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ESG Statement 2023

Foreword

The 2023 ESG statement has been prepared as a light version of a full ESG report to be published in 2025 for the year 2024, presenting historical data for 2023. It was not possible to produce a full ESG report for 2023 in time due to the integration of the Wascosa Holding AG and Aves One AG into the new Wascosa Group Holding S.A.R.L.. Cumulative data for the Wascosa Group Holding S.A.R.L. was not always available. In 2024, processes and data management systems will be aligned and a baseline for all future communications will be established. The ESG Statement 2023 covers all major actions related to all relevant ESG topics that were monitored or established in the year 2023.

General Information



The Wascosa Group Holding S.A.R.L. located in Luxemburg, here called Wascosa, is one of the fourth largest private freight-wagon leasing companies and the leading supplier of innovative rail freight systems in Europe. As an Integrated Asset Management company Wascosa owns and manages own as well as third-party investor freight wagons. In addition, Wascosa offers as a certified "Entity-in-Charge of Maintenance" (ECM) maintenance, insurance and safety services.

67% of Wascosa's lease revenue is generated within the DACH region. Wascosa focuses on European freight wagons but also owns swap bodies. The wagon fleet ranks from tank cars designed for the chemical and petrochemical industries to intermodal cars for combined traffic to wagons for the transportation of bulk goods. Continuous investments in innovation and digitalisation are made with the aim of becoming best in class.

Freight Wagon Types:



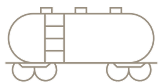
Standard Wagons

Focus: Transportation of conventional bulk goods
Segments served: Mining, Construction, Infrastructure, Agriculture, Waste



Intermodal Wagons

Focus: Maritime and continental container and trailer transportation that need to cover long distances and utilize multiple transport modes.
Segments served: Various. Focus: Shift to Rail



Tank Wagons

Focus: Transportation of oil, gas or chemicals
Segments served: Refinery, Chemical, Pharmaceuticals



Swap Bodies

Focus: Interchangeable load carriers that can be mounted on different carrier vehicles
Segments served: Couriers Express and Parcel (CEP) market, Intermodal

Wascosa owns one of the youngest wagon fleets in Europe. While the average age of all wagons in the European Rail Freight Market is 30-50 years, the average age of Wascosa's wagons is on average 14 years as of 2023. New and modern wagon fleets guarantee the best safety standards and most innovative technologies minimising risks to the environment and communities while providing crisis resilience during economic crises or pandemics.

Sustainability Strategy

Sustainability is the heart of Wascosa's business model. Railway freight transport is the most environmentally friendly mode of transport facing the lowest risk of negative impacts on the environment and communities. Europe has recognised the railway sector as the backbone of the mobility strategy towards a greener Europe. Clear targets have been set to drive the railway sector forward. The European Green Deal aims to double rail transport by 2050 and to increase its share by 50% by 2030, both compared to 2015.¹

Wascosa recognises its responsibility to the environment and communities. Wascosa is committed to acting in a sustainable and socially responsible manner throughout its value chain. Investments in innovation, digitalisation, health and safety systems, transparency and IT and carbon accounting tools define Wascosa's business operations.

Wascosa is committed to act in accordance with the 17 Sustainable Development Goals (SDGs) defined by the United Nations. Five SDGs were identified where direct and indirect impacts can be achieved through own business operations and across the value chain. On top, Wascosa has identified two SDGs where direct contribution through own business operations can be made.

¹ fostering railway sector through european green deal
→ [Open this Link](#)



THE GLOBAL GOALS

Main SDGs*



Good Health and Wellbeing:

- Providing good health coverage
- Offering good financial protection
- Promoting health and safety concepts
- Establishing certificates and trainings



Gender Equality:

- Fighting discrimination
- Offering equal opportunities



Decent Work and Economic Growth:

- Promoting diversification
- Investing in digitalisation
- Promoting innovation and health and safety concepts



Climate Action:

- Evaluating carbon emissions
- Implementing mitigation and prevention measures
- Setting clear targets



Peace and Justice Strong Institutions:

- Fighting discrimination
- Fighting bribery
- Promoting anti-corruption policies



Partnerships for the Goals:

- Promoting sustainability
- Promoting business ethics
- Ensuring knowledge transfer

Sub SDGs*



Clean Water and Sanitation:

- Ensuring access to clean drinking water
- Providing hygiene equipment in sanitary facilities



Affordable and Clean Energy:

- Promoting renewable energy sources

* SDG: Sustainable Development Goals

Governance

Wascosa is committed to acting consistently, transparently, locally and in accordance with national and international laws and regulations. A fair, diverse and good working environment is promoted internally and externally, respecting ethical and social standards. A clear tax strategy, fair competition, data security and privacy, efficiency, performance and overall customer satisfaction are at the forefront of business operations.

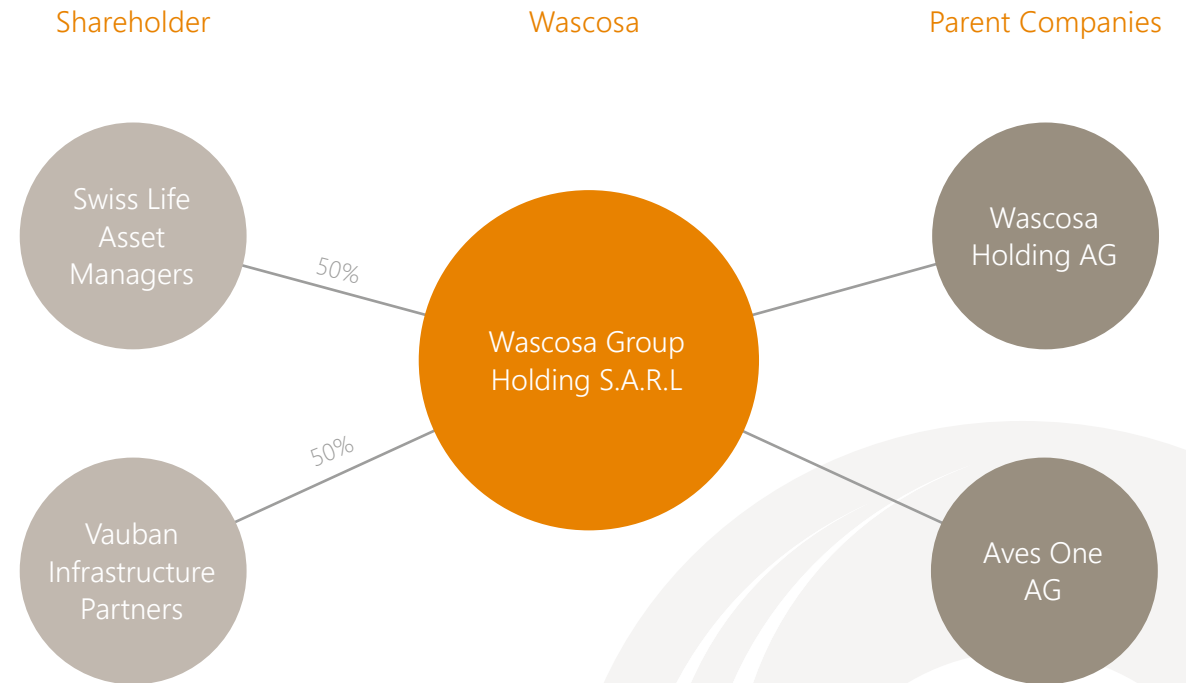
Tax Strategy

Wascosa is committed to a tax policy that complies with international and national laws and regulations. Taxes are paid and communicated transparently. Some of Wascosa's legal entities operate in a municipality where 75% of business taxes paid are reinvested in the maintenance and development of the forest, with a positive impact on the environment.

Fair Competition

Wascosa is committed to fair competition and respects Intellectual Property Rights (IRPs). Any form of data received from employees or external stakeholders is handled with care and in compliance with national and international laws on data privacy and security. Compliance with the General Data Protection Regulation (EU Regulation 2016/679) is mandatory.

