

DELIVERING GOODS

FOR THE GOOD OF ALL

2021 INTERIM CORPORATE SOCIAL
RESPONSIBILITY REPORT



TRINITY INDUSTRIES





TRINITY INDUSTRIES

FOR THE GOOD OF ALL

**2021 INTERIM CORPORATE SOCIAL
RESPONSIBILITY REPORT**

TABLE OF CONTENTS

↓	CEO LETTER	01
↓	ABOUT TRINITY	02
↓	OUR APPROACH	03
↓	OUR SUSTAINABILITY TRACK	04
↓	MATERIALITY ASSESSMENT	05
↓	EMPLOYEE HEALTH AND SAFETY	06
↓	DIVERSITY, EQUITY, AND INCLUSION	07
↓	HUMAN RIGHTS	07
↓	ENERGY/GHG	08
↓	RECYCLING	09
↓	ADDITIONAL INFORMATION	
↓	AWARDS, RECOGNITION AND CERTIFICATIONS	10
↓	SASB TABLE	11
↓	TCFD INDEX	12

CEO LETTER

I am excited to bring you Trinity's 2021 Interim Corporate Social Responsibility report. When we published our first report last year, our plan was to report every two to three years. After reviewing the key milestones crossed during 2021, however, I'm happy to release this interim update of our progress. Our strategic development includes a series of significant enhancements.

First, we conducted a formal materiality assessment. The assessment included identified ESG topics and asked our stakeholders to prioritize Trinity's ESG efforts. The insights we learned will guide our strategy forward, and we intend to repeat this survey periodically to ensure stakeholder alignment.

Second, our environmental and safety data collection and reporting have continued to mature. In this report, you will find our updated index aligning to Sustainable Accounting Standards Board (SASB) standards. Additionally, and in conjunction with responding to the CDP questionnaire on environmental impact, we have prepared our first index with the Task Force on Climate-Related Financial Disclosures (TCFD). These two indices provide a transparent look at our environmental impact and will drive how we set goals, targets and metrics moving forward.

Next, Trinity's Diversity and Inclusion efforts further integrated into our business processes with a refreshed approach to our recruiting strategy, interviewing

slates, onboarding, and an increased set of feedback processes to continually nourish improvement. The momentum we have built through our collective actions in recent months is palpable, and I'm confident these enhancements are growing a culture ever more inclusive.

Finally, at Trinity, we strive to enhance our customers' supply chains. The release of our Trinsight™ technology advanced our shared interest in the efficiency and sustainability of fleet operations. Through a service of advanced analytics and telematics, TrinityRail® customers are provided a dashboard sharing a wide array of data to help more efficiently, and in turn, more sustainably, manage their operations.

We also established our Sustainable Railcar Conversion Program, where we are able to repurpose and reuse railcar materials and components and sustainably bring renewed life to existing assets. Through this program, we are able to decrease energy consumption and preserve resources, while still addressing a changing demand environment.

Our ESG strategy is gaining momentum across our business, creating opportunities for even stronger transportation solutions for our customers and our communities and directly contributing to our core mission of Delivering Goods for the Good of All.



E. Jean Savage

E. Jean Savage
Chief Executive Officer and President

DELIVERING GOODS FOR THE GOOD OF ALL

At Trinity, we see innovation as imperative to enhance rail's safety, efficiency, and sustainability advantages.



ABOUT TRINITY

OUR PURPOSE IS WHAT MOVES US: DELIVERING GOODS FOR THE GOOD OF ALL

Trinity Industries, Inc. owns market-leading businesses that provide railcar products and services across North America under the trade name TrinityRail®. TrinityRail’s unique platform provides a single source for comprehensive rail transportation solutions that optimize our customers’ ownership and usage of railcar equipment and enhance the value proposition of the rail modal supply chain.

Our railcars play an important role throughout North America as they transport essential goods that keep the economy moving. At Trinity, we remain committed to rail solutions that deliver goods – safely, efficiently and sustainably – for the good of our customers, shareholders and employees in all the communities we serve. Delivering Goods for the Good of All is why we proudly come to work each day.



