



THE GREENBRIER COMPANIES



On Track Together

People | Planet | Community

2020 ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

A Message from Our CEO

The key pillars of Greenbrier's Environmental, Social and Governance (ESG) framework are rooted in **our core values of Safety, Quality and Respect for People**. Since our founding nearly 40 years ago, these values support everything we do and every decision we make. From this foundation, we continue progress on our ESG strategy.

Greenbrier had significant strategic development in fiscal years 2019 and 2020.

Some highlights include:

- Welcoming more than 1,600 new employees and adding six new U.S. operations in Arkansas, Missouri and Texas within our Manufacturing unit through the acquisition of American Railcar Industries' (ARI) railcar manufacturing business
- Expanding our Virtual Sample Railcar™ (VSR) technology. This live-streaming program allows Greenbrier's customers to fully view and inspect railcars remotely without travel. The cost, environmental and time-saving advantages of VSR are apparent.
- Steadily improving our workplace safety performance year-over-year
- Advancing our Diversity, Equity & Inclusion (DEI) program that we have named IDEAL and developing an actionable set of goals

The past two fiscal years brought many accomplishments. However, in 2020 we faced new challenges with the global COVID-19 pandemic. Facing these unique circumstances, we redouble our commitment to serve all our stakeholders well. Through our daily work, we strive to establish a leadership position on ESG within our industry and beyond.

Walter A. Furman



“Through our daily work, we strive to establish a leadership position on ESG within our industry and beyond.”

*—Bill Furman
Chairman & CEO*

Table of Contents

04 **ESG at Greenbrier**

COVID-19 Response
About This Report
Our Business
ESG Highlights
Our Products in Motion:
The long, sustainable life of a railcar

12 **Governance & Ethics**

Board of Directors
Risk Management & Oversight
Business Ethics & Integrity
Stakeholder Engagement

18 **Putting People First: Personal Safety**

Safety Training
Personal Protective Equipment (PPE)
Safety Performance

22 **Putting People First: Our Employees**

Attracting Talent
Developing Our People
Engaging Our Workforce: Retention & Recognition
ARI Acquisition

28 **Putting People First: Diversity & Inclusion**

32 **Environmental Sustainability**

Materiality
Natural Resource Utilization
Case Study: Southwest Steel Corsicana Partnership
Energy Usage
Hazardous Waste Management
Air Pollutants
Greenhouse Gas (GHG) Emissions
Water Usage

42 **Contributing to Our Communities**

Employee Community Action
Charitable Giving
Employee Volunteerism
Case Study: Dedication to Education

48 **Where we are**

SASB Index



ESG at Greenbrier

COVID-19 Response

As COVID-19 spread across the world in 2020, Greenbrier took quick and deliberate action to keep our employees safe and ensure we met our business partners' needs. As a provider of critical transportation infrastructure equipment, **Greenbrier was identified at the outset of the pandemic as an "essential business" in all jurisdictions where we operate.** We continued operations during this unprecedented time, supplying the world with critical goods and products to keep infrastructure stable.

See our [COVID-19 resource page](#) for our employee, customer and public communications. Through this site, we continue to share updates about Greenbrier's COVID-19 response.



Keeping our people safe and healthy is paramount. Among our actions, we have implemented:

- Temperature-taking at all manufacturing facilities and office locations
- Increased deep cleaning and sanitization efforts
- Identifying, informing and isolating employees who test positive
- Contact tracing after positive test results or suspected cases
- Staggered/flexible work shifts for those who continue coming into the workplace
- Enhanced employee benefits to allow for more flexibility and sick leave
- Expanded work remote policy to employees whose responsibilities can be executed outside of our facilities
- Virtual Town Halls featuring Greenbrier leadership and subject-matter experts

About This Report

This is Greenbrier's second Environmental, Social and Governance (ESG) report. The report provides information derived during Greenbrier's fiscal years 2019 and 2020. References to 2019 refer to September 2018 – August 2019. References to 2020 refer to September 2019 – August 2020. Since publishing our first report in July 2019, using data derived from fiscal year 2018, we have taken conscious steps to bolster our measurable focus areas and develop a more holistic approach to ESG at Greenbrier.

We began 2019 by forming an interdisciplinary ESG team. The ESG team leverages subject-matter experts across Greenbrier. Our ESG team works with our business unit leaders to design, implement, support and ultimately report on Greenbrier's ESG objectives. Our Board actively participates in review of this report. For details, see our **2020 proxy**. Through an integrated approach to ESG, this report creates a solid foundation on which we are building our ESG goals for years to come.

In 2019, we also embarked on a peer benchmarking process. We performed stakeholder outreach to industry partners, which resulted in a list of critical issues and topics that drove the focus areas for this report. We used a process that matched Greenbrier's peer benchmarking process with our longstanding **internal values**. Through this process, we designed this Global Reporting Initiative (GRI) referenced report that aligns with the **Sustainable Accounting Standards Board (SASB) framework**.

This report features our highest ESG priorities, including **governance and ethics; environmental sustainability; employee safety; employee diversity, equity & inclusion; stakeholder engagement; and community stewardship**. It describes our enhanced ESG strategy and future goals. Our ESG efforts are at a foundational stage and will evolve, including steadily refreshing our reporting framework and strategic approach. This report also identifies specific and achievable targets to occur over the next 12 to 36 months, such as completing a materiality assessment and expanding stakeholder engagement.

Our Business




Manufacturing

We build **freight railcars** at manufacturing facilities within the U.S., Mexico, Brazil, Poland, Romania and Turkey.

Our North American operations produce almost every railcar type for the North American market. Our customers include all Class I and many short-line railroads, shippers and leasing companies—partners who depend on us for innovative design, quality production and on-time delivery. We also produce **marine barges** at Greenbrier Gunderson, our original manufacturing facility in Portland, Oregon.

Our European operations offer high-end freight railcar manufacturing, innovative engineering, and repair and refurbishment capabilities. Our South American joint venture, Greenbrier Maxion, is a leader in the freight rail industry in Brazil.

 **Manufactured and delivered**
~22,000 railcars during FY20
and ~23,000 during FY19

 **GBX builds ~40%**
of all freight railcars in
North America

Wheels, Repair & Parts

Greenbrier Rail Services (GRS) maintains one of the largest and most dependable full-service wheels, parts and refurbishment service networks in North America. Through our wheels segment, we sell reconditioned wheel sets and provide wheel services throughout the U.S. Additionally, we recondition, manufacture and sell railcar parts at four U.S. sites, and operate an independent railcar repair shop network at strategic locations. Our GRS repair segment provides a range of services, from simple running repairs and reconditioning to critical component parts and extensive custom-engineered projects.



Deliver over
200,000
wheel sets



Leasing & Management Services

Greenbrier's unique **asset management services business supports approximately 400,000 railcars and serves every Class I railroad in the U.S.** Our in-house management services unit offers a broad selection of railcar software and services, including comprehensive railcar asset management and regulatory compliance, car hire receivable and payable administration, logistic and back-office support and railcar remarketing.

Greenbrier also **owns a lease fleet of nearly 8,300 railcars.** Our railcar leasing syndication platform allows Greenbrier to engage and do business with the world's leading fixed-asset investors, providing unparalleled service to sophisticated capital-markets participants. In addition to aiding placement of our railcar products, syndication activities foster valuable business relationships that benefit Greenbrier across our broad range of commercial endeavors.

Integrated Business Model

At Greenbrier, we operate under an integrated system, designed to provide customers with a comprehensive set of freight railcar solutions using our substantial engineering, mechanical and technical capabilities as well as experienced commercial personnel. Our portfolio of products and services enhances financial performance across the enterprise.



