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## 2022 | Environmental, Social and Governance Summary







# About Us

Textainer Group Holdings Limited (NYSE: TGH) is one of the world’s largest lessors of intermodal containers based on fleet size, with a total fleet of approximately 2.7 million containers, representing 4.4 million twenty-foot equivalent units (TEU). Containers are an integral component of intermodal trade, providing a secure and cost-effective method of transporting freight by ship, rail or truck, and making it possible to move cargo around the world without repeated packing and unpacking.

Operating since 1979, Textainer leases containers to roughly 200 shipping lines and other lessees, including the world’s leading international shipping lines as measured by the total TEU capacity of their container vessels. We supply standard dry freight, specialized and refrigerated containers, and lease tank containers through our relationship with Trifleet Leasing. The Company also proudly serves as a longstanding supplier to the U.S. military. We believe our scale, global presence, customer service, market knowledge and extensive history with our customers make us one of the most reliable suppliers of leased containers.

Textainer also leads the resale industry, having secured its status as one of the largest sellers of used containers.

Textainer operates a network of 14 offices and 400 depots across all time zones. We have employees in major trading centers worldwide, dedicated to providing customers with the highest-quality equipment and exceptional service. Our leasing, resale and operations activities service locations across the globe from three regional offices:



**CRANFORD, NJ**  
North, Central and South America

**LONDON, UK**  
Europe, the Mediterranean, the Middle East, India and Africa

**SINGAPORE**  
Northeast Asia, Southeast Asia and Australia





# About This ESG Summary

Textainer’s environmental, social and governance (ESG) summary highlights the company’s ESG initiatives, practices, metrics and performance. This document is aligned to the Sustainability Accounting Standards Board (SASB) standards for the Industrial Machinery & Goods industry and uses the World Resource Institute’s Greenhouse Gas Protocol for the disclosure of our greenhouse gas emissions. This document covers the period of January 1, 2022, through December 31, 2022, unless otherwise noted.

## Activity Metrics (Year-End, December 31)

METRIC	2022	2021	2020
Lease Rental Revenue (\$ in thousands)	810,014	750,730	600,873
Number of Units Produced by Product Category SASB Code: RT-IG-000.A	4,425,300 TEU under operation	4,322,367 TEU under operation	3,774,053 TEU under operation
Employees (#) SASB Code: RT-IG-000.B	162	164	168



## Environmental Stewardship

At Textainer, being a responsible corporate citizen means thinking and acting sustainably for our customers, employees, shareholders and local communities. Day to day, we look for ways to innovate and grow our business with the future in mind. Our board and management are mindful of the potential long-term impacts of the company's activities on the environment and in communities around the world.

The container shipping industry plays a key role in furthering world trade and driving commercial development, which is critical for economic progress and underpins the long-term resilience of our business. We take pride in the quality of our container fleet and operations, and in our contributions to the continued growth of the industry. An active approach to environmental responsibility is a vital part of our guiding philosophy, and involves minimizing and managing our footprint to ensure that our output does not significantly harm the environment. Containerization and the use of ever-larger vessels have a significantly lower environmental impact compared to other forms of shipping, such as air freight or trucking. Additionally, at the end of the containers' useful life at sea, they are repurposed as construction sheds, static storage and alternative housing, instead of being sent to landfills. Given that containers are principally made of Corten steel, even when no longer suitable for storage use, very old containers are scrapped and recycled for the inherent value of the steel in each container.

Environmental regulations influence container production and function. For example, the use of chemical refrigerants are regulated due to their ozone-depleting and global-warming effects. Textainer is an active member of the International Institute of Container Lessors (IICL), the leading trade association of marine container leasing and a chief developer of codes and standards for the industry. As a result, we are mindful of the full lifecycle of the containers we purchase, lease and resell.

We and our suppliers are working to minimize our global carbon footprint in three key ways: using waterborne paints in new container production rather than relying on chemical solvents in the paint drying process, which reduces volatile organic compound (VOC) emissions; replacing tropical hardwood plywood flooring with bamboo sourced from certified plantations; and installing the newest generation of energy-efficient refrigeration machinery in containers.