TRINITY INDUSTRIES

5,845+
EMPLOYEES

with 2,000 in the United States and 3,845 in Mexico*

\$1,516M
Revenue*

136,000+
railcars managed, including owned by third-party investors*

*as of 12/31/2021

TWO PRIMARY BUSINESS SEGMENTS:

Railcar Leasing and Management Services and Railcar Products

900 DIFFERENT COMMODITIES

270 DIFFERENT RAILCAR DESIGNS

	AGRICULTURE	CONSTRUCTION AND METALS	CONSUMER PRODUCTS	ENERGY	REFINED PRODUCTS AND CHEMICALS
Covered Hopper Cars	Grain Products, Dry Fertilizer, Flour, Starch	Cement, Construction Materials, Lumber		Industrial Sand	Plastics
Open Hopper and Gondola Cars		Scrap Metal, Aggregates, Finished Steel		Coal	
Other Freight Cars	Food Products	Lumber, Steel and Metals, Cement	Autos, Paper, and Intermodal		Other Chemicals
Non-Pressure Tank Cars	Food Products, Grain Products	Aggregates (Clay Slurry)		Crude Oil, Biofuels	Chemicals, Petroleum Products
Pressure Tank Cars	Fertilizer				Liquefied Gases, Chemicals, Petroleum Products



OUR APPROACH

Trinity approaches our business with the purpose of leading the way. Our business strategy shares three broad areas of focus: optimization, innovation, and customer experience, which drives our teams to deliver superior, sustainable returns.

As our Operating Model notes, our stakeholders, business strategy, and corporate values collectively act as a guide for our culture and decision making.

THE OPERATING MODEL IS SUPPORTED BY OUR VALUES, WHICH DEFINE THE TRINITY WAY OF DOING BUSINESS.



WE LIVE BY THESE FIVE CORPORATE PRINCIPLES:

Core Values

Integrity

We do the right thing

Commitment

We do what we say we will do

Diversity & Inclusion

We pursue diverse talent and perspectives

Excellence

We passionately do our best

Innovation

We boldly seek to improve

We strongly believe this approach is the right way to achieve our purpose of Delivering Goods for the Good of All.



OUR SUSTAINABILITY TRACK

Trinity operates an environmental management system under which the organization reviews goals and environmental impacts, sets objectives and monitors to measure progress.

WE AIM TO:

- Minimize our impact on natural resources and the environment. Trinity is a Responsible Care® Partner with the American Chemistry Council within the Equipment Supplier and Logistics Management Sectors. Responsible Care Partners collect and annually report performance data in the following areas:
 - Employee, Product and Process Safety
 - Chemical Supply Chain Security
 - Product Stewardship, including managing product safety and product communications
 - Environment
 - Energy
 - Accountability through Management System Certification
 - Community Outreach
- Meet applicable regulatory requirements.
- Support the guiding principles of the American Chemistry Council’s Responsible Care® management system.
- Engage and consult with stakeholders on environment, health and safety issues and continually improve our initiatives and performance.
- Clarify the roles of employees and suppliers in fulfilling our environmental policy.
- Consider our customers’ products at each stage of product life cycle from eco-design through product end-of-life.

These measures, in conjunction with our ISO 45001 (Occupational Health & Safety) and 14001 (Environmental Management) certification efforts, led to a series of incremental safety and environmental impact reduction target setting at our facilities.

At the enterprise level, we decided that the due diligence offered through the release of Trinity’s Task Force on Climate-Related Disclosures (TCFD) index would offer better insight ahead of our external, Company-wide target-setting process. This is in addition to the Sustainable Accounting Standards Board reporting added in 2020 and the CDP reporting disclosed in 2021. You will find the full TCFD index in the Additional Information section of this report. We strongly believe that these strategic changes will create stronger, more meaningful contributions to addressing our long-term impact.

Trinity prides itself on listening to our stakeholders and finding solutions to address their needs. Thus, our first ESG materiality assessment felt natural and appropriate. The results of this assessment will drive the prioritization of those ESG actions deemed most important by our stakeholders.

A RESPONSIBLE TRANSPORTATION SOLUTION

Railroads are the most fuel-efficient way to move freight over land

- U.S. railroads, on average, move one ton of freight 480 miles on one gallon of fuel.
- One train can carry the freight of hundreds of trucks, reducing highway congestion and greenhouse (GHG) emissions.
- Moving freight by train instead of truck reduces GHG emissions by up to 75%.
- Railroads account for about 40% of long-distance freight volume, but only 1.9% of U.S. transport-related GHG emissions.

[Association of American Railroads](#)

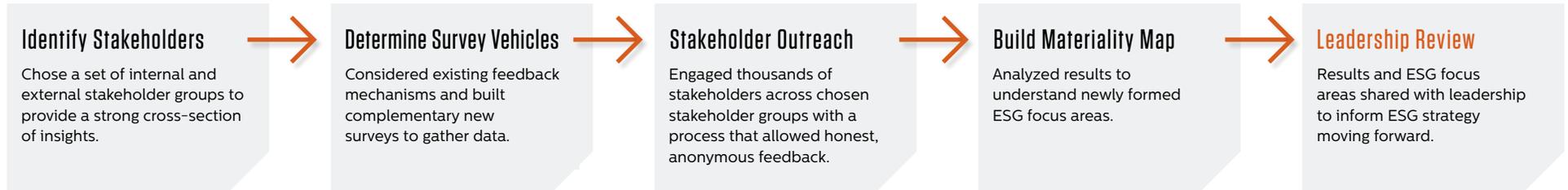


MATERIALITY ASSESSMENT

In 2021, Trinity surveyed stakeholders to gauge their view on the importance of the environmental and social issues Trinity faces. Additionally, governance topics were considered by our Board of Directors, executive leadership team, and customers. The formalized output of this process allows us to focus on our activity where it

is most impactful, and the materiality process will not remain static. We intend to expand stakeholder participation, periodically revisit the process, and update the inputs regularly to be sure we are steering our efforts down the right track.