GBX manages over
400,000
railcars



GBX lease fleet
has nearly
8,300
railcars



ESG Highlights



Governance

Greenbrier retains a high level of Board diversity with **30% female Board representation**. In 2019, we were recognized as a “winning” company by 2020 Women on Boards (WOB). WOB is a nonprofit with the mission of empowering female business leaders and improving diversity and inclusion at the board level.



Putting People First (Safety)

Greenbrier is committed to achieving the highest safety and quality standards by following the strictest U.S. and E.U. requirements. Most recently, our team in Świdnica, Poland, completed the ISO 45001 certification as part of its Integrated Management System Certification. Greenbrier Wagony Świdnica is among the first group of companies in the world to obtain this rigorous certification.



Putting People First (Our Employees)

In 2019, Greenbrier won the Portland Business Journal’s “Excellence in Training” award, a subset of the “Manufacturing Innovation Awards,” for our creative approaches to internal talent development and recruiting tactics.



Product Quality

Greenbrier won the “TTX Excellent Supplier” designation for the 2019 rating year as part of the TTX Supplier Evaluation Committee (SECO) Awards. This is a rigorous recognition, shared only with suppliers to TTX Company who show a deep commitment to customer satisfaction and product excellence.



Contributing to Our Communities

Greenbrier has been ranked on the Portland Business Journal’s (PBJ) “Corporate Philanthropy” list, most recently as #28 in the Enterprise (\$100 million+ in revenue) category. Additionally, Greenbrier was recognized as #11 on the PBJ’s “Most Admired” list in the Product Makers & Designers category.



Diversity

In 2020, President and Chief Operating Officer Lorie Tekorius received The Manufacturing Institute’s STEP Ahead Award, which recognizes women in science, technology, engineering and manufacturing who exemplify leadership within their companies.



Our Products in Motion:

The long, sustainable life of a railcar



1 Raw material sourcing

The most intense energy usage during the life of a railcar occurs at the beginning when steel is manufactured for its construction. This energy utilization results in a railcar with a low-emissions profile and longevity stretching multiple decades.

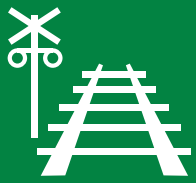


2 Manufacturing

A railcar also results in the creation of many jobs during its lifecycle, including the manufacturing process. Our direct employment model ensures nearly all production employees work directly for Greenbrier, allowing for full workforce integration.

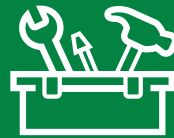
Rail rolling stock is **designed to operate for up to 50 years and then be recycled at the end of its useful life**. This makes railcars among the most reusable and recyclable types of capital equipment on the planet.





3 Sale & Use

Customers include Class I railroads as well as preeminent operating lessors, shippers and financial institutions. Rail is among the most efficient modes of surface transportation. Rail shipments move one ton of cargo 472 miles on a single gallon of fuel. By comparison, trucks carry cargo only 145 miles per gallon.¹



4 Wheels, Repair & Parts

Railcar repair and maintenance is also critical in extending its useful life. Greenbrier Rail Services offers signature after-market railcar services including replacement wheel sets, parts and general repair.



5 End of Life

Finally, after 30-50 years of operation, railcars are scrapped. Steel materials are simple to recycle, melt down and repurpose into a new railcar or other steel-based products.



¹ AAR: The Positive Environmental Effects of Increased Freight by Rail Movements in America, June 2020.

Featured above: Fixing the machine as part of repair.



Governance & Ethics



Board of Directors

Greenbrier's Board of Directors is focused on strong leadership and sound governance practices. Our Board is responsive to a continually evolving business landscape, including overseeing Greenbrier's response to the COVID-19 pandemic. During the challenging economic circumstances accompanying the pandemic, the Board delivered many key contributions, including its decision to **reduce Board compensation**.

The Board is composed of our CEO and co-founder Bill Furman and nine independent directors. Visit our website for **additional information about each member**. The Board has a Lead Director position, appointed by the Board when the Chairman is not an independent director. Greenbrier's current Lead Director, Duane McDougall, serves as a representative for independent directors. He presides at all Board meetings where the Chairman is not present, such as executive sessions.

Following our **Corporate Governance Guidelines**, the Board is responsible for managing Greenbrier's business and affairs for the benefit of our stakeholders. The Board provides a critical risk-oversight function, which is administered primarily through various Board committees.

The three committees Are:

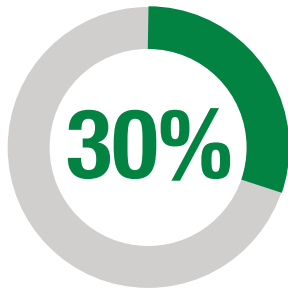
- **Audit**
- **Compensation**
- **Nominating and Corporate Governance**

Visit our website for more information about **Greenbrier's Board committees**.

Greenbrier's **Nominating and Governance Committee Charter**, directly delegates oversight of environmental, social and governance matters to the Nominating and Corporate Governance Committee. This includes oversight and approval of the production of this report and regular briefings on ESG matters throughout the year.

Board of Directors

Our Board is keenly focused on diversity throughout Greenbrier as part of our company-wide talent development initiative, including candidates for the Board, executive roles and other senior managers. The Nominating and Governance Committee considers **diversity of gender, race, ethnicity, sexual orientation, gender identity and expression, age and cultural background**. The following provides an overview of our Board demographics.



FEMALE BOARD

Nearly 10% over the national average²

VARIED TENURE

5:5

Short:Long tenure

- 5 of 10 0-6 years
- 3 of 10 7-16 years
- 2 of 10 17+ years



DIVERSE DIRECTORS

2 of 10 directors identify as people of color

MAJORITY INDEPENDENT

90%

Independent

- 9 Independent directors
- 1 Non-Independent director

The composition of the Board includes experts with financial, accounting, legal, operational and corporate governance backgrounds. Many directors bring knowledge unique to our business and industry, including experience in global markets, public policy, manufacturing, finance and the rail industry.

Members with Diverse Experience:

<i>Public Company</i>	6
<i>Financial Expertise</i>	8
<i>Rail/Transport/Industrial</i>	8
<i>Public Policy</i>	5
<i>International</i>	10
<i>Diversity Initiatives</i>	10
<i>Legal Training</i>	2
<i>Risk Management</i>	10
<i>Talent Development</i>	10
<i>Government/Military</i>	4
<i>CEO/President</i>	5

² 2020WOB Gender Diversity Index, 2019.

Risk Management & Oversight

Risk mitigation is an integral part of Greenbrier's strategic planning process and is divided primarily into two functions: risk management and risk oversight. Our executive team is responsible for risk management, including designing processes to identify and mitigate threats. The Board is responsible for risk oversight, which focuses on the adequacy of Greenbrier's enterprise-wide risk management processes.

Our management-level Enterprise Risk Management (ERM) program and our Risk Committee ensure the organization's risks are addressed in a manner consistent with our overall corporate strategy. Through this process, we complete risk reports that score, establish action plans and assign accountability for each tracked hazard.

In order to address risks and maintain operational excellence, Greenbrier has a relentless focus on quality and safety. Although not all markets where we operate have the same regulations, Greenbrier's operations everywhere meet the stringent core worker health and safety standards of the U.S., the E.U. or their equivalents. **The ongoing health and safety of our employees is our number one priority.**

We share safety data on the manufacturing shop floors daily. This information is aggregated and presented monthly to senior management and quarterly to the Board. This helps ensure we are monitoring safety trends and continue taking steps to improve performance at every level of our organization. A variety of programs are used to reinforce our commitment to safety, including safety fairs, company-wide summits and regular reporting. **Greenbrier's approach to personal safety** is available on page 18 of this report.

Our Goal:

For the next 12 months, 15 risks managed through the enhanced ERM program.

