Group, as well as strategic developments (new markets, clients, etc.). Stroom annually reports to its lenders on the gCO₂/t-km of its eligible assets (scope 1 emissions of the assets in use) and must comply with the levels expected by the Climate Bond Initiative under the Low Carbon Transport Standard:

As of June 2022, the average value was 17.4 gCO₂/t-km. The eligible fleet was 34,699 asset with a green Loan to Value of 77%.

In the context of the Green Financing Framework, Stroom started to work with Sustainalytics on its alignment with EU Taxonomy, which became the new European framework for the Green Deal, related to environmental subjects and mandatory for Stroom.

Sustainalytics has assessed each of the Framework's eligible criteria for green use of proceeds against the relevant criteria in the EU Taxonomy and has determined their alignment with each of the three sets of requirements of the Taxonomy.

- **Technical Screening Criteria ("TSC"):** the eligible green criterion outlined in the Framework was assessed and is aligned with the applicable TSC of the EU Taxonomy.
- **Do No Significant Harm Criteria ("DNSH"):** the eligible green criterion is partially aligned with the applicable DNSH criteria, since it is partially aligned with the DNSH criteria relating to Adaptation and aligned with the DNSH criteria related to Circular Economy. Stroom aims to work on its climate adaptation strategy, in line with the TCFD recommendations.
- **Minimum Safeguards:** based on a consideration of the policies and management systems applicable to framework criteria, as well as the regulatory context in which financing will occur, Sustainalytics is of the opinion that the EU Taxonomy's Minimum Safeguards requirements will be met.

Since early 2021, Stroom has been a member of the Nasdaq Sustainable Bond Network. This platform allows investors to screen for issuers who contribute to mitigating climate change.

9. ENVIRONMENT AND ADAPTATION

9.2 Climate Strategy

Streem has adopted the TCFD framework to assess and address climate-related risks and opportunities.

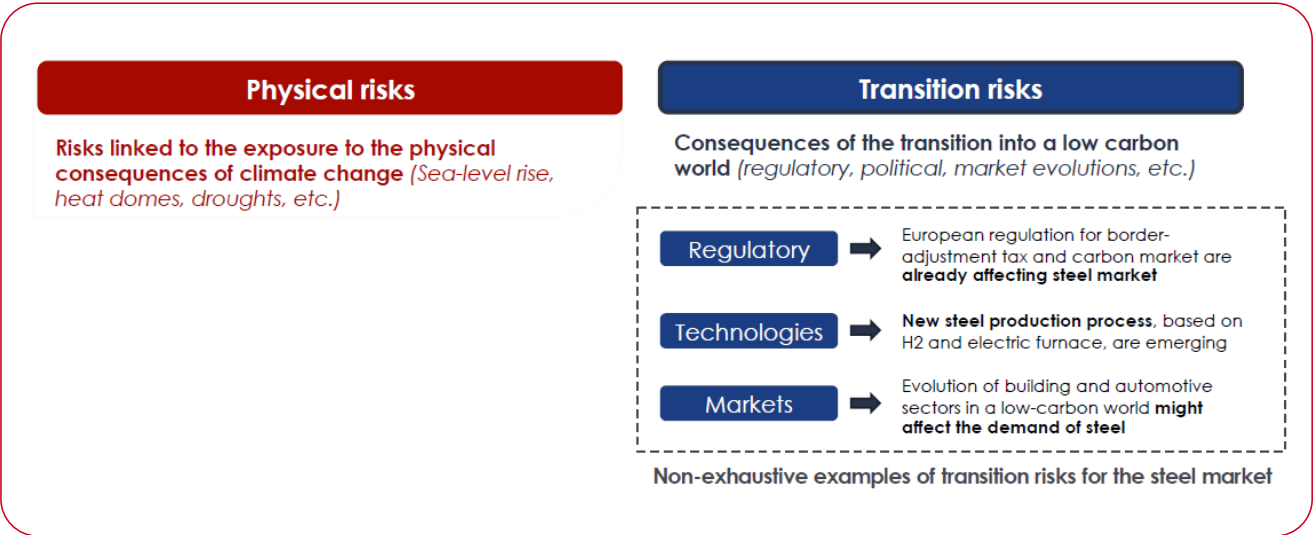
Streem recognizes the importance of climate change, its impact on its activities and stakeholders, and recognizes its ability to reduce its carbon footprint.

The first Group-wide carbon footprint assessment, carried out in 2019, made it possible to become aware of the dependence on carbon energies and the conclusion of this inventory illustrated the need to implement continuous improvement in reducing CO₂ emissions. This first step marks an internal movement and a collective awareness of the need to be effective in this area.