OUR MATERIALITY PROCESS:



MATERIALITY RESULTS:

Priority Focus

- Employee Health and Safety
- Diversity, Equity and Inclusion
- Human Rights
- Energy/GHG*

Priority Focus areas provide a clear direction from our stakeholders as to where our ESG agenda should focus.

Participate

- Recycling
- Raw Materials Sourcing
- Supplier Environmental Issues
- Water

Participate issue areas will continue to require engagement and attention.

Track

- Materials, Chemicals and Waste
- Board Diversity

Track issue areas will continue to be managed.

*Language in existing and new research channels varied

Results from the materiality assessment suggest three levels of engagement across the material ESG issues identified by Trinity. All of the issue areas noted on the Materiality Results related to our business and will continue to be monitored and managed. This stakeholder-determined result allows us to prioritize where to point our resources.

We were pleased to see the Priority Focus areas align with existing initiatives. Within this report, we will report key milestones within each of these Priority Focus areas, as well as Recycling, the Participate issue area of highest importance to our customers.

EMPLOYEE HEALTH AND SAFETY

Our employees are the engine that keeps Trinity running. It is imperative that we look after the health and safety of our co-workers.

COVID-19 RESPONSE:



Throughout the COVID-19 pandemic, the health and wellbeing of our employees has been our priority. In 2021, Trinity was proud to be recognized with the Outstanding COVID-19 Response Efforts Award through Responsible Care® by the American Chemistry Council (ACC) for our exemplary efforts in response to the COVID-19 pandemic.

THE COVID-19 RESPONSE AWARD WAS CREATED TO RECOGNIZE EXCELLENCE IN THE AREAS OF:



RESPONSIBLE CARE®
OUR COMMITMENT TO SUSTAINABILITY

- Quantitative efforts to minimize employee exposure to COVID-19.
- Contributions the Company made to support local or regional communities in fighting the pandemic.
- Contributions made by Trinity during 2020 to provide essential materials and supplies to assist in the fight against COVID-19.
- Outreach or educational efforts undertaken by the Company to protect the health and safety of non-employees, including customers and other stakeholders.

EMPLOYEE SAFETY:



In 2021, we set a target to reduce our incident rate by 25%.

While we did not realize this target, through our ongoing improvement efforts, we gained better insight into our incident rates, set a similarly ambitious target moving forward, and have committed to enhanced safety management systems and increased safety communications in 2022.

OUR 2021 ACCOMPLISHMENTS INCLUDE:



- Initiated a pilot of Caterpillar's Zero Incident Performance (ZIP) Employee Led Safety program which has been re-branded by the Saginaw Safety Steering Team as R.A.I.L. UNITY (Rally, Act, Innovate, Lead)
 - Culture building safety awareness
 - Third-party guidance
 - 3-year program
- ISO 45001 (Safety) and ISO 14001 (Environmental) Certification for all Mexico facilities
- ISO 45001/14001 Stage 1 and Stage 2 Certification Audits for Enterprise-wide Certification
- Engaged in Safe Start (Mexico) Employee Engagement and Personal Awareness program

RELATED POLICIES: [Occupational Health and Safety](#)

DIVERSITY, EQUITY, AND INCLUSION

At Trinity, we know that individuals with varied perspectives make us collectively stronger.

In 2021, Diversity and Inclusion efforts continued to be further embedded into our business processes with a refreshed approach to our recruiting strategy, interviewing slates, onboarding, and an increased set of feedback processes to continually feed improvement.

Our Diversity and Inclusion actions taken in 2021 include:

- Enhancing diverse candidate slates and interview panels
- Enhancing inclusive recruitment and onboarding materials
- Developing targeted university outreach campaign
- Launching Diversity and Inclusion internal portal page with resources
- Forming eight new Employee Resource Groups
- Launching “Let’s Talk Series” listening sections including fifteen sessions in 2021
- Reviewing succession planning process for inclusiveness
- Participating in McKinsey Leadership Academy
- Participating in Kellogg Foundation/McKinsey Expanding Equity Cohort



HUMAN RIGHTS

Trinity is committed to protecting human rights across all our operations.