Business Ethics & Integrity



*At Greenbrier,
we observe the
highest ethical
standards in all our
business dealings.*

Our **Code of Business Conduct and Ethics** guides our Board, executives and employees in their daily work. We empower all our employees to implement ethical practices and promptly report any suspicious activity. Greenbrier requires employees to acknowledge their understanding and willingness to comply with the code.

Our ethics program also follows the **FCPA (Foreign Corrupt Practices Act)** with a thorough Anti-Corruption Policy. As an international company, compliance with all anti-bribery and anti-corruption laws is a key component of our ethics focus. Under FCPA standards, we prohibit inappropriately influencing business decisions or improperly securing advantages. Our compliance team conducts ongoing training and reviews practices at each of our locations across the globe.

Stakeholder Engagement

We maintain an **active stakeholder engagement process** to solicit feedback on matters relevant to our employees, shareholders, customers, industry partners, government policymakers and communities.



Shareholders

We value shareholder feedback since it has influenced and reinforced a number of governance, compensation and other decisions.

Our work with shareholders in 2020 includes:

Invitations to meet Greenbrier leadership

extended to shareholders representing 58.3% of Greenbrier's outstanding shares

Direct engagement with shareholders representing 47.8% of Greenbrier's outstanding shares:

- Seeking advice for **best practices** in compensation and governance
- Participating in live and virtual **investor roadshows and conferences**

Industry Partners

Involvement with industry partners results in the safest and most efficient freight rail networks in the world.

Greenbrier actively participates in industry-led coalitions such as:

Association of American Railroads

(AAR) Associate Advisory Board, which includes 88 members on 25 committees who are assigned to manage a range of railway operations activities. We have nine elected representatives on these committees, more than any other railcar builder.

Brazil Association for Technical

Standards (ABNT), which is a rulemaking body similar to the AAR.

Public Policymakers

At Greenbrier, we have built strong partnerships with government policy officials, including key regulators and elected and appointed policy officials. Participating in global political processes allows us to advocate for public policies that ensure free and fair competition in the marketplace. Our engagement in the political process is grounded in and guided by our firm commitment to robust corporate governance and global corporate citizenship.

Individual voting is the highest form of participation in America's representative democracy. Every election year, Greenbrier shares voting registration and participation details with our employees.

In September 2020, Greenbrier presented a special Virtual Town Hall to employees solely devoted to their right to vote.



PUTTING PEOPLE FIRST:

Personal Safety

Employee safety is a core value at Greenbrier. Our employees are Greenbrier's strongest safety champions. Together we take steps to reduce risks by improving working conditions, utilizing and obtaining appropriate tools and delivering training on how to minimize workplace risks.

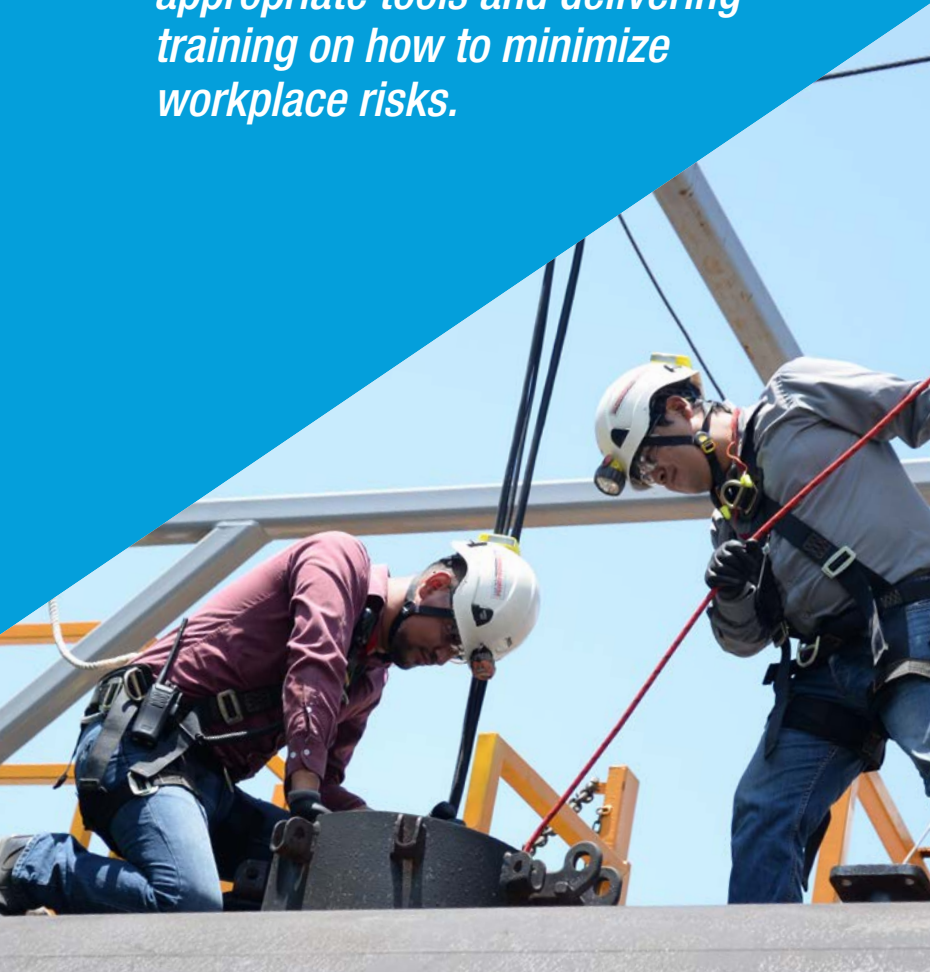


Safety Training

New employees are taught about Greenbrier's safety expectations on their first day of work, before entering the production environment. Safety is the first topic of discussion at the start of each shift.

Our employees understand how safety is incorporated into performing their job the right way to avoid injury while producing high-quality products. This includes actions ranging from body positioning in workstations to identifying appropriate personal protective equipment and how to hold a welding torch. Additionally, our employees are taught about the importance of being aware of their surroundings, and that they are responsible for communicating with teammates to keep each other safe.

After new employees have been trained and passed all safety and certification tests, each begins on-the-job training. **We pair each new employee with a coworker or supervisor who becomes their mentor and shows them how to apply everything they have learned.**



Personal Protective Equipment (PPE)



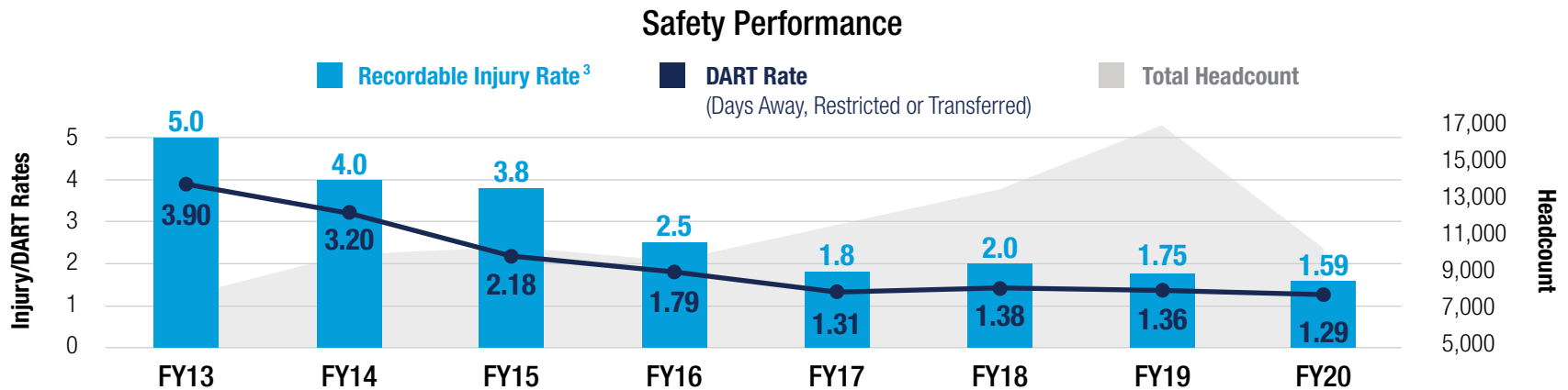
Part of our continuous worker safety improvement process is to upgrade the workplace. This can be as simple as supplying an ergonomically-stable cart for parts, to installing more complicated devices, like a zero-gravity tool balancer for holding heavy tools.