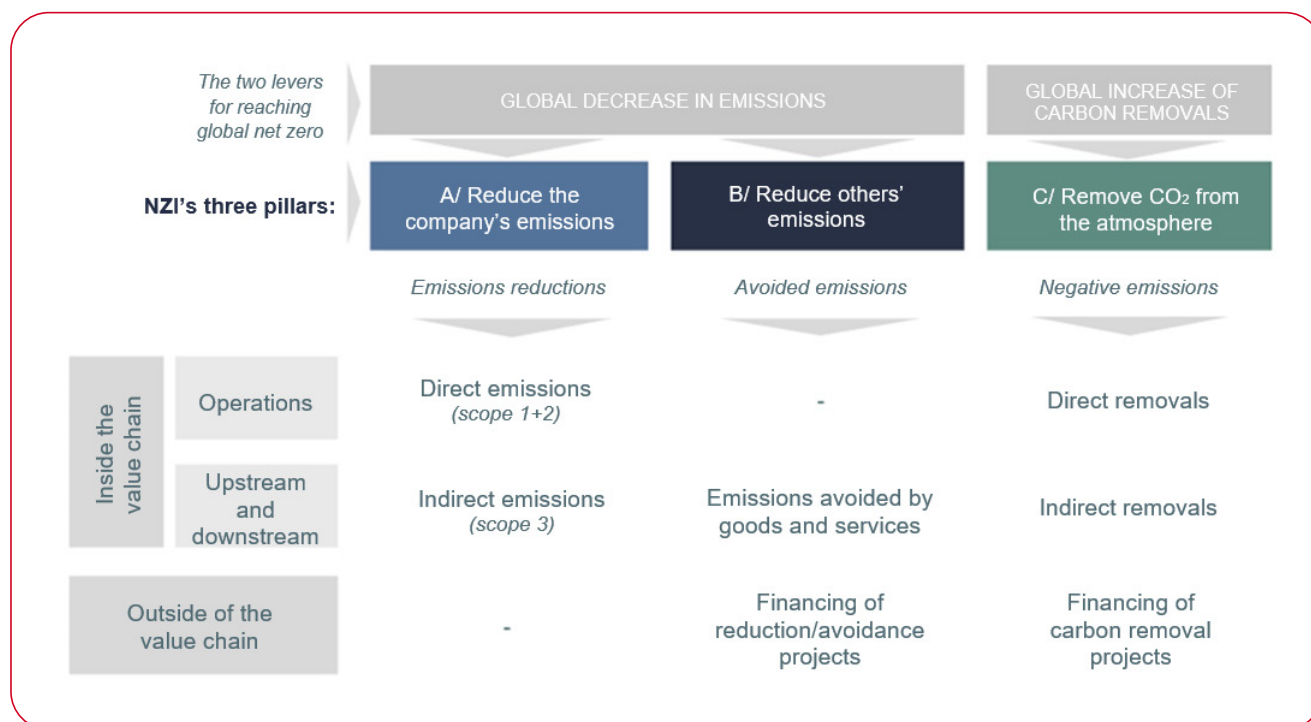
Following this initial diagnosis, we decided to carry out an evaluation of the physical risks associated with climate change for our main production sites across the entire scope of the Group as well as for certain logistics channels selected according to their relevance in terms of impact that may call into question the sustainability of our business (upstream and downstream): supplies, use by our customers of our products and services.

We took advantage of this study to focus on two pivotal and critical sectors of activity in terms of logistics flows for our rail activities: steel and cereals.

A specific analysis of risks related to climate and energy transition is conducted to project and anticipate the consequences of climate change in these markets.



9.3 Reducing our carbon impact: a global strategy



A first carbon footprint assessment published in 2021 (GHG protocol format), enabled us to initiate the first projects:

Reduction of direct emissions on scopes 1 and 2: installation of photovoltaic panels on some of our sites; reuse of gas waste to supply energy, for example in Germany; a new charter promoting access to electric and hybrid vehicles.

Our objectives are:

1. Understanding the maturity of our subcontractor partners in dealing with their own carbon impact: this "snapshot" will enable us to implement concerted decarbonization actions on our scope 3.
2. Consolidating our understanding of carbon impacts, with the implementation of the "toovalu" carbon accounting tool: empowering, automating and making sites responsible are keys to understanding all our internal stakeholders. A team of "carbon contacts" appointed in each BU is responsible for implementing this key tool.
3. Root carbon accounting in the Group's culture: seminars and training at all levels are scheduled for 2023 and 2024.
4. Partnering with a specialist in industrial decarbonization to support us in defining a global strategy for scopes 1 and 2, considering the evolution of the energy mix of the countries where our activities are based, the development of our manufacturing workshops, electrification of our processes and the maturity of new energy technologies.
5. Several expectations:
 - Compared to 2022 – the reference year – a decarbonization trajectory in line with the Paris agreements will be established in 2023.
 - A 2030 – 2050 ambition compatible with climate change and our development.
 - Reducing our exposure to risks related to energy market volatility.

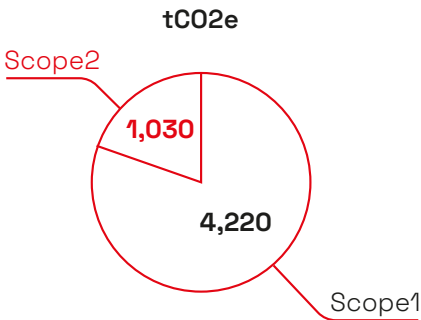
9. ENVIRONMENT AND ADAPTATION

Streem Carbon Footprint in 2022 – Scope 1 & 2

The 2022 “carbon footprint” diagnosis for the Scope 1 & 2 is our reference.

For its decarbonization trajectory, Streem targets as a priority:

- 1. Reduction in scopes 1 and 2 to increase energy resilience.
- 2. Reduction in these categories: heavy purchases, maintenance services, purchases of sub-assemblies, home/work travel and business travel.



The products sold and leased are not part of the scope of decarbonization; they also contribute to reducing the carbon impact of our customers’ logistics. Multimodal transport allows flexibility and facilitates access to rail because it allows road transshipment for the remaining distance to be travelled.