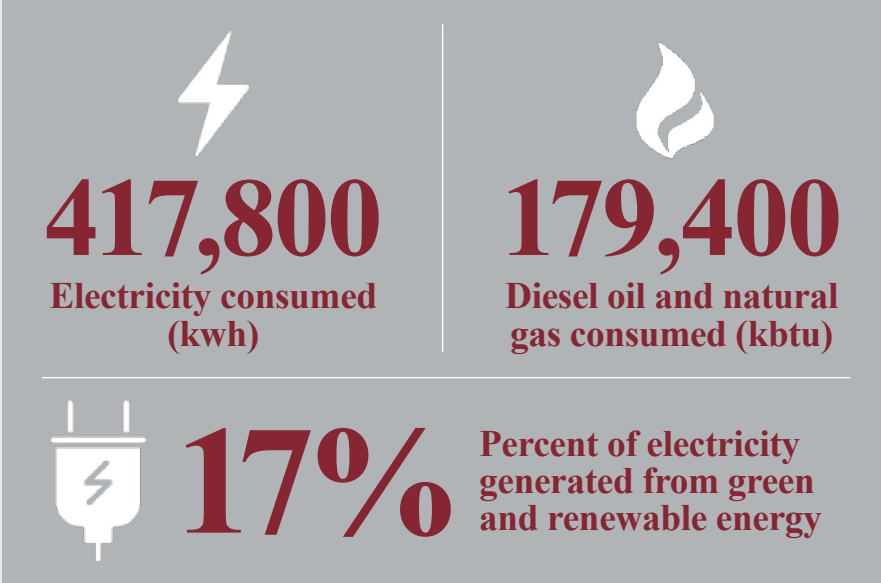
# Environmental Performance<sup>1</sup>

The operation of our offices accounts for the entirety of our Scope 1 and 2 emissions. As Textainer is a container owner and lessor and not a freight forwarder or shipping line, we do not regularly transport or ship containers, as such emissions associated with the maritime shipping of our containers are not part of our direct environmental footprint. For those offices where utility data is not available, we work with our landlords to determine total building energy consumption and estimate total office consumption based on the percentage of space we occupy in the building. For offices in the U.S., location-based grid-specific emission factors were used in calculating GHG emissions; for offices outside of the U.S., location-based country-specific emission factors obtained from the International Energy Agency (IEA) were used. In calculating our GHG emissions, we adhere to guidance outlined in the GHG Protocol’s Corporate Value Chain Standard.

**Textainer is undertaking the following initiatives to reduce our carbon imprint:**

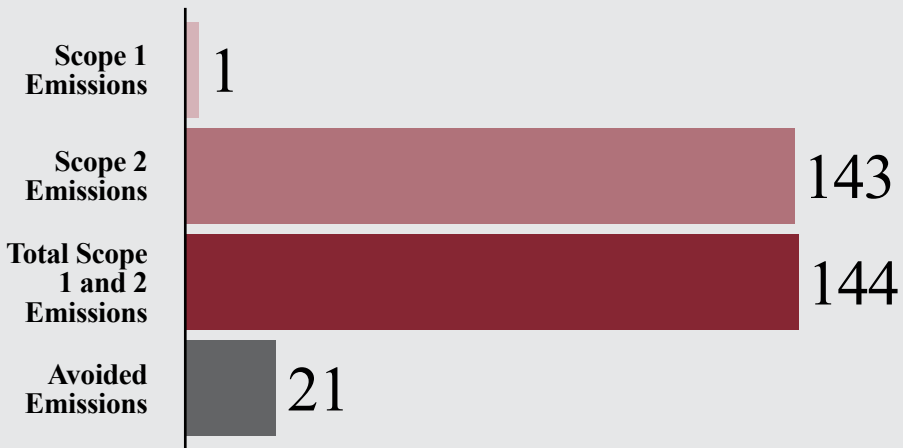
- Refrigerated Container High Energy Savings: We are acquiring the newest generation of refrigerated containers that minimize energy usage, thus reducing CO2 emissions.
- Increased Usage of Monitoring: We support our customers in adopting newly developed Reefer Monitoring Units to control their cold chain. Internet of Things (IoT) solutions enable them to transport properly cooled food and pharmaceuticals, eliminating spoilage and rejected loads.
- Water-Based Paints: We recently supported the change from solvent-based to water-based paints for the container industry, leading to a reduction in VOC emissions, an indirect greenhouse gas.
- Bamboo Flooring: In recent years, we have been transitioning to bamboo flooring from tropical hardwood plywood. These bamboo floorings are harvested from certified plantations.
- Our office in Hamburg, Germany uses 100% renewable energy to power office space.
- Our administrative office in San Francisco utilizes 33% renewable energy to power office spaces.

## ENERGY USAGE



## GHG EMISSIONS

Metric tons CO<sub>2</sub>e



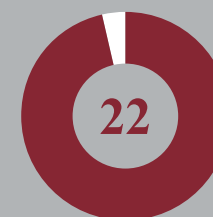
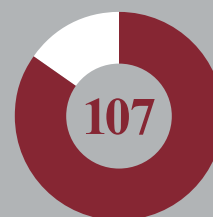
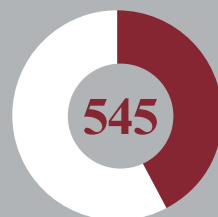


## Container Lifecycle

In general, our containers are usable at sea for 12-15 years, then sold for land-based storage. Our general goal is to maximize container utilization and value at each stage of a container's lifecycle. When a container is damaged or in too poor of condition to be suitable for storage, given the value of the significant amount of steel in each container, the maximization of a container's value at the ultimate end of its life typically includes the scrapping and recycling of the entirety of a container's steel.