One of the workplace improvements we are most proud of is **upgrading our protective gear for welders**. This includes improvements that exceed those required by law. The new equipment reduces worker exposure to welding fumes and manganese, two of the most common breathing hazards.

We multiply the effectiveness of our safety improvement program by involving everyone, from our CEO to each new hourly employee. There are safety committees composed of employees at every manufacturing facility. We audit our workplaces every day, with our **daily aim focused on zero unsafe behaviors and zero workplace risks**.

Safety Performance

To monitor our performance, we track multiple safety metrics. We analyze the causes of injuries, first-aid events and near-misses. The goal in all these instances is to correct the issue and prevent it from happening again. We have improved over time by reducing the number of injuries and the severity of those injuries.



In March 2019, we experienced the tragedy of a fatal injury at one of our factories in Romania. This is unacceptable to us. We are committed to protecting the safety and health of our team members and contractors everywhere, every day. As a result of this tragic event, we undertook intensive root cause analyses and are making changes in our safety programs. We increased the frequency and rigor of safety trainings and invested in our infrastructure to prevent this type of accident in the future. Nothing we do can reverse the loss of our colleague and friend, but we can work relentlessly to prevent it from happening again.

As we look to the future, we have invested significantly in our safety management system and training. We have identified best practices from across Greenbrier and developed new, better safety standards by which to operate. We continue to upgrade our factories to reduce risks in the workplace, and to invest in better equipment for our employees. We are committed to continually improving our safety performance.

³ Incident Rate = (Number of recordable injuries and illnesses x 200,000) / Employee hours worked.



PUTTING PEOPLE FIRST:

Our Employees

At Greenbrier, our success is rooted simply in relationships between people.

Our employees are the backbone and strength of Greenbrier. Through our talent pipeline initiatives, we are focused on hiring and developing a diverse talent base from which to build our next generation of leaders, continue our reputation of providing quality products to our customers and maximize shareholder returns.



Attracting Talent

70+
COMMUNITY PARTNERS
in our Job Resource Network

Our success starts with recruiting a diverse and skilled workforce across the organization. To ensure we are positioned to attract top talent in all areas, in 2019, we looked broadly at our talent acquisition approach.

We started by updating our employment brand. Through focus groups, we discovered that employees are proud to work for a stable, global company with a long history. Employees take pride in working in the rail transportation industry, one that delivers economic advantages and supports healthy economies.

We leveraged our findings to build an employer brand message, starting with a [careers site](#) that speaks to who we are and places emphasis on increasing outreach to broad and more diverse populations.

To attract top talent at all levels in the organization, we needed the right partners. This includes partnerships with community organizations which share our diversity goals and our value of Respect for People.

We are proud to host a **job resource network that now consists of over 70 community partners** ranging from local schools, universities, trade programs, veteran resources, state employment agencies and diversity-focused organizations.

We choose partners that foster equitable and inclusive learning environments and create a pipeline of talent with those same values.



Developing Our People

We recognize that development needs and career ambitions are specific to the individual. Employees are encouraged to 'own' their development journey, which can be tailored to their own interests and timeline with support from their supervisor and the many company-sponsored resources available.

Our future success depends on retaining and developing intellectual capital among our employees. Identifying high-potential employees who will emerge as next-generation leaders and assisting them is critical to this process.

A robust **leadership development program** supports and encourages our high-potential employees to expand their leadership acumen and prepare for future roles at Greenbrier. Our leadership development program starts with 360 evaluations, paired with a career goals questionnaire. It results in a comprehensive development plan which includes a balance of on-the-job experiences, learning through others and external training.

At Greenbrier, we embrace and value continuous learning and growth, and we strive to support this at all levels. This entails providing a variety of training and development opportunities to our diverse global employee base.

Development begins on day 1 with on-the-job training and continues throughout employment. On-the-job training provides opportunities for team members to learn and develop skills to enable them to move into higher-level positions.

Whether it is first-time manager training or leadership development, we are committed to training supervisors at all levels of the organization. We leverage best practice programs that align with our values, such as **Situational Leadership, Crucial Conversations, The Speed of Trust**, as well as other internal and external content.

Our Manufacturing and Wheels, Repair & Parts organizations have adopted the Four Disciplines of Execution (4DX) to enable a culture of innovation, problem solving, ownership, and accountability. **All team members are trained on the 4DX process** and are recognized for successfully integrating the program into the workplace.

In order to offer learning opportunities to more employees, we activated **online learning resources** accessible for team members across business groups, which can be leveraged for personal development and skills training.

We provide **tuition assistance** to employees interested in furthering their education and encourage certification programs that enable growth within targeted competency areas. Additionally, Greenbrier promotes and sponsors a variety of **foreign language learning courses** to support our multinational workforce.



Engaging Our Workforce: Retention & Recognition

Greenbrier fosters an environment where all employees want to join, stay and contribute while experiencing growth and fulfillment in their careers. This starts with an open-door culture and a collaborative, inclusive environment that encourages and welcomes diverse ideas and where employees feel comfortable speaking up.

Greenbrier cares about the physical, mental, social and financial well-being of our employees. Healthy employees are happier, leading to higher levels of engagement and productivity.

We offer benefits that are aligned with best practices in the countries and regions where we operate. Benefits are flexible to meet the dynamic needs of our diverse workforce and their families and generally include **health, life and disability insurance as well as retirement savings**. Our employee **stock purchase plan** provides a financial benefit for those who wish to become Greenbrier shareholders.

ARI Acquisition

In July 2019, we welcomed **more than 1,600 employees from American Railcar Industries, Inc. (ARI)** to the Greenbrier family. Our new ARI colleagues were asked to craft a vision for a shared future at a combined Greenbrier. Transparency and communication have been vital in supporting the integration.

Our integration approach merged the best of both companies, each longstanding enterprises with strong reputations in the industry while instilling Greenbrier's core values. In order to establish common ground, we recognized and addressed gaps between employees' experience at ARI and Greenbrier. Determining differences helped us to be clear and direct about where the two companies' approach to business diverged and allowed us to address these issues head-on.

We also imparted to our new ARI colleagues the values, beliefs and behaviors that are shared throughout Greenbrier. We aligned with ARI leaders to channel our common aspirations into goals that guide and measure performance. After **more than a year as a combined organization**, Greenbrier's cultural integration with ARI is progressing well. Both enterprises are embracing the new, shared culture that has grown from the combination.



JULY 2020
1 YEAR ANNIVERSARY





PUTTING PEOPLE FIRST:

Diversity & Inclusion

For over 40 years, Respect for People has been woven into Greenbrier's DNA. We respect people because of the uniqueness they bring to us and the diversity of thought and experience it embeds in our culture. In addition to striving to do what is right, Greenbrier knows that a diverse workforce allows us to better reach our business objectives. In 2020, Greenbrier joined the heightened national conversation about diversity, equity and inclusion. We indicated to all who follow us that we are committed to forward progress.

Bringing together employees with a range of backgrounds and experiences helps solve business challenges more effectively and allows us to better serve our customers.

We believe in having a robust diversity, equity and inclusion culture that prioritizes a welcoming, supportive and inspiring atmosphere where people of different races, ethnicities, genders and sexual orientations can flourish.