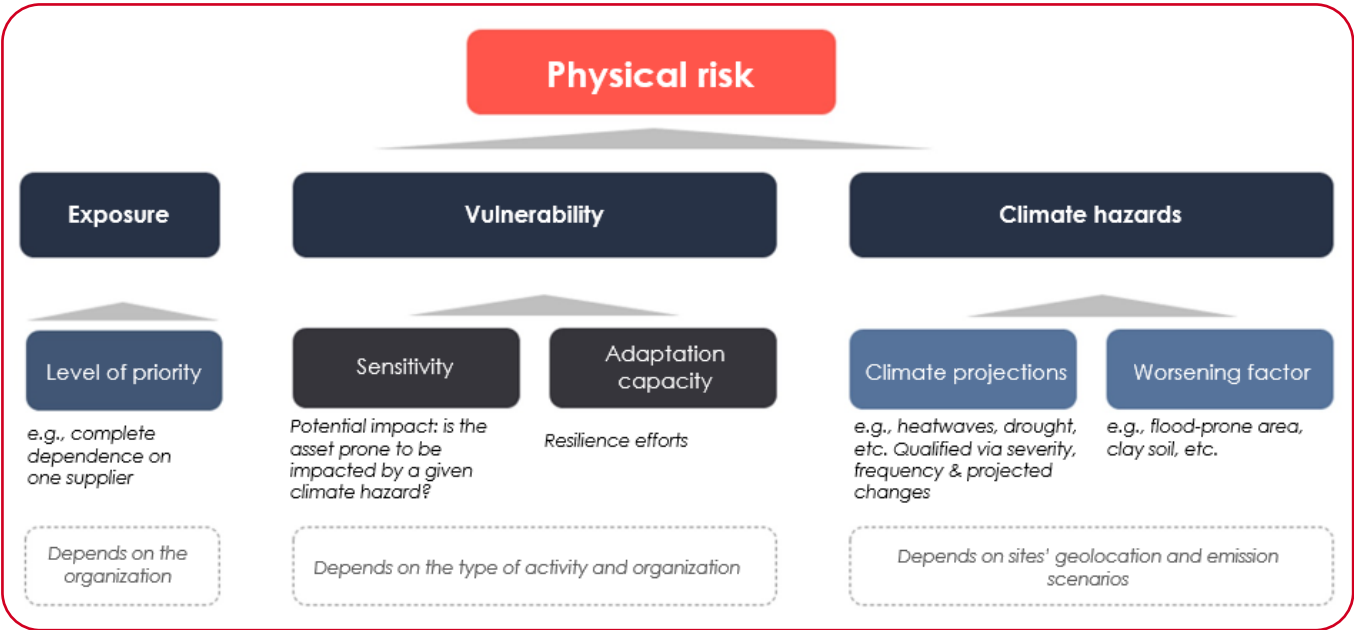
The Group’s strategy is based on the aggregation of several components, the basis of a profound transformation of practices aimed at reducing our carbon impact and increasing competitiveness and energy resilience.

With this overall vision in mind, we are combining appropriate action plans and measurements.

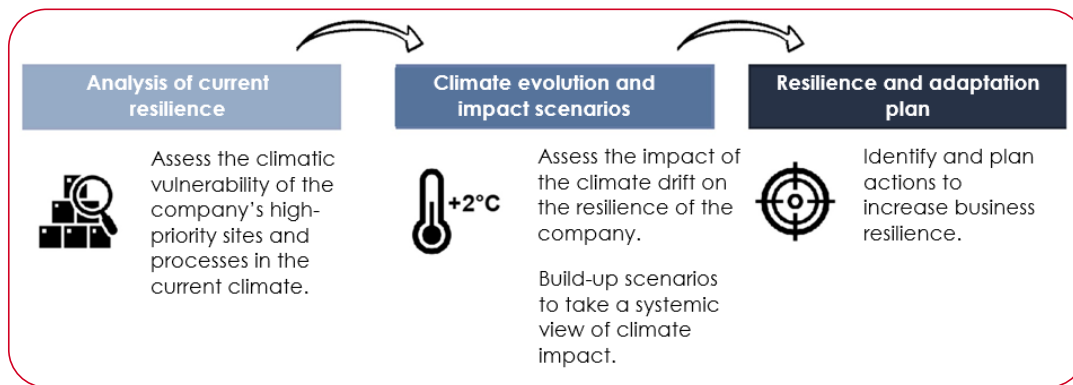
Assessment of physical risks related to climate change

Convinced that tomorrow’s successes are determined by our ability to make relevant choices regarding climate change, Streem, in partnership with Carbone 4, conducts a broad-spectrum analysis of the associated risks, in the medium and long term.

Carbone 4 is recognized for its expertise and uses, among other things, a method they have developed, OCARA (Operational Analysis of Organizations’ vulnerabilities), and which can be summarized schematically.