Trinity has a series of policies that address our views on human rights:

- Our Labor and Human Rights Policy is informed by the United Nations Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights
- Our Code of Business Conduct and Ethics
- In 2021, we furthered our commitment as noted in our Statement on Human Rights

Within these documents, Trinity addresses the safety and dignity with which we strive to treat our coworkers. We are committed to regularly reviewing human rights issues and conducting training where gaps are found. We prohibit forced, involuntary and child labor, while promoting a workplace free of unlawful harassment and retaliation.

We investigate conduct that may be inconsistent with our policies and strictly prohibit retaliation. Trinity has an Ethics HelpLine and HelpSite website, which allows confidential and anonymous reporting anytime, in both English and Spanish, for any party who has a concern.

RELATED POLICIES: [Code of Business Conduct & Ethics](#) | [Statement on Human Rights](#)



ENERGY/GHG

At Trinity, we understand our industry faces specific environmental challenges, and we are rising to address them.

We have greatly enhanced our tracking and reporting of environmental data, which includes our data analytics project, our continued reporting in alignment with the SASB Index, our CDP responses, and a high-level response to the TCFD Index.

Air Emissions



Trinity introduced new thermal oxidizer capabilities in our Longview, Texas, facility, which includes gains in flexibility and efficiency. Based upon the progress recorded thus far, Trinity has set a goal of, and anticipates achieving, EPA-defined Minor Source emission levels. This would complete Trinity's transformation of all of its U.S. painting facilities to Minor Source emission levels.

Energy



Trinity is tracking and working to improve energy consumption across the enterprise. We work to comply with or exceed local, state, and federal environmental regulatory standards. Our continual assessment of operations, business processes and our commitment to increasing energy purchase from renewable sources are all aimed at reducing our environmental impact.

In 2021, Trinity created its first Sustainability Review Team, with sponsorship from the Executive Leadership Team. The committee, among other things, is actively exploring viable options for alternative energy solutions as well as energy-efficient options at our facilities. We expect to report progress on these efforts in our next sustainability report.

Data Tracking



The latest step in our sustainability journey involved building out a new platform, utilizing business analytics, to provide real-time, in-depth visibility to GHG emissions, energy use, water use, and hazardous waste, among other key metrics, at Trinity facilities across the enterprise. With this enhanced data visualization and transparency, we have seen increased awareness, ownership, and problem-solving concerning Trinity's sustainability efforts.

Gas Emissions



Trinity currently reports GHG emissions within two categories: gas emissions and Scope 1 + 2 emissions. These categories have been identified as top priorities by our stakeholders. They are tracked and analyzed in real-time through dashboards, allowing our Sustainability Review Team and Executive Leadership Team to make strategic decisions with full transparency. This includes newly formed facility teams and an executive steering committee to further advance our environmental efforts, beginning with equipment efficiency considerations.

Water



Trinity recognizes that clean freshwater is a shared resource and is at risk. Trinity aims to be a water steward through tracking and addressing water use, consumption, and wastewater management. Trinity maintains water recycling and reuse tanks used for pressure and volume testing at our tank car manufacturing facilities. In addition, we have created a systems approach designed to monitor and improve the efficiency of our water use.

Waste



Waste reduction is an opportunity to reduce our environmental impact and was identified as a high-priority area by our employees. Trinity has, therefore, set internal goals for waste to landfill reduction. In addition, our existing environmental management systems address both the plan for reduction and the handling and disposal of hazardous waste.

Gas Emissions (per million dollars of revenue)		Scope 1 + Scope 2 (per million dollars of revenue)	
2020	2021	2020	2021
25 mT	26 mT	72.5 mT	64.2 mT

	Scope 1 (t CO ₂ e)	Scope 2 (t CO ₂ e)
2019	84,297	92,381
2020	65,355	79,557
2021	41,366	55,958

*2019 and 2020 scope 1 and 2 GHG emissions have been updated to reflect EPA eGRID subregion emission factors to conform with Trinity's 2021 CDP submission.

Energy Consumption	
2020	2021
1.59 M GJ	1.26 M GJ

Water (gallons per million dollars of revenue)		Hazardous Waste (tons per million dollars of revenue)	
2020	2021	2020	2021
29,678 gal	32,971 gal	1.97 T	2.33 T

SUPPORTING PRODUCTS

The next generation Trinsight™ platform provides customers real-time visibility and insights into their fleet and the freight they transport. Data analytics feed a friendly interface that includes GPS track-and-trace capabilities with weather overlay and geofencing. Customers can access car location message data,

as well as impact movement and detection, offering a new level of insight and efficiency control into transport management. This results in efficiency gains in less waste, optimized loads and asset utilization to maximize yield per transit.

RECYCLING

Recycling is of key importance to our customers and to Trinity. While Trinity considers a wider range of recycling, our most impactful is that of our railcars.