Diversity & Inclusion

Greenbrier remains active in a variety of employer diversity organizations, including the **League of Railway Women (LRW), Partners in Diversity** and **Army PaYS program**.

An example of diversity at Greenbrier exists within our senior commercial team, who promote, market and sell our products. The team is 30% female and 20% racially or ethnically diverse.



Shantel Davis
*Vice President Sales,
Southeastern U.S.*

Recently recognized for her community commitment as a **2020 Woman of Influence honoree** by the *Jacksonville Business Journal*.



Mallory Moran
*Marketing Communications
Manager*

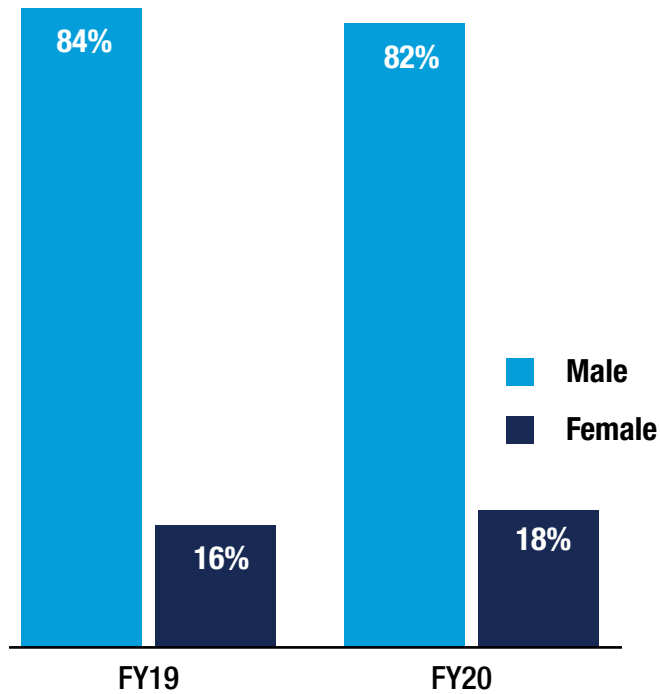
Received the **2019 LRW Member of the Year award** (pictured at center).

Through a new framework dedicated to equity and advancement for all, Greenbrier is deepening these priorities within our existing core strategy. Our growth in this space is part of **our IDEAL commitment**. IDEAL stands for Inclusion, Diversity, Equity, Access and Leadership. Efforts in the coming year will include creating awareness and education opportunities for our leaders and identifying and implementing measurable and attainable success targets.

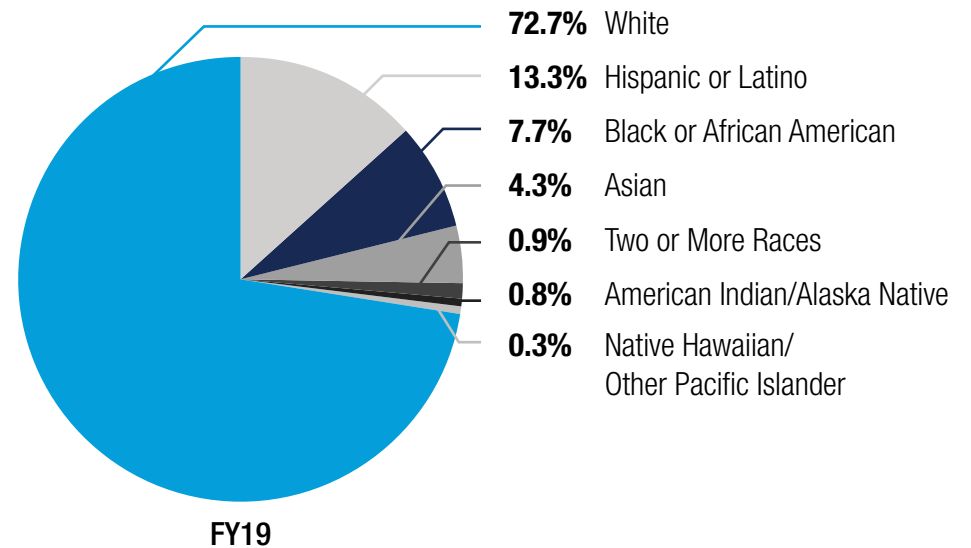
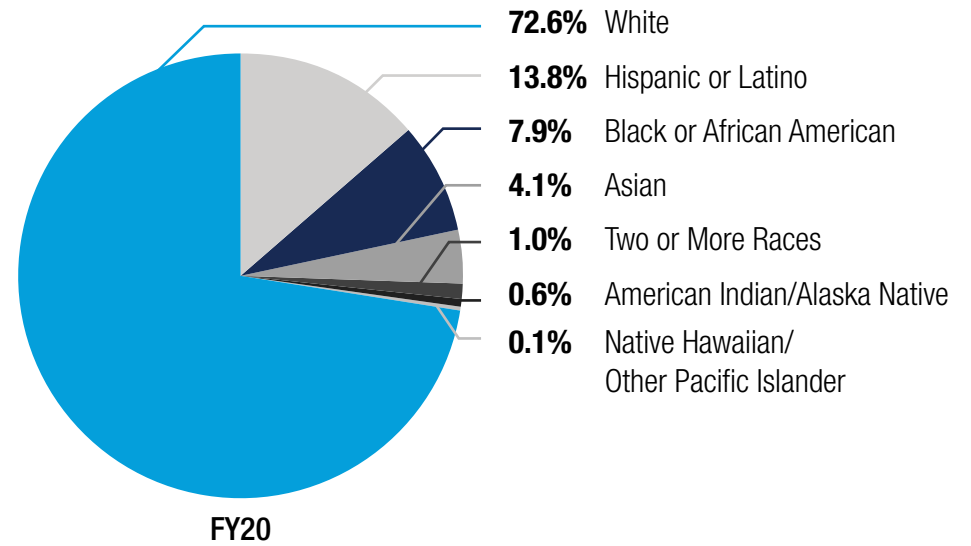


Diversity Statistics of Active U.S. Employees

Gender Diversity



Ethnic Diversity





Environmental Sustainability

Greenbrier is committed to improving our environmental performance, both by reducing our environmental footprint and by meeting or exceeding the ecological requirements in the countries where we operate. The items we track are based on the materiality assessment Greenbrier has completed.





Materiality

The materiality assessment performed by Greenbrier operations identified the following as being significant:

- **Natural resource utilization**, as reflected in the efficient use of steel
- **Embedded energy** in the manufacture of our railcars
- **Hazardous waste management**
- **Air pollutants** from railcar painting

Greenbrier also considers factors that are important to our stakeholders in determining materiality.

Our stakeholders are particularly interested in the following parameters related to Greenbrier operations:

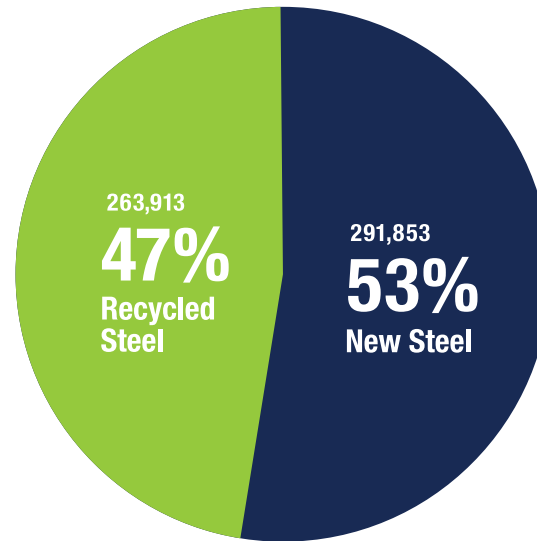
- **Greenhouse gas emissions**
- **Water usage**

Greenbrier is not a significant emitter of greenhouse gases, and uses a minimal amount of water, primarily by employees for personal consumption and sanitation purposes. At some production facilities, there is an onsite cafeteria, but again this is a relatively small use of water from an industrial perspective.