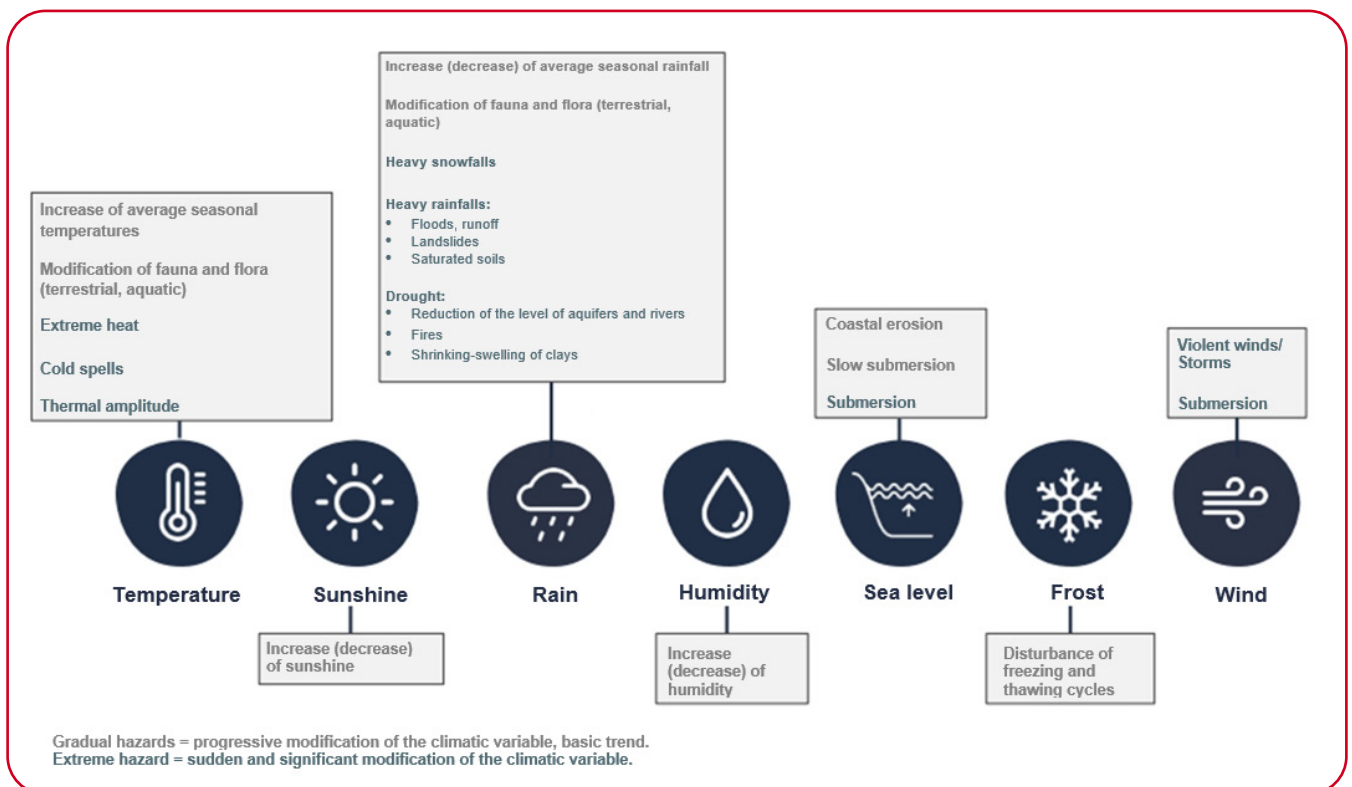
The objective is to establish a resilience plan itself in line with the opportunities that arise at the heart of our business, multimodal transport, as one of the responses to the transition of our transnational economies. This work is currently under way, and we will respond to risks of any kind: operational, social, financial, reputational. This analysis takes as a reference the current resilience of the sites and processes at stake, and the future evolution of climate scenarios to build a “resilience and adaptation plan.”



A global analysis based on the OCARA method, and the climate hazards predefined by the TCFD, and on the IPCC's "SSP5-8.5" scenario at 2050 (+2.4°) as well as on the CIARA method.

The OCARA method proposes seven major climatic variables and more than 20 associated hazards, gradual and extreme. These hazards can generate various types of damage above certain thresholds. These are the factors generating climatic impacts.

OCARA makes it possible to understand, identify and prioritize weak or strong climate change signals based on a holistic view of climate impacts across the entire company's value chain.



CIARA

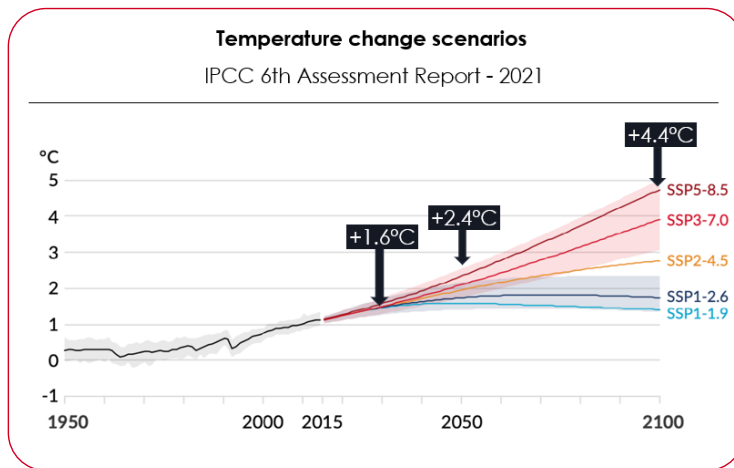
Climate Impact Analytics for Real Assets.

Methodology for assessing the impact and exposure to the climatic risks of infrastructure portfolios.

The CIARA method was designed to enable infrastructure investors to answer two questions:

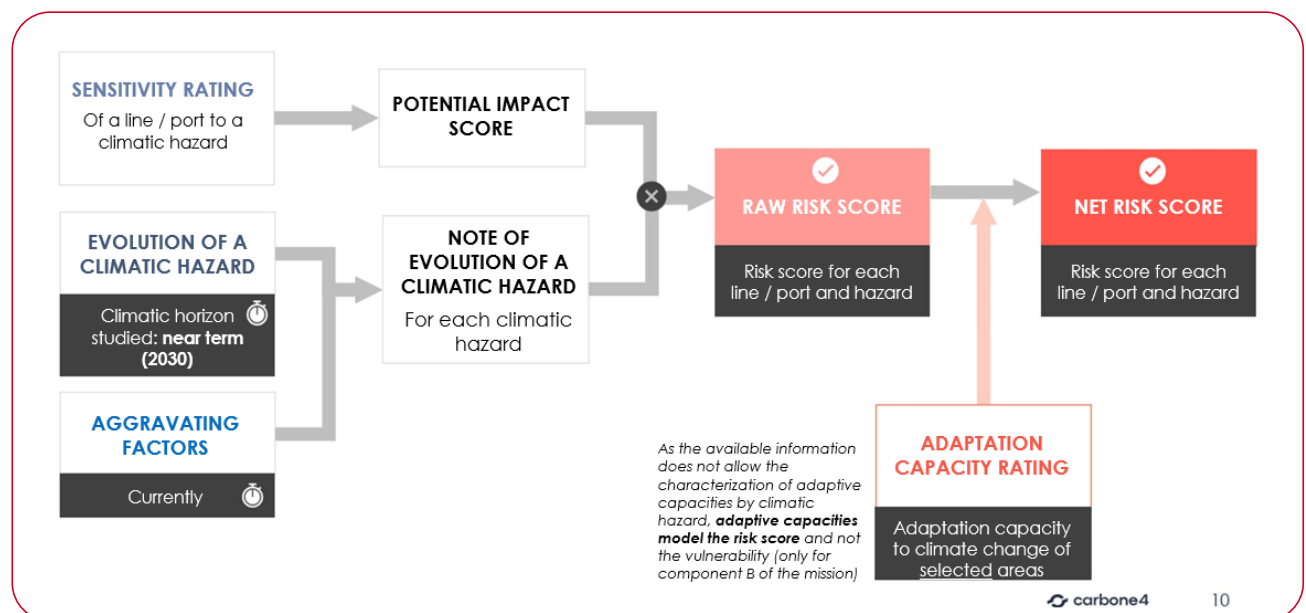
- What is the current and future impact of my investments in infrastructure?
Are my portfolios in line with the Paris Agreement?
- To what extent are my assets exposed to climate risks, including transition and physical risks?