Organisational Structure



Wascosa is owned by two main shareholders - Swiss Life Asset Managers and Vauban Infrastructure Partners. Both shareholders are European infrastructure funds with leading positions in the infrastructure sector holding 50% of the shares of Wascosa each. Wascosa consists of two parent companies – the

Wascosa Holding AG in Switzerland and the Aves One AG in Germany - and their corresponding legal entities.

Board of Directors Wascosa Group Holding S.A.R.L



Philipp Müller
President

Executive Board Wascosa AG



Iris Hilb
CEO



29%
women share in
governance bodies*



Stephan Kellmann
CFO



Irmhild Saabel
CBDO/CSO



Markus Vaerst
CDQO



Dominic Felice
COO

Aves One AG



Benjamin Mehran
Board Member



Michael Blunck
Board Member

Board of Directors Wascosa Holding AG



Peter Balzer
President

In 2023, the highest governance body of Wascosa was the Board of Directors represented by President Philipp Müller and its members. The Board of Directors of the Wascosa Holding AG was represented by President Peter Balzer. The Executive Board of the Wascosa AG - a subsidiary of the Wascosa Holding AG being responsible for the execution of all main business operations of the Wascosa legal entities - was led by Chief Executive Officer Iris Hilb, along with her Executive Management Team. The Executive Board of the Aves One AG was led by its Board Members Benjamin Mehran and Michael Blunck. The Executive Boards were responsible to oversee, supervise, and monitor the various group departments. Their extensive industry experience and diverse backgrounds contributed to well-rounded and effective decision-making processes.

*excl. Board of Directors

Health & Safety, Certificates & Awards

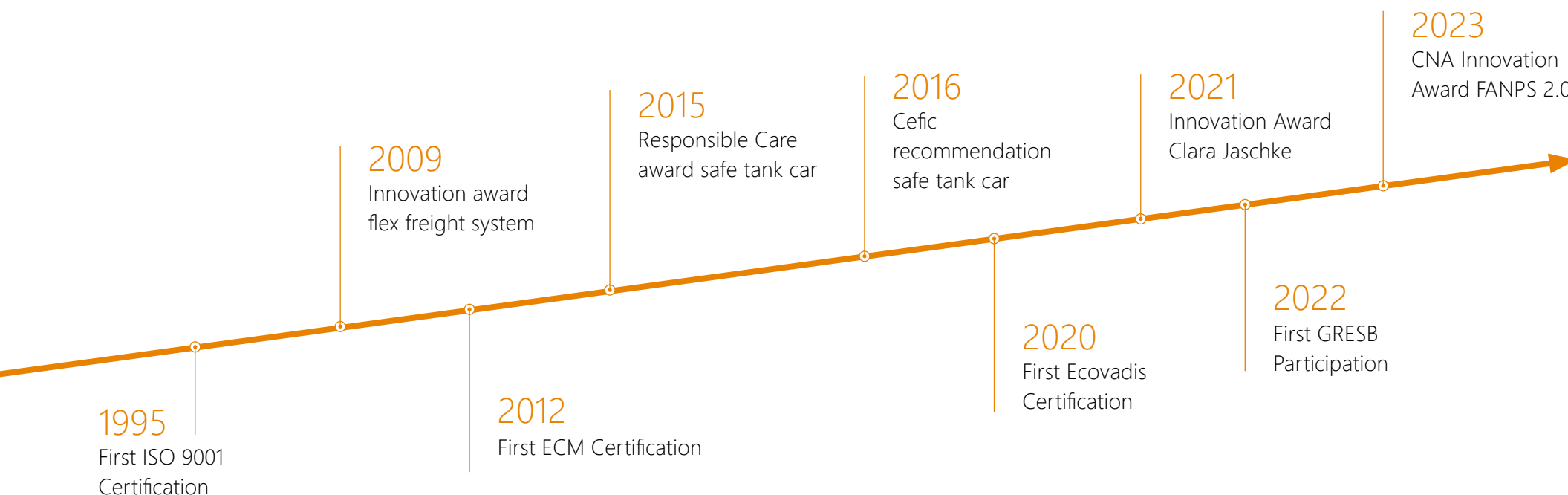
Wascosa continuously invests in innovation and digitalisation to make rail freight wagon transport attractive, competitive, to provide added value to the customer and to improve health and safety standards and concepts.