Sustainable Railcar Conversions

A changing rail transportation market created a need for TrinityRail to re-engineer idled railcars. By repurposing and reusing the steel and other parts in the idle railcars, Trinity developed an innovative process it calls the “Sustainable Railcar Conversion Program.” The program not only brings renewed

life to aging assets, but also enhances safety and conserves resources. TrinityRail delivered 650 Sustainable Conversion Railcars to customers in 2021, and our backlog for additional conversions grew to 1,150 entering 2022.



Highlights include:

- Reusing up to 25,000 pounds of components per railcar, equal to between 14–40% by weight depending on railcar type. Most of the reused weight comes from repurposed castings, thereby avoiding the necessary high-energy production practices for new components. In 2021, more than 10 million pounds of material were reused in the 650 converted railcars.
- Disassembled steel components are recycled with minimal freight footprint. The remaining components such as brakes, trucks, and wheels, are all reused.



American Chemistry Council Waste Minimization, Reuse and Recycling Exceptional Merit Winner

Trinity’s winning submission highlighted the conversion program’s logistics, which are purposefully designed to minimize transportation of scrap and reused components. Even within the manufacturing facility, reused parts are bundled and reassembled onto the railcar body on the adjacent manufacturing line to reduce transportation inefficiency. Scrapped components are provided to local steel producers for recycling. Nearly 100% of each converted railcar by weight is either reused in the conversion or recycled as scrap metal.

RELATED POLICIES:

[Statement on Product Stewardship](#) | [Statement on Air Emissions](#) | [Statement on Energy](#)
[Statement on Waste](#) | [Statement on Water](#) | [Statement on Climate Change/GHG](#)

AWARDS, RECOGNITION AND CERTIFICATIONS

The data in this report covers calendar year 2021.

Trinity welcomes input from our stakeholders. If you would like to submit comments to our ESG activity, please reach us at:

14221 NORTH DALLAS PARKWAY, SUITE 1100,
DALLAS, TEXAS 75254

WWW.TRIN.NET | WWW.TRINITYRAIL.COM



American Chemistry Council Recognitions 2021:

- Outstanding COVID-19 Response Efforts Award
- American Chemistry Council (ACC) Waste Minimization, Reuse and Recycling Awards, Exceptional Merit for the Sustainable Railcar Conversion Program
- Responsible Care: Product Safety Award for the Hourglass™ Railcar Autotrack design improving personnel safety and efficiency during loading and unloading of vehicles
- Responsible Care: Facility Safety Awards
 - Certificate of Honor:
 - Plant 1019: Railcar production, Longview, TX
 - Plant 1200: Railcar production, Longview, TX
 - Certificate of Excellence:
 - Plant 1056: Railcar Heads, Navasota, TX
 - Plant 1181: Transportation Operations, Eagle Pass, TX
 - Plant 2493: Rail Maintenance, Cartersville, GA
 - Plant 4026: Railcar Parts, Fort Worth, TX
 - Plant 4034: Rail Maintenance, Jonesboro, AR
 - Plant 4319: Transportation Operations, Piedras Negras, Coahuila, Mexico
 - Plant 4323: Railcar Heads, Castanos, Coahuila, Mexico

Canadian Association of Railway Suppliers, 2021 Innovation Award:

The Innovation Award is for members that developed advanced or innovative technologies to meet the needs of the railway industry, which contributes to making a strong and rapidly growing innovative industry and is creating a positive impact on rail and the community. The recipient of the Innovation Award has developed a web-based platform providing real-time intelligence to monitor cars and their freight from origin to destination, thereby maximizing working capital, protecting freight, optimizing fleets, and streamlining the supply chain.

CEMEFI ESR Badge:

Trinity's Mexico's facilities first received the "Empresa Socialmente Responsable" (ESR) badge in 2019 and maintained this distinction in 2020 and 2021. The ESR badge is granted annually by the Mexican Center for Philanthropy (CEMEFI) and AliaRSE to companies showing engagement and dedication in Mexico.

Combined Strength Award from Advanced Materials Expo (CAMX) for TrinityRail's 72' Refrigerated Box Car Floor:

The CAMX Award recognizes innovations that will significantly impact composites and advanced materials, while acknowledging a product that incorporates composite materials that solves a problem through teamwork and collaboration. TrinityRail's new design reduces material, reduces weight for increased capacity and efficiency, and increases thermal performance for reduced energy consumption.

TrinityRail's sustainable upgrades to the refrigerated railcar were also featured in [Composites World](#) and [Composites Manufacturing](#) magazines.

2021 Platinum Corporate Partner, League of Railway Women

Tyrone (T.J.) Jordan: Trinity Board, Savoy Magazine's 2021 Most Influential Black Corporate Directors

Top 25 Most Diverse Fortune 1000 Company of Texas, Diversity Research Institute

2021 Certifications:

- Certifications: ISO 45001, 14001 (enterprise certification targeted for 2022)

SUSTAINABLE ACCOUNTING STANDARDS BOARD (SASB) TABLE

Data is from calendar year 2021 reporting with the SASB Rail Transportation standard.