9. ENVIRONMENT AND ADAPTATION



Although the analysis is still in progress to date, we have identified as major hazards (based on the taxonomy) impacting some of our manufacturing sites and major suppliers, the logistics routes (road, rail, boat) used by our customers:

1. Extreme heat
2. Episodes of heavy rainfall that may cause floods.
3. Forest fires in Europe
4. Submersion due to gradual rise in sea level and violent winds
5. Extreme precipitation phenomena
6. Shrinkage and swelling of clays phenomena.



Some interim results:

- “Climate shock” scenarios are being studied to establish actions to maintain working conditions, to guarantee the integrity of electrical or electronic equipment, or to deal with electrical and telecommunications (Internet) network failures where necessary.
- For logistics flows (14 lines and ports studied), vigilance points are established at the ports of Houston and Singapore, as well as on the German motorway networks. It is interesting to note that the rail networks of the USA, Germany and Europe in general retain a moderate residual risk. A network which, for Italy, remains exposed to very high residual risks. In France, Poland, and the Czech Republic, it remains high. The physical risks relating to our key suppliers are identified; nine of them are subject to three potential risks, both on their sites and from a logistical point of view for their deliveries.
- For the risks linked to the transition on the steel markets, in a low carbon world, certain products will be transported less (coal, iron ore) and others will see their volumes increase (scrap); opportunities arise about the Carbon Border Adjustment Mechanism.

9.4 Concrete actions implemented in 2022

To reduce the CO₂ emissions caused by internal shunting, all Inveho Germany workshops have switched from diesel locomotives to electrically powered shunting equipment.

The electricity required for this is produced in a CO₂-neutral manner via the photovoltaic systems located on the hall roofs.

Furthermore, the use of electric shunting equipment significantly reduces noise pollution for the employees in the neighbouring companies.

The shunting devices have the additional advantage that, due to the radio remote control, only one employee will be needed to operate them in future instead of two.



Raffles Lease works with client to replace single use flexibags with tank containers

Starting in 2021, a key client of Raffles Lease, based in the Middle East, advised our team that they had an internal initiative to reduce the use of flexibags utilized for bulk shipment of non-hazardous liquid products.

The client was making thousands of shipments each year in flexibags loaded in standard 20-foot intermodal containers. These shipments were loaded in the Middle East and shipped to destinations around the globe.

Unfortunately, these flexibags, made of plastic, are not reusable and in many locations, not recyclable. A flexibag is made of plastic films consisting of polyethylene and a polypropylene sleeve; it weighs more than 40kg and often ends up in a landfill site.

Each flexibag is equivalent to over 7,500 single-use shopping bags. Our client realized that this is not sustainable, and they needed to seek an alternative method of transport.

Raffles Lease offered 20-foot intermodal tank containers built with stainless steel barrels that could use and reused after cleaning, for a wide variety of products – hazardous and non-hazardous.

Furthermore, with proper maintenance and care, these assets could be used for 20 years or beyond. And then after their useful life, the carbon steel and stainless-steel components of the tank container can be recycled and used to make something else.

In the past two years the client has made significant progress in reducing flexibag use.

Raffles Lease has empowered the client to do this through leasing hundreds of multi-use intermodal tank containers.



9. ENVIRONMENT AND ADAPTATION

9.5 An eye on a major factor of change: Integration of circular solutions

The Circular Economy represents a major economic and environmental opportunity for the coming years. It proposes the rethinking of our methods of production and consumption to optimize the use of natural resources and hence limit the waste generated.

The steel producers emit 5% of all EU greenhouse gas emission and 7% globally. Regarding the European climate neutrality target, this industry is facing a great challenge to reduce its emissions. They are two main routes for producing steel: the integrated route, mainly with iron ore and the recycled route mainly with scrap metal.

As background, one ton of steel produced with primary resources emits up to 2t of CO₂. The emissions are primarily produced when the iron ore is reduced with coke to obtain crude steel.

A study showed that steelmaking with scrap steel through recycled routes emits 80% less greenhouse gas emissions than producing steel from iron ore. One way to reduce emissions quickly is to increase the amount of steel produced through scrap metal.

This is the reason why using the recycled route and choosing scrap metal instead of iron ore is key to reducing the CO₂ emissions in the steel industry. The amount of scrap needed should increase from 70 Mt/year in 2020 to 90 Mt/year in 2050 in Europe.

What are the solutions to move from primary to secondary or recycled resources?

It is interesting to note that the proportion of steel scrap used in domestic production is at 56% in Europe, while it is 69% in the US.

This means that it is possible to have a large economy with more steel produced from scrap.