Natural Resource Utilization

Railcar manufacturing uses large quantities of steel. This makes natural resource utilization one of Greenbrier's most substantial environmental impacts. Greenbrier is very efficient in the use of steel for many reasons; for one, it's the most significant cost item for our business, so we do not want it to go to waste.



2020 Global Steel Consumption
(Metric Tons)

400
TONS OF STEEL
used on average by
facilities during normal
production in a day

555,766
TOTAL TONS OF
PURCHASED STEEL
in 2020

Our Goals:

For 2021, to track our actual recycled steel content for our material as supplied.

Our long-term goal is to increase steel use efficiency.

Remaining steel plates can be too small or narrow to meet the structural strength for railcar product safety requirements. Therefore, our **utilization efficiency can be improved through increasing the recycled steel content in our supplied steel above the industry average of 93.3%.⁴**

⁴ AISC "Why Steel, Sustainability" 2020.

Case Study:

Southwest Steel Corsicana Partnership

**100%
RECYCLED
RAILCAR MATERIAL**

used by Southwest Steel
to produce castings

An Unexpected Merger Synergy

Greenbrier owns multiple facilities in Texas, including **Greenbrier Corsicana**, a Wheels shop, and **Southwest Steel Casting Company**, a steel fabricator for railcar components, formerly an ARI Company. These shops are neighbors. When Greenbrier completed the ARI asset acquisition in July 2019, both facilities came under the Greenbrier umbrella and the potential for collaboration expanded.

Southwest Steel has seen many benefits since this partnership began, the most significant is that they purchase old wheel sets from Corsicana to melt into brand new casting components. This effort not only provides Corsicana a consistent market for recycling its wheel sets, but Southwest Steel now uses **100% recycled railcar material to produce castings**. Receiving truckloads of whole scrap wheels directly from Corsicana has dramatically lowered melting material costs, improved physical safety for its employees and reduced the environmental footprint at both facilities.

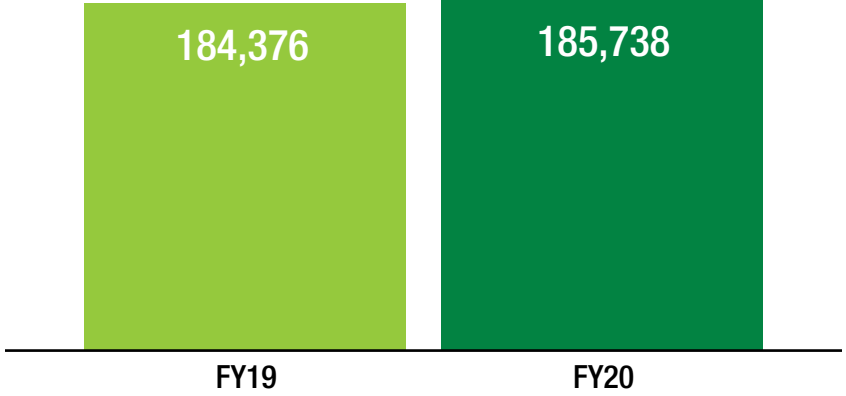
Steel casting quality has also benefitted. This results from the density of the wheels, which allows an entire scrap charge to go into the furnace, creating a continuous melt start to finish. This makes a cleaner, less oxidized steel, reducing the chance of internal defects. Southwest Steel's **electrical kilowatt-hour consumption has significantly diminished** since the partnership began and has reduced its **carbon usage during steel manufacturing to zero**.

Energy Usage

Energy usage is an important measure to track Greenbrier's environmental impact. Specifically, tracking the embedded energy in our supplied steel and measuring the energy utilization at our manufacturing facilities is the best opportunity to reduce our impact on the environment.

We are developing the data needed to demonstrate overall energy use improvements. This year we are reporting on electric energy usage at the manufacturing facilities because this is the single most substantial energy use across our enterprise. The primary utilization of electricity is in the welding process.

Electricity Usage
(Megawatt Hours)



FY20 figures are higher in some areas due to ARI Acquisition

Our Goal:

For 2021, measure the energy used per unit of production, which will allow us to understand how much we've improved our energy efficiency.

The complexity of this approach is that different types of railcars require significantly different energy use in their production; for example, **a tank car uses up to five times more energy to be produced in our production facilities than a boxcar**. Measuring energy intensity in our manufacturing process must account for variations in production activity. This is a complicated endeavor, but one Greenbrier is committed to taking.

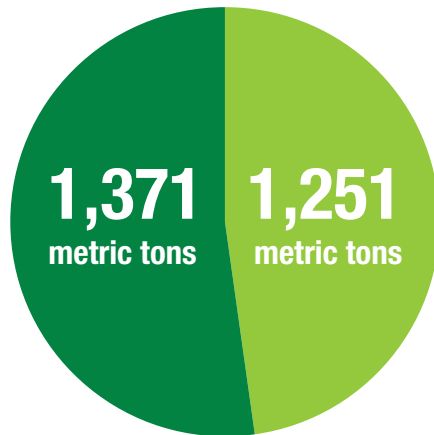
Hazardous Waste Management



2020 Paint Waste Activity

Used paint, protective equipment and packaging

Includes materials in the protective painting suits and lining for the paint booth



Paint residuals and solvent

Includes any leftover paint and the solvent used to clean it up

Greenbrier works to reduce the amount of hazardous waste generated over time. We substitute less toxic material in our manufacturing process as it becomes available. For example, we eliminated the use of toluene to clean paint equipment in favor of water-based paints at key locations.

Reducing paint waste has the highest potential to benefit the environment.

Greenbrier has a strict program in place to provide safe, proper handling and disposal of this kind of waste and completes all the environmental records and paperwork required to meet our regulatory obligations.

Air Pollutants

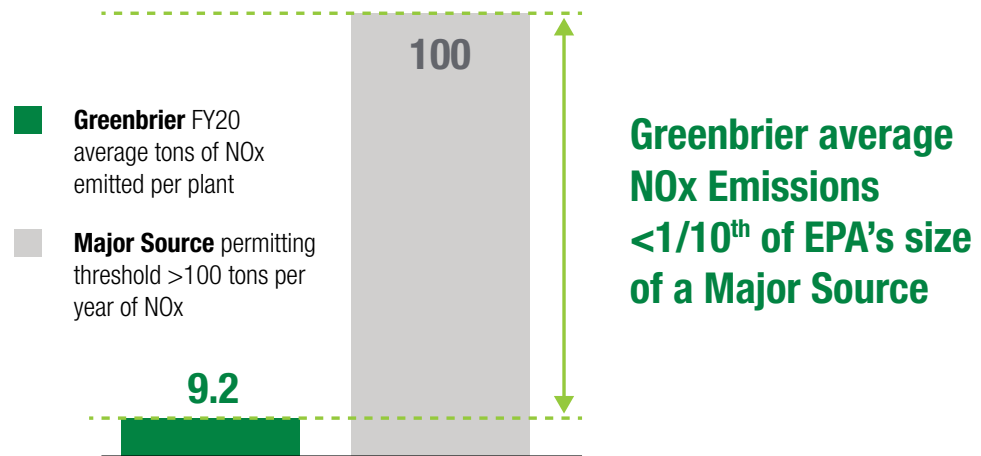
We determined Greenbrier's actual daily emissions are at extremely low concentrations and have minimal impact on the environment.

The majority of the air emissions at Greenbrier come from **painting operations**.