DISCLOSURE	ACCOUNTING METRIC	UNIT OF MEASURE	TRINITY'S RESPONSE
Activity Metrics	Number of units produced by product category	Number	Sales data is provided in Trinity's annual report to shareholders on Form 10-K.
	Number of employees	Number	11,875 (FY 2020); 5,845 (FY 2021)
Energy Management	(1) Total Energy Consumed	Gigajoules (GJ)	1,589,931 GJ (FY 2020) 1,259,007 GJ (FY 2021)
	(2) Percentage grid electricity	Percent	38% (FY 2020); 38% (FY 2021)
	(3) Percentage renewable	Percent	This data is not currently tracked separately. Trinity has formed a renewable energy working group that explores viable alternative energy options for the Company.
Employee Health and Safety	(1) Total recordable incident rate (TRIR)	Rate	2.2 (FY 2019); 1.65 (FY 2020); 1.65 (2021)
	(2) Fatality rate	Number	1 employee; 0 contractors (FY 2019) 2 employees; 0 contractors (FY 2020) 0 employees; 0 contractors (FY 2021)
	(3) Near miss frequency rate (NMFR)	Rate	1.38 (2021)
Fuel Economy and Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium and heavy-duty vehicles	Gallons per 1,000 ton-miles	Trinity does not make equipment with engines for transportation purposes and the fuel efficiency does not apply. Given the diversity of our products and applications in which our products are used, as well as the lack of industry standards to estimate on a per unit of work basis, Trinity does not calculate sales-weighted fuel efficiency or emissions in this manner. We continue to invest in research and development aimed at products that generate fewer emissions.
	Sales-weighted fuel efficiency for non-road equipment	Gallons per hour	
	Sales-weighted fuel efficiency for stationary generators	Watts per hour	
	Sales-weighted emissions of: nitrogen oxides (NO ²) and particulate matter for: marine diesel engines, locomotive diesel engines, on-road medium- and heavy-duty engines, and other non-road diesel engines	Grams per kilowatt-hour	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	N/a	Trinity responsibly sources the raw materials used to build our products. Please see our Statement on Supplier Management
Remanufacturing Design and Services	Revenue from remanufactured products and remanufacturing services	Reporting currency	Maintenance Services (FY 2021): \$159.9 million Sustainable Railcar Conversion (FY 2021): \$65.4 million Please see page 6 of Trinity's 2020 CSR for more information on Trinity's maintenance and remanufacturing efforts and page 9 of this Report for more information on our Sustainable Railcar Conversions.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

GOVERNANCE

RECOMMENDATION	DISCLOSURE
Describe the Board's oversight of climate-related risks and opportunities.	<p>The Trinity Executive Leadership Team (ELT) and Board of Directors lead the Company's governance practices and understand the business opportunities and challenges to support business decisions affecting the Company's long-term growth and success.</p> <p>The Audit Committee has the responsibility to oversee the Company's policies and procedures relating to risk assessment, management, and mitigation. The Finance and Risk Committee has the responsibility to review and assess risk exposure related to the Company's operations, including safety, environmental, financial, contingent liabilities, and other risks that may be material to the Company, as well as the processes used by management to monitor and mitigate such exposure. Additionally, the Corporate Governance and Directors Nominating Committee oversees the preparation of the Company's Corporate Social Responsibility Report as well as the actions and steps taken towards the Company's environmental, social, and governance goals.</p>
Describe management's role in assessing and managing climate-related risks and opportunities.	<p>Part of Trinity's corporate strategy is to enhance rail network efficiency, which we believe will ultimately grow the modal advantage of the railcar industry. Innovations such as Trinsight™ and the refrigerated boxcar composite floor described above on page 9 and page 10, respectively, bolster the already sustainably advantageous position in which rail transportation sits as the most fuel-efficient form of land-based transportation.</p> <p>This strategy flows from Trinity's ELT, which assesses and manages climate-related risks and opportunities, providing direction and making decisions informed by the Company's Enterprise Risk Management (ERM) program, as well as its environmental and commercial teams. Trinity's ERM program engages key business leaders as risk owners who identify and assess risks, including climate-related risks and opportunities. The ELT then incorporates these risk and opportunities into long and medium term strategy, as well as short-term operational strategy, which includes tracking climate-related initiatives and metrics through operational scorecards. An example of risks and opportunities driving action was materialized through Trinity's Sustainable Railcar Conversion Program, which is described above at page 9. Another key piece to this strategy comes from Trinity's environmental team, which is led by the Vice President of Environmental Affairs and reports into the Executive Vice President, Production Operations and Support Services. The environmental team supports and tracks business operations with influence on sustainability impacts, including energy and water use tracking, waste tracking, GHG Emissions reporting, and other items.</p>