On top of that, scrap is available in Europe because 20% of European scrap is exported to other countries. Increasing recycling also means better management of the life cycle of every product. Downstream industries can adapt product designs to utilize recycled steel.

› What is the role of Ermewa in this shift for the European steel industry?

This shift requires an important logistical challenge, as the increase of scrap transportation is required in Europe without necessarily using more trucks. The real challenge will be to organize scrap collection from sites without rail connections. The future model will combine conventional trains to move scrap from plants to the steelmakers and intermodal flows with hubs to collect and distribute resources for a reliable and low-carbon secondary resources route. Ermewa will work on this new logistical plan in partnership with the scrap collectors (Derichebourg), the multimodal forwarder (Forwardis) and the steel producer (Arcelor Mittal).

Ermewa also prepares an annual recycling plan, which is approved by the Ermewa's management team. For wagons and wheelsets, Ermewa repairs and overhauls wagons and axles to keep them in good working order.

Wagons and wheelsets are recycled when no longer usable: 100% of end-of-life wagons are recycled, with a recyclability rate of approximately 96%.



Ermewa chooses recycling centres that recover the steel that returns to the market as a raw material: in 2022, Ermewa recycled 1,300 wagons for a total of 22,000 tons of reusable steel, not including the wheelsets.

Finally, flat wagon floors are recovered during dismantling in recycling centres. Ermewa sells the wood obtained to local craftsmen and purchases finished office supplies and tables created from this wood.

Ermewa collaborated with a very famous and prestigious French design and decoration company: Roche Bobois.

Tarpaulins are recycled into handbags and purses upon request from designers or given to farmers to protect the fields.



› Tank containers

Tank containers mostly compete in the shipping industry with drums, IBC totes, flexitanks and bags but none of them is a substitute with an equivalent cost/environmental protection & efficiency.

Eurotainer is a key stakeholder in the development of a circular economy in the industry.

Flexibags used to be the standard to transport large quantities of liquid and weight almost 40kg of plastics (7,500 plastic bags), with no proof of efficient recycling and high probability that eventually those bags are released into the nature. Tank containers appear to be the only sustainable answer to this problem by doing five round trips of the earth a year on average over a 24-year lifetime; this is the equivalent of more than one hundred flexibags or half a million plastic bags.

One concrete example: to minimize waste at every step, Pernod Ricard applies five key principles at each step of their product lifecycle: Rethink, Reduce, Reuse, Recycle and Respect.

Eurotainer is part of this virtuous circle by leasing reusable tank containers to replace single use plastic flexibags for shipment of wine from New Zealand to Australia.

One of our customers, Pyrowave in Canada, has invested in a new technology to recycle plastics using microwaves that turns plastics into other materials. One of these materials is styrene monomer that Pyrowave has now shipped in our containers to a Michelin factory in France.

This achievement confirms that a 100% traceable and controlled supply chain in polystyrene recycling can be implemented.

In the US, Eurotainer is a stakeholder in decarbonizing the chemicals industry by leasing containers to Solugen to support their goal to replace 90% of their petrochemical based products with their organically made products.



9.6 Environmental Assessment of the Workshops BU: ISO 14001

All Inveho Germany workshops have been certified according to ISO 14001:2015 for many years.

ISO 14001:2015 is an integral part of the management system and is constantly being developed. The constant review and further development of the system ensures that all employees are provided with a safe and healthy workplace.



The annual audit is carried out as a combined audit together with ISO 9001:2015 and Regulation (EU) 2019/779 ECM.

Inveho UFF was certified in 2022.

9.7 GHG emissions of our suppliers

A questionnaire created at the Group level was launched in 2022, to assess where our suppliers are in terms of their carbon footprint. The aim is to have an overview of their knowledge on this topic, and the strategy they have implemented to reduce their carbon footprint. The first results are expected in 2023.

9. ENVIRONMENT AND ADAPTATION

9.8 Energy

Several sites in the Group are currently installing or studying the installation of solar panels. 1.3 Mwh of solar energy were produced in 2022 in Streem, a trend that will grow in the future. There is more development to come which will be outlined in our decarbonization strategy later in 2023.

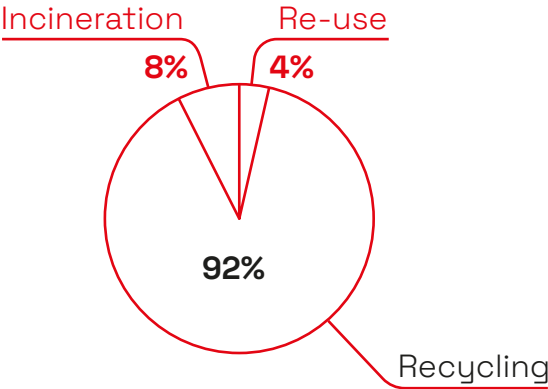
9.9 Waste Management

Waste (t) Streem



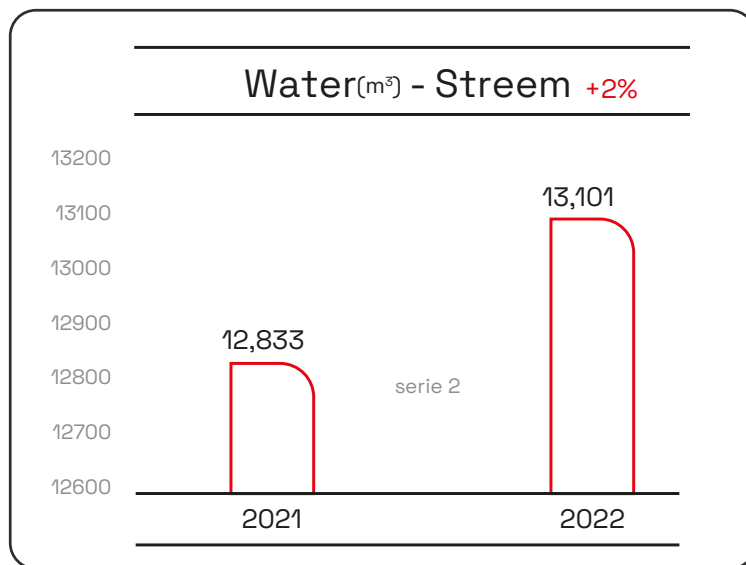
3% of hazardous waste only out of total waste