For 60 years, Wascosa AG has consistently maintained all required certifications and met the quality standards of the rail logistics industry. Since 1995 Wascosa AG holds the ISO 9001 certification. In addition, Wascosa AG was the first operator being ECM I, II and III certified in

accordance with the CIR (EU) 2019/779 regulation in 2012. Maintenance workshops are required to be ISO 9001, ISO 14001 and ECM IV (CIR (EU) 2019/779) certified, to follow the VPI European Maintenance Guide (VPI-EMG) and to hold welding certificates where required. Suppliers are required to have an ISO 9001 certificate.

In recent years, Wascosa has received various rewards for the development of innovative freight wagons. Additionally, and since 2022, Wascosa has participated

in the sustainable ranking platform of the American-Dutch Global Real Estate Sustainability Benchmark (GRESB) Institute, to improve the transparency of Wascosa's sustainability performance. The Ecovadis certificate was issued for the first time in 2020.





Environment

Climate change poses the greatest threat to living beings. To mitigate the negative impact of Wascosa's business operations, Wascosa emphasises the responsible management and use of natural resources. Wascosa's business operations are founded on principles of circular economy, recycling, and digitalisation. Efforts to reduce energy and water consumption, implement renewable energy sources, minimise waste, and manage waste and chemicals responsibly all contribute to Wascosa's commitment to a more sustainable future.

Wascosa focuses on establishing measures to reduce Wascosa's carbon footprint within Wascosa's own business operations, encourages external stakeholders to follow Wascosa's example and invests in innovation and digitalisation to drive future CO₂-friendly business concepts forward.

Waste and Energy Management

 25.5 tonnes
of household waste

 1,435 m³
of water consumption

 119,235 kWh
energy consumption

 79.7 %
renewable energy share

Energy and waste data were calculated based on assumptions.

In Wascosa's own operations, Wascosa focuses on reducing waste and water consumption and increasing the use of renewable energy sources where possible. Halogen lightbulbs have been replaced with LED lamps to reduce energy consumption, waste management systems have been implemented and communicated to all employees, and environmentally friendly, paper-saving printers and settings have been installed.

Noise Pollution

 99,5%
share of whisper breaks

One of the biggest environmental issues in the rail sector is noise pollution. Since 2020, whisper breaks have become mandatory in Germany and Switzerland to reduce the negative effects of noise pollution. By 2024, all wagons in active service in the European Union must be equipped accordingly. To date, Wascosa has equipped 99.5% of all owned wagons and 99.9% of all managed wagons with whisper breaks. This does not include wagons owned by Wascosa but managed by external third parties. No data can be provided here at the moment. Data inclusion is underway. Wagons not yet fitted with whisper brakes will be upgraded or scrapped by the end of 2024.

Circular Economy, Longevity and Recyclability

 95%
of recyclable materials

As an Owner and Asset Management company, Wascosa focuses on the prolonging and recyclability of Wascosa's assets.

Freight wagons undergo regular proactive inspections and are continuously assessed throughout their average lifecycle to ensure they are thoroughly evaluated before being decommissioned. The proactive inspections and the constant replacement of the individual components actively contribute to improving safety and thus minimizing risk during use. Whenever possible (and when it makes ecological and economic sense),

the lifecycles of wagons are prolonged by refurbishment or reconstruction. In some cases, freight wagons are given a second chance by being sold to another railway operator.

When freight wagons are finally disposed of, they are handed over to authorised recyclers who dispose of them carefully and in accordance with the End-of-Life Vehicles Ordinance. During the actual freight wagon disposal process, components are separated from the main body, stainless steel is extracted and reused, and the wheelsets are expanded and refurbished or reused in other wagons

On average, Wascosa's freight wagons are made of approx. 95% of steel. As steel is 100% recyclable, steel can be considered as a quite durable and sustainable resource. Within the actual disposal process, steel is returned to an open recycling loop following a circular economy approach.