We evaluated the following industrial air emissions:

- **Volatile Organic Compounds (VOCs):** Greenbrier's facilities are not large emitters of VOCs relative to other industrial operations near Greenbrier sites; i.e., the environmental impact is low.
- **Particulate matter less than 10 microns in size (PM10):** At Greenbrier, PM10 emissions occur from abrasive grit blasting operations where high-pressure air blows sand-like particles against a metal surface to make the finish of the surface smoother. These emissions are similar to those of the VOCs and do not have a significant impact at any Greenbrier location.
- **Nitrogen oxides (NOx):** Our manufacturing locations emit nominal amounts of NOx because we have minimal onsite combustion. This is the same reason Greenbrier's Scope 1 greenhouse gases are low.

Greenbrier Average NOx Emissions
Compared to U.S. EPA Major Emission Source Threshold



Our Goal:

In 2021 we'll develop a measure for carbon intensity related to production, to allow us to better track GHGs relative to production levels.

Currently, most emissions are driven by variability in production. Some variability also occurs with facilities in cold climates that have to provide some heating during the winter.

Greenhouse Gas (GHG) Emissions

Climate change is one of the most significant environmental issues facing society. Emissions of CO₂ and some other chemical compounds increase the greenhouse gas effect in Earth's atmosphere.

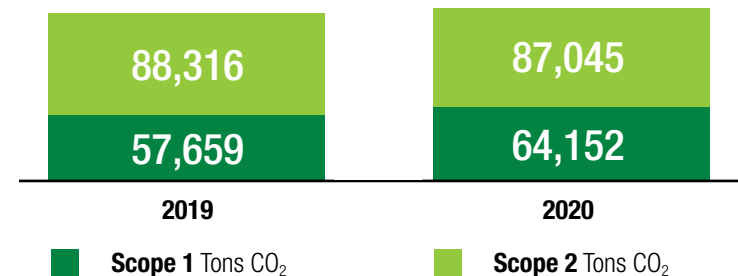
At Greenbrier, we track our Scope 1 and Scope 2 GHG emissions at production facilities. Scope 1 (direct) emissions come from sources that the company owns or controls, such as business travel in a company car or the combustion of fuel in boilers and furnaces. **Natural gas, diesel, gasoline, and propane are the main components of Greenbrier's Scope 1 emissions.** Scope 2 (indirect) emissions result from a company's activities but from sources owned or controlled by another company.⁵ An example of Greenbrier's Scope 2 emissions comes from electricity use, where the controlling company is an external electricity/utility business. Generally, we have greater Scope 2 emissions than Scope 1.

Scope 1 and Scope 2 emissions for Greenbrier are not considered material because at a company-wide level and at each manufacturing location, our GHG emissions are low for a manufacturing company. For example, the average emissions per facility that submit reports to the U.S. EPA Greenhouse Gas Reporting Program (GHGRP) are 370k tons per year and that of the manufacturing plants in the program is 167k tons per year.⁶

The Greenbrier average is 15k tons per year.

Greenbrier has been tracking GHG emissions since 2015 and upgraded our processes for collecting information and calculating those emissions over time. As a result, we are reporting GHG emissions for 2019 and 2020 in the following two graphs.

Total Scope 1 and Scope 2 CO₂ Emissions



Emissions increased in FY20 due to acquiring the ARI manufacturing business, which added locations in Arkansas, Missouri and Texas.

⁵ World Resources Institute "Operational Boundaries of GHG Emissions" September 2019.
Greenhouse Gas Protocol "GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard" 2015.

⁶ EPA "Greenhouse Gas Reporting Program (GHGRP)" Reported Average Emissions from Facilities, August 21, 2020.

Water Usage

Water usage at Greenbrier is not considered material because Greenbrier uses **approximately 20 million gallons per year per manufacturing facility**. In contrast, a pulp and paper mill can regularly use 10 million gallons in a day.⁷ A Greenbrier manufacturing facility uses approximately as much water as a large high school in the U.S. or a 25-story office building.

Approximately **two-thirds of our facilities outside the U.S. provide onsite cafeterias**, which minimally increase water use. We also use water during specific projects **utilizing a cutting table**. In this process, we cut large plates of steel into smaller pieces that have complex shapes. The water maintains the temperature of the steel at a reasonable value away from the cutting location, and it **reduces emissions by suppressing some cutting emissions underwater**. Even this use averages only a few thousand gallons a week at each site, which is less than the consumption by onsite personnel.

Average Annual Water Usage



We began tracking water usage in 2020 and developed data for 2019.

20 MILLION GALLONS per year = **Large HIGH SCHOOL in the U.S.** = **25 STORY OFFICE BUILDING**



⁷ American Forest & Paper Association "2020 AF&PA Sustainability Report" Water Use Environmental Metrics, Downloaded August 2020. A kraft pulp and paper mill uses 10,500 gallons per ton of pulp and produces 1,000 tons of pulp a day.



Contributing to Our Communities

At Greenbrier, we are good neighbors. Our freight transportation equipment moves the global economy and we champion a company culture that fosters civic engagement by encouraging employees to engage with their local communities.

As a responsible corporate citizen, we demonstrate our values through charitable giving. Greenbrier also employs a diversity, equity and inclusion lens to our charitable giving.

Our targeted focus areas include:

- Education
- Families and children in crisis
- Medicine and health
- Environmental improvement
- Animal welfare
- Arts
- Disaster relief

Employee Community Action

We recognize our unique position as an industry that touches all sectors of the economy. We are responsible for products being safely transported to communities around the world—and we hold ourselves accountable for strengthening these same communities through civic engagement.

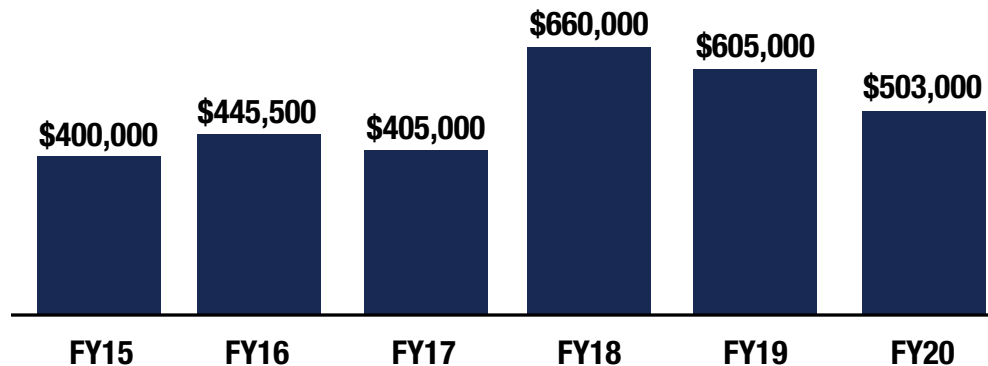


Charitable Giving

We take pride in cultivating meaningful relationships with members of our greater communities and value working with nonprofit groups that are dedicated to unique and critical causes.

In 2019 we donated more than **\$605,000** in charitable contributions, and in 2020 we donated **\$503,000**. Part of the decline in our year-over-year charitable giving totals was due to an expected downturn in the freight rail industry. Coupled with COVID-19, Greenbrier—among many other organizations—became cautious about expenses, but we remain focused on impactful philanthropy. **As we move past the challenging business environment presented in 2020, we will increase our levels to pre-economic downturn levels.**

Charitable Donations



Diversity, Equity and Inclusion

Over the last two years, we have contributed **over \$475,000 to charitable organizations with a core DEI mission.**

Moving forward, we will ensure our charitable giving ties to our IDEAL commitment to reach communities traditionally underserved by corporate philanthropy.

Our Goals:

As we move forward in our philanthropic efforts, we intend to:

Allocate over 50% of our annual charitable contributions to underserved communities that align with our IDEAL goals by 2022.

Channel at least 25% of all of Greenbrier's philanthropic giving to diversity scholarships by 2023.