Split of waste (%) - Streem



92% of the waste are recycled

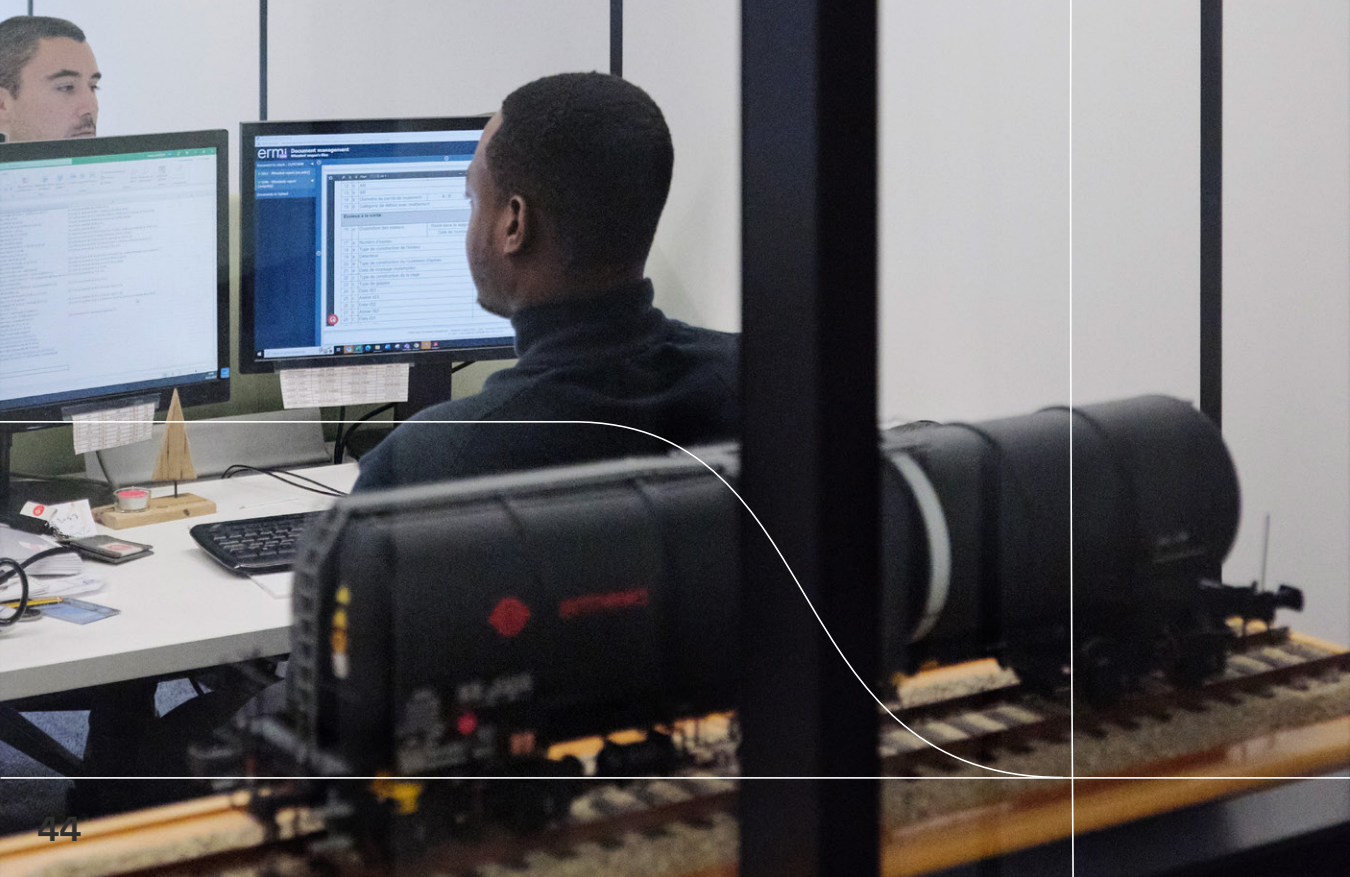
9.10 Water Management



Water consumption has increased but only slightly in relation to turnover.

10.