STRATEGY

RECOMMENDATION	DISCLOSURE
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>The Company's climate-related risks and certain opportunities are generally described in the Risk Factors section in our 2021 Form 10-K at p. 18. Examples of risks and opportunities, broken out in short, medium, and long term are:</p> <p>Short-term risks/opportunities: Increased operating costs from either a reduced availability of energy supply or an increase in energy costs. Extreme weather conditions and natural occurrences such as hurricanes, tornadoes, and floods, or a pandemic, could result in varying states of disaster and a real or perceived shortage of petroleum and/or natural gas, including rationing thereof, and potentially resulting in an increase in natural gas prices or general energy costs.</p> <p>Medium-term risks/opportunities: Extensive damage to our facilities, as might occur as a result of natural disasters, could lead to production, delivery, or service curtailments or shutdowns, loss of revenue, or higher expenses. Climate and/or policy changes could affect the demand (positively or negatively) for certain types of railcars, as well as a broader modal shift toward rail as a sustainable transportation solution.</p> <p>Long term risks/opportunities: Climate change and business, regulatory, and legal developments. Climate change may affect (positively or negatively) the demand for our products or the ability of our critical suppliers to meet our needs.</p>
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<p>Part of Trinity's corporate strategy is to enhance rail network efficiency, which we believe will ultimately grow the modal advantage of the railcar industry. Innovations such as Trinsight™ and the refrigerated boxcar composite floor described above at page 9 and page 10, respectively, bolster the already sustainably advantageous position in which rail transportation sits as the most fuel-efficient form of land-based transportation. This strategy flows from Trinity's ELT, which assesses and manages climate-related risks and opportunities, providing direction and making decisions informed by the Company's ERM program, as well as its environmental and commercial teams.</p> <p>Trinity applies an internal methodology to evaluate potential scenarios where climate change and other types of disruption may impact operations and safety, as well as to visualize and track Trinity's environmental impact at a micro and macro level through our data tracking initiative, which is detailed at page 8 above. This information is used to plan for business continuity, operational planning, and goal setting through operational scorecards.</p>
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Part of Trinity's corporate strategy is to enhance rail network efficiency, which we believe will ultimately grow the modal advantage of the railcar industry. Innovations such as Trinsight™ and the refrigerated boxcar composite floor described above at page 9 and page 10, respectively, bolster the already sustainably advantageous position in which rail transportation sits as the most fuel-efficient form of land-based transportation. This strategy flows from Trinity's ELT, which assesses and manages climate-related risks and opportunities, providing direction and making decisions informed by the Company's ERM program, as well as its environmental and commercial teams.</p> <p>Trinity's ERM program engages key business leaders as risk owners who identify and assess risks, including climate-related risks and opportunities. The Company does not currently use a formal climate-related scenario analysis to complete these evaluations, but does measure and identify the risks from highest to lowest by accounting for financial impact, intensity, and likelihood. Identified risks are then elevated to the appropriate management level for consideration based on the Company's overall strategy, appropriate risk outcome, and mitigation technique.</p> <p>Trinity's Supply Chain team manages a supplier assessment program, requires suppliers to acknowledge our Supplier Handbook, and conducts a full life cycle analysis on purchased products. This in-depth analysis includes a review of safety and quality standards, conflict-free sourcing, manufacturing locations, parts availability, and other items. Availability can be affected by emergency events, such as weather-related events dependent on location. A location evaluation determines supplier strength of resiliency.</p>