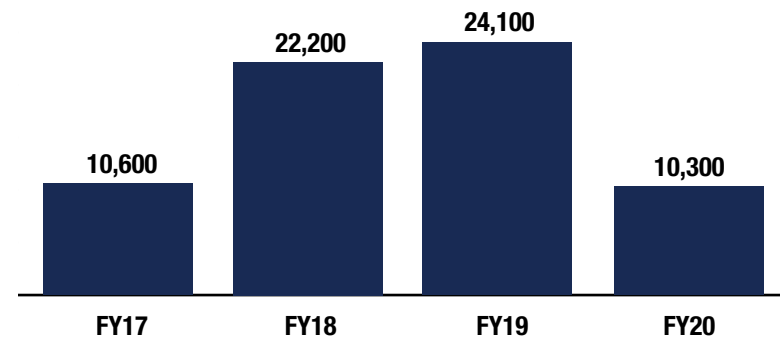
Employee Volunteerism



Our global volunteer hours have consistently increased since we began tracking this metric in 2017. We expect to maintain this trend as the impacts of COVID-19 recede.

Our intent is for this number to continually grow, which is why we rolled out a **pilot Volunteer Time Off (VTO) program** in 2020. The test program was extended to a small sector of employees and offers **16 hours of paid time off to volunteer** at a nonprofit of their choice. We know “social value” benefits contribute to employee satisfaction and higher levels of productivity,⁸ which is why we intend to spend 2021–2023 modifying and advancing this program to all business units.

Volunteer Hours



2020 Volunteer hours impacted by COVID-19 social gathering restrictions

Greenbrier offers employees the opportunity to participate in our corporate philanthropy with their own giving to company-designated nonprofits. For example, we've partnered with the **Sunshine Division, Habitat for Humanity, United Way of Greater St. Louis** and various **disaster relief organizations** to create donation-matching opportunities.

⁸ Fortune "Giving Workers Paid Time Off to Volunteer Will Help Your Company Succeed" April 2016.

Case Study:

Dedication to Education

One of Greenbrier's core areas of giving is education, and we encourage active employee involvement at local schools. Our Corporate Risk & Community Affairs Manager, Donna Tyner, exemplifies what it means to be an active and dedicated community member in this arena. After **volunteering in Beaverton (OR) schools for 15 years**, she ran for a spot on the Beaverton School Board. She has now served as a board member for seven years. In this time she has made many significant contributions to the school district and its students.

A few highlights include:

- **The passage of a record-breaking \$680 million school construction bond measure**
- **The renewal of a local option levy to maintain and improve school district services**
- **The hiring of the district's Superintendent**



Donna Tyner
*Corporate Risk
& Community
Affairs Manager*

“Actions speak louder than words and I believe community has the power to transform public education. We need to continue pushing for diversity, equity and inclusion programs and systems and continue our commitment to early learning—for example, preschool programs. Additionally, for high school students, access to career and technology education is critical for the nation’s future success.”

Where We Are

Going forward, Greenbrier maintains its focus on continuous improvement in our operations, our resource utilization and our awareness of the needs of the people who work for us and live in our communities.



SASB Index

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	SASB CODE	RESPONSE/COMMENT
Accounting Metrics	Number of units produced by product category	Quantitative	Number	RT-IG-000.A	Greenbrier's annual production mix can vary widely across product type and manufacturing volume. During FY21, Greenbrier will develop a standard methodology of this activity as it relates to energy use, GHG emissions and materials consumption. Sales data is provided in Greenbrier's annual report to shareholders on Form 10-K.
	Number of employees	Quantitative	Number	RT-IG-000.B	10,589
Energy Management	Total energy consumed	Quantitative	Gigajoules (GJ), Percentage (%)	RT-IG-130a.1	FY20: 1,644,720 Gigajoules (GJ) total energy usage. Electricity usage tracked in Megawatt Hours, converts to 668,650 GJ. Onsite fuel use is tracked and is 976,070 GJ.
	Percentage grid electricity				40.6%
	Percentage renewable				Not tracked separately
Employee Health & Safety	Total recordable incident rate (TRIR)	Quantitative	Rate	RT-IG-320a.1	FY19 IR was 1.75 FY20 IR is 1.59 FY19 DART Rate was 1.36 FY20 DART Rate is 1.29
	Fatality rate				0.000 in FY 2020 0.0053 in FY 2019 (1 employee, FY19)
	Near miss frequency rate (NMFR)				FY20: 23.69 Greenbrier emphasizes the importance of reviewing all work-related environmental, health and safety incidents, including near misses.

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	SASB CODE	RESPONSE/COMMENT
Fuel Economy & Emissions in Use-Phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 miles	RT-IG-410a.1	Not applicable to Greenbrier
	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Gallons per hour	RT-IG-410a.2	Greenbrier does not make equipment with engines for transportation purposes and the fuel efficiency does not apply. Read more about our focus on fuel economy and emissions on pages 37-41 of this report. 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, Greenbrier does not calculate sales-weighted fuel efficiency or emissions in this manner.
	Sales-weighted fuel efficiency for stationary generators	Quantitative	Watts per gallon	RT-IG-410a.3	
	Sales-weighted emissions of: (1) nitrogen oxides (NOX) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	Quantitative	Grams per kilowatt-hour	RT-IG-410a.4	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	N/A	RT-IG-440a.1	Greenbrier responsibly sources the raw materials used to build our products. Please see pages 35-36 for more information.
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting Currency	RT-IG-440b.1	Our Wheels, Repair and Parts business generated 12% of Greenbrier's FY20 annual revenue and relies heavily on remanufactured and scrap steel materials. See pages 35-36.

Acknowledgments:

Everyone at Greenbrier made an important contribution to this report. We recognize the following people for special contributions:

Kelly Williams, Bill Furman, Lorie Tekorius and Victoria McManus

Greenbrier Safety Team: *Oscar Moncada, Lynn Taber and Christopher Wilson*

ESG Team: *Laurie Dornan, Dave Harvey, Jack Isselmann, Mallory Moran, David Myers, Ken Ott, Justin Roberts and Adriana Wollney*

SAFE HARBOR

This report may contain forward-looking statements, including any statements that are not purely statements of historical fact. Greenbrier uses words, and variations of words, such as “allocate”, “channel”, “can”, “continue”, “bolster”, “develop”, “expand”, “goal”, “strive”, “will”, and similar expressions to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to certain risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. Factors that might cause such a difference include, but are not limited to, the following. (1) We are unable to predict when, how, or with what magnitude COVID-19 governmental reaction to the pandemic, and related economic disruptions will negatively impact our business. The longer the pandemic continues, the more likely that negative impacts on our business will occur, some of which we cannot now foresee. (2) Our success depends on our ability to attract, retain and motivate senior management and other key employees. Achieving this objective may be difficult due to many factors, including fluctuations in global economic and industry conditions, competitors’ hiring practices, cost reduction activities, and the effectiveness of our compensation programs.

If we are unsuccessful in our succession planning efforts, the continuity of our business and results of operations could be adversely affected. A loss of any such personnel, or the inability to recruit and retain qualified personnel in the future, could have an adverse effect on our business, financial condition, results of operations and achieving our ESG goals. (3) We rely on limited suppliers for certain products and services. If we are not able to procure products or services on commercially reasonable terms or on a timely basis, our business, financial condition, results of operations, and progress toward achieving our ESG goals would be adversely affected. More information on potential factors that could cause our results to differ from our forward-looking statements is included in the Company’s filings with the SEC, including in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of the Company’s most recently filed periodic report on Form 10-K. Except as otherwise required by law, the Company assumes no obligation to update any forward-looking statements or information, which speak as of their respective dates. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s opinions only as of the date hereof.



The Greenbrier Companies, Inc.
1 Centerpointe Drive Ste. 200
Lake Oswego, OR 97035

esgteam@gbrx.com



THE GREENBRIER COMPANIES