KEY FIGURES AT A GLANCE





KPI MEASURED	Unit of measure	2021	2022
ESG - Health and safety - Employees			
Fatalities - Employees	number	0	0
Lost time Injuries - Employees	number	90	60
Hours worked - Employees	number	2,234,960	2,168,958
LTIFR - Employees	number/hrs*1 million	40	27.7
LTIFR- Employees - Target	number/hrs*1 million		25.8
ESG - Inclusion and diversity			
Number of Board Members	number	7	8
Board Members: Female	number	3	1
Board Members: Female	%	42.9%	12.5%
Board Members: Male	number	4	7
Board Members: Male	%	57.1%	87.5%
Number of Independent Board members	number	4	3
Number of people on Executive Committee	number	8	8
Number of women on Executive Committee	number	2	2
Women in Management Positions	%		29.9%
Gender Pay Gap	%		-8.8%
Number of Employees	number	1,228	1,270
Under 30 Years Old	%	11.5%	14.3%
Between 30 And 50 Years Old	%	50.1%	48.9%
Over 50 Years Old	%	38.4%	36.7%
Men	%	76.5%	76.3%
Women	%	23.5%	23.7%
ESG - Employee engagement			
Organic Net New Hires	number		199
Absenteeism Rate	%		9.5%
Average Employee Turnover	%		8.9%
Average Amount Spent Per FTE On Training And Development	Euros	557 €	697 €
Percentage of Employees Covered Through Satisfaction Survey	%	N/A	100%
Percentage of Employees Who Received Esg-related Training in The Reporting Year	%	0	55.7%
Percentage of Employees Who Received Professional Training in The Reporting Year	%	51.1%	48.3%
ESG - Water - Withdrawals			
Surface Water/River	Megaliters (ML)		0.71
Third-party potable water	Megaliters (ML)		12.39
Total withdrawals	Megaliters (ML)		13.10
ESG - Waste generation			
Hazardous	Tons (t)	1,807	931
Non-hazardous	Tons (t)	10,495	32,956
ESG - Waste disposal			
Re-use	Tons (t)	1,250	1,250
Recycling	Tons (t)		30,300
Total waste disposed	Tons (t)		33,887
Recycling %	%		89.4%
ESG - Greenhouse gas emissions			
Emissions from combustion of fuels	tCO ₂ e		5,004
Scope 1	tCO ₂ e		4,220
Scope 2	tCO ₂ e		1,030
ESG - Energy and emissions			
Total energy consumed (Total)	MWh		27,007
Energy Consumed (Non renewable)	MWh		26,633
Energy Consumed (Renewable)	MWh		374
% Renewable Energy consumed	%		1.38%
Energy Imported			
Energy Imported - Diesel	MWh		4,998
Energy Imported - LPG (fuel), butane or propane	MWh		3,220
Energy Imported - Motor gasoline	MWh		993
Energy Imported - Natural gas	MWh		11,000
Energy Imported - Non-renewable electricity (From the grid)	MWh		6,998
Energy Imported (Total)	MWh		27,209
Energy Exported			
Energy Exported - Renewable electricity	MWh		306
Energy Exported - Non-renewable electricity generated and sold to the electricity grid	MWh		576
Total Energy exported / sold	MWh		882
Energy Exported (Renewable)	MWh		34.7%
Energy Generated (Renewable)			
Energy Generated - Solar	MWh		680
Energy Generated (Total) generated and sold to the electricity grid	MWh	1,107	306



11.

GRI INDEX



Stroom has reported the information cited in the GRI content index for the period from 1 January 2022 to 31 December 2022 with reference to the GRI Standards.

General disclosures	Topic	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	§3 page 8
	2-9 Governance structure and composition	§3.1 & 3.2 page 8
	2-22 Statement in sustainable development strategy	§3.3.1 page 9
	2-28 Membership associations	§4 page 14
GRI 3: Material Topics		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	§5.1 page 16 to 17
	403-2 Hazard identification, risk assessment, and incident investigation	§3.3.2 page 11
	403-9 Work-related injuries	§5.1 page 16
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	§9.3 page 36
	305-2 Energy indirect (Scope 2) GHG emissions	§9.3 page 36
	305-3 Other indirect (Scope 3) GHG emissions	§9.3 page 35
	305-5 Reduction of GHG emissions	§9.3 page 35 §9.4 page 39
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	§8.2 page 31
GRI 306: Waste 2020	306-3 Waste generated	§9.9 page 42

12.

ACRONYMS





AFWP:	Association Française de détenteurs de wagons
BU:	Business Unit
CAPEX:	Capital Expenditure
CDPQ:	Caisse de Dépôt et placement du Québec
CEO:	Chief Executive Officer
CFO:	Chief Financial Officer
CIARA:	Climate Impact Analysis for Real Assets
CO₂:	Carbon Dioxide
CSR:	Corporate Social Responsibility
DAC:	Digital Automatic Coupling
DNSH:	Do Not Significantly Harm
DSRS:	Direction Sécurité, Risque et Synergie
ECM:	Entity in Charge of Maintenance
EN:	European Standards
ERA:	European Union Agency for Railways
ESG:	Environment, Social and Governance
ESTACA:	Ecole Supérieure des Techniques Aéronautiques et de Construction Automobile
EU:	European Union
EUAR:	European Union Agency for Railways
GHG:	Greenhouse Gas
GRI:	Global Reporting Initiative
HR:	Human Resources
HRIS:	Human Resource Information System
HSE:	Hygiene Safety Environment
IBC:	Intermediate Bulk Container
IRCS:	International Railway Safety Council
ISO:	International Organization for Standardization
ITCO:	International Tank Container Organization
KPI:	Key Performance Indicator
NZI:	Net Zero Initiative
MRO:	Maintenance Repair and Operation
OCARA:	Operational Analysis of Organizations' vulnerabilities
OECD:	Organization for Economic Co-Operation and Development
OPEX:	Operational Expenditure
QSE:	Quality, Safety, Environment
ROI:	Return On Investment
SASB:	Sustainability Accounting Standards Board
SDG:	Sustainable Development Goals
SMS:	Safety Management System
SQE:	Safety Quality Environment
TCFD:	Task Force on Climate-related Financial Disclosures
TIS:	Technical Innovation Circle for Rail Freight Transportation
TSC:	Technical Screening Criteria
UIC:	Union Internationale des Chemins de Fer (International Union of Railways)
UIP:	International Union of Wagon Keepers
UN:	United Nations
UNGC:	United Nations Global Compact
UTC:	Université de Technologie de Compiègne
VERS:	VPI European Rail Services GmbH
VIE:	Volontariat International en Entreprise
VPI:	Vereinigung der Privatgüterwagen-Interessenten / Association of Private Freight Wagon Users



4-10 avenue André Malraux
92300 Levallois-Perret
France

xavier.garcia@streemgroup.com

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