RISK MANAGEMENT

RECOMMENDATION	DISCLOSURE
Describe the organization's processes for identifying and assessing climate-related risks.	<p>Trinity's ERM program is a proactive, structured process for identifying and mitigating market, operational, financial, strategic, infrastructural, and reputational risks. Trinity's ERM program was derived in part from the Protiviti and Deloitte Risk Models, which are structured after the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM framework.</p> <p>At Trinity, the process used to determine which risks and opportunities have a substantial or strategic impact involves determining those risks, including potential climate-related risks, that could have a material adverse effect on the Company's financial condition, results of operations or liquidity, and could cause those results to differ materially from those expressed or implied in the Company's forward-looking statements, resulting in the potential for customer or shareholder concern.</p> <p>Trinity's ELT and key business leaders identify and assess risks, and communicate various types of risk to the Company's internal Compliance and Risk Committee and the Company's Board of Directors. These risk factors and opportunities influence Trinity's strategic planning process.</p>
Describe the organization's processes for managing climate-related risks.	<p>Part of Trinity's corporate strategy is enhance rail network efficiency, which we believe will ultimately grow the modal advantage of the railcar industry. Innovations such as Trinsight™ and the refrigerated boxcar composite floor described above at page 9 and page 10, respectively, bolster the already sustainably advantageous position in which rail transportation sits as the most fuel-efficient form of land-based transportation. Trinity's ELT, which assesses and manages climate-related risks and opportunities, provides direction and makes strategic decisions for mitigating those risks.</p> <p>One key process for mitigating identified climate-related risks comes from our Business Continuity Team, which is committed to Trinity's success by managing the components of Emergency and Crisis Management during a business interrupting event. The team collects, processes, and categorizes critical business functions and processes and the systems they rely on. The Business Continuity Plan was developed to deploy products and services and track events before, during, and after an emergency. This may include, among other events, natural disasters and pandemics. Such events can be disruptive to our business. Due to this, strategic plans have been prepared and implemented to reduce the amount of disruption. An example event would be flooding. Because this event can be tracked, procedures are implemented to protect our assets, which may include relocation away from harm or to higher ground before a storm hits. Additionally, through Trinity's Emergency Response Trailer, Trinity has immediate on-site capabilities to assist with safety, remediation, and rebuild efforts.</p> <p>Trinity's investments in R&D are also strategically designed in part to mitigate climate-related risks to the global supply chain and have resulted in several product improvements, such as more efficient railcars, a reduction of waste, minimization of the need for raw materials, energy, and water for new parts, and an increase in our ability to reuse existing railcars rather than using new parts. Trinity will continue to invest in R&D as part of our effort to manage climate-related risks as well as opportunities.</p>
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<p>Trinity's ERM program engages key business leaders as risk owners who identify and assess risks, including climate-related risks and opportunities. Trinity's ERM program is a proactive, structured process for identifying and mitigating market, operational, financial, strategic, infrastructural, and reputational risks.</p> <p>At Trinity, the process used to determine which risks and opportunities have a substantial or strategic impact involves determining those risks, including potential climate-related risks, that could have a material adverse effect on the Company's financial condition, results of operations or liquidity, and could cause those results to differ materially from those expressed or implied in the Company's forward-looking statements, resulting in the potential for customer or shareholder concern.</p> <p>Trinity's ELT and key business leaders identify and assess risks, and communicate various types of risk to the Company's internal Compliance and Risk Committee and the Company's Board of Directors. These risk factors and opportunities influence Trinity's strategic planning process.</p> <p>Climate-related events have the potential to negatively impact Trinity's reputation with shareholders, customers, the public, regulatory agencies, and employees. Trinity engages stakeholders in a materiality assessment to better understand stakeholder priorities and customer preferences. The potential impact of climate-related events is also monitored, included in the risk assessment process, and noted in our Annual Report.</p> <p>Finally, Trinity recognizes the importance of mitigating the environmental impact associated with rail transportation operations by evaluating and reducing manufacturing emissions and by utilizing cleaner fuel sources and more cost-effective technologies.</p>

METRICS AND TARGETS

RECOMMENDATION	DISCLOSURE
Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	Trinity's ERM assesses climate related risks and potential opportunities on a relative scale based upon impact, likelihood, and velocity. Internal metrics used to assess those risks and opportunities include energy consumption, water usage, hazardous waste generation, and air emissions. Further information on each metric can be found on page 8 herein, as well as in the ESG Statements on Trinity's website.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Please see page 8 of this Report.
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Trinity has not yet set external targets to manage climate-related risks and opportunities.





TRINITY INDUSTRIES

FORWARD-LOOKING STATEMENTS

Some statements in this report, which are not historical facts, are “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements about Trinity’s estimates, expectations, beliefs, intentions or strategies for the future, and the assumptions underlying these forward-looking statements, including, but not limited to, future financial and operating performance, future opportunities and any other statements regarding events or developments that Trinity believes or anticipates will or may occur in the future, including the potential financial and operational impacts of the COVID-19 pandemic. Trinity uses the words “anticipates,” “assumes,” “believes,” “estimates,” “expects,” “intends,” “forecasts,” “may,” “will,” “should,” “guidance,” “projected,” “outlook,” and similar expressions to identify these forward-looking statements. Forward-looking statements speak only as of the date of this report, and Trinity expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Trinity’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, except as required by federal securities laws. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from historical experience or our present expectations, including but not limited to risks and uncertainties regarding economic, competitive, governmental, and technological factors affecting Trinity’s operations, markets, products, services and prices, and such forward-looking statements are not guarantees of future performance. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” and “Forward-Looking Statements” in Trinity’s Annual Report on Form 10-K for the most recent fiscal year, as may be revised and updated by Trinity’s Quarterly Reports on Form 10-Q, and Trinity’s Current Reports on Form 8-K.

**14221 NORTH DALLAS PARKWAY, SUITE 1100
DALLAS, TEXAS 75254
WWW.TRIN.NET | WWW.TRINITYRAIL.COM**