Carbon Emissions

 32.4 e tonnes
Scope 1

 66.2 e tonnes
Scope 2

In 2023, emissions for Scope 1 and 2 totalled 98.6 CO₂e tonnes. Scope 3 emissions were evaluated for some categories but will only be reported in the 2024 ESG Report. Emissions were calculated in accordance with the Greenhouse Gas Protocol (GHG Protocol). All emissions caused and assessed in 2023 were offset in 2024 through participation in a certified climate project called „Climate project + tree planting, 1t CO₂ + 1 tree, international + Germany.“ The chosen environmental

project was a combined project that contributed to the funding of a certified climate project while supporting the planting of trees in Germany. For every tonne of CO₂ saved through the contribution to a certified climate project, one tree was planted in Germany to promote the conversion of structurally weak forests and monocultures into more resilient mixed woodlands.

→ [Open this Link](#)

Social

Acting ethically and collaborating with stakeholders, both internally and externally, leads to long-term relationships and high stakeholder satisfaction. Social cohesion and inclusion guarantee integrity and low turnover rates. Wascosa is committed to improving the quality and safety of life wherever possible. Strict policies, assessment processes, close cooperation with national and international associations and a constant exchange with employees in own-operated business help to improve the standard of work and living.

Wascosa understands its responsibility towards the environment and communities and has acknowledged that sustainability cannot be driven forward and achieved by one party alone. Stakeholder engagement - both internal and external - the identification of key material topics and potential negative impacts from business operations along the value chain, and collaboration with national and international associations, are fundamental to creating a more sustainable future.

Employees

 30%
women share

 130
employees

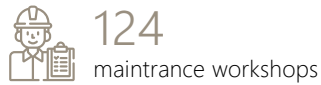
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Nationalities

Wascosa offers various benefits to Wascosa employees such as good health insurance, disability pension, pension schemes, home office and flexible working

hours. Additional benefits are offered depending on the location of each Wascosa legal entity. For example, the parent company Aves One AG in Hamburg, Germany offers prevention health care measures such as regular health checks or giving access to a personal trainer or physiotherapist. In addition, regular health and safety trainings are executed such as first aid courses or fire-alarm tests.



External Partners



Wascosa respects international and national Human Rights Policies such as the OECD Due Diligence Guidelines or the International Labour Organizational

(ILO) Standards. Diversity, Equity and Inclusion are important as well as the well-being of employees and communities.

Wascosa operates mainly in European markets. Wascosa works closely with suppliers, infrastructure partners and international and national associations to reduce the risk of human rights abuses, corruption, discrimination or other possible social and environmental risks along the value chain.

Cooperations

Wascosa is a member of various associations. Some of the most important ones are:

- Pro-Rail Alliance
- International Union of Wagon Keepers (UIP)
- Association of Private Wagon Users (VPI)
- GS1 Switzerland
- Caro Rail Service Center (CRSC)
- European Petrochemical Association (EPCA)
- Technical Information Group for Rail Freight (TIS)

Within regular exchange meetings, a wide variety of topics such as digitalisation, innovation or health and safety are discussed with the aim to improve existing procedures and/ or standards.



Social Engagement

In 2023, Wascosa supported social projects in the countries of operation. The following foundations and projects have received financial support:

- Theodora Foundation in Hunzenschwil, CH
- Theodorus Children's Day Hospice, DE
- Children's Hospice Service of the Elbe Diakonia, DE
- NCL-Foundation, DE

The Theodora Foundation, established in 1993, aims to bring laughter, joy, and special moments to children in hospitals and institutions for those with disabilities.

The Theodorus Children's Day Hospice is a day-care facility that supports palliative care for children and adolescents, assisting families in managing daily life challenges.

The Children's Hospice Service Kids Anker, part of Elbe Diakonia, supports families in managing the everyday challenges of caring for seriously ill children, with the goal of making life a little easier and more manageable.

The NCL Foundation is committed to helping children suffering from childhood dementia. The foundation is dedicated to funding both national and international research to advance future therapies and potential cures.

For more information contact:



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Social Governance

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