### Carbon Emissions By Shipping Mode\* (gCO<sub>2</sub>/ton-km)

\*European Environment Agency, Methodology for  
GHG Efficiency of Transport Modes, 2020



On average, maritime shipping emits **69%** to **99%** less emissions than all other conventional shipping modes.

# Investing in our People

Textainer is built on globally interconnected trade routes and longstanding relationships with trusted partners, but the foundation is our most valued asset – our people. Over the last 15 years, our employee base has remained stable at approximately 165 employees, even as our total fleet of owned and managed shipping containers has nearly tripled. We pride ourselves in our agility and proactivity, which is only possible thanks to our local presence and local employees. Retaining top talent is essential as we continue to expand our business around the world.

We seek to maintain a work environment that is inclusive, growth oriented and fast paced. The following core tenets are intrinsically linked to our culture:

- **Focus:** We set focused and ambitious goals and work hard to achieve them.
- **Results oriented:** We are outcome oriented and driven to succeed.
- **Teamwork:** We encourage collaboration and team effort.

We employ practices targeting recruitment, employee development and employee experience optimization to ensure our workforce can respond effectively to our customers' needs.

## Training and Development

In support of our employees, we provide a variety of external training opportunities to promote continued education. All employees are eligible to receive \$5,000 USD per year for tuition reimbursement, as approved by managers. LinkedIn Learning courses are also available for all employees to promote continued professional education and skill building. International Institute of Container Lessors (IICL) training is provided for the Operations department, as needed, at Textainer's expense to assist personnel in acquiring the unique skills needed for container procurement and maintenance related work. We also work closely with the IICL in setting container survey and repair standards and in training depot personnel in these standards. The IICL's work in establishing repair standards and training personnel on container inspection helps ensure the safety of the global container fleet. Along with optional and continued education, all U.S. employees complete mandatory training on sexual harassment prevention every two years.

## Compensation and Benefits

To foster employee growth across our operations, we conduct annual reviews centered around three annual goals related to the employee's role, determined by each employee and their manager, and goal achievement is factored into compensation. Our employees are fairly compensated in line with their skills, duties, performance and education. We employ compensation consultants and utilize annual salary surveys to ensure compensation is competitive for each position, the required skill set and the geographic location. Stock awards are granted to senior management, with board review and approval, for management and executive employees. 34% of Company employees own Textainer stock. We offer an Employee Assistance Program in the U.S. We offer flexible hours and hybrid work in the U.S., and similar hybrid work arrangements at half of our global offices. All offices offer a \$7,500 USD employer match to each employee's 401(k) or similar local country retirement plan, and where legally and culturally appropriate, we offer health benefits. We provide travel insurance at our expense for all business travel. To support working parents, employees are eligible for Dependent Care Flexible Spending Accounts (DCFSA) to make pre-tax contributions to pay for necessary family care.

At Textainer, we have built a corporate culture that fosters employee growth throughout their careers. We are proud to report that in 2022, we had a 5.5% employee turnover rate.

## Workforce Health and Safety

Textainer strives to provide each employee with a safe and healthy work environment. The company maintains rigorous internal health and safety policies that are available to employees and that inform our robust health and safety program. The IICL standards help keep containers safe worldwide so they don't fall off ships or trucks. As a container lessor, we do not build or operate containers, therefore significantly reducing exposure to personal safety risks. Each employee is responsible for maintaining a culture of safety within the workplace on behalf of all employees by following these policies and by reporting accidents, injuries and unsafe equipment, practices or conditions. We also offer ergonomic evaluations upon request.

In 2022, the company reported zero safety incidents.



### Diversity, Equity and Inclusion (DEI)

Textainer recognizes the importance of diversity, equity and inclusion in the workplace, and we support efforts for recruiting and maintaining a diverse workforce and an equitable work environment. The company operates through a network of 14 offices across North America, Europe, Africa, Asia and Australia – where each regional office is managed by local managers to create job opportunities in those communities. We value diversity as an asset to the company and are committed to providing equal opportunity in all aspects of employment. We continually assess additional ways to enhance DEI efforts.

The company prohibits unlawful discrimination on the basis of race, color, religion, gender, pregnancy, gender identity, sexual orientation, age, national origin, marital status, veteran status, disability or any other factor prohibited by law. This policy applies to all personnel actions, including recruitment, hiring, promotions, compensation, benefits, transfers, layoffs and termination.



## Partnering with our Global Communities

### Our Responsibility to our Communities

Textainer is a global-facing organization, with the diversity of our local communities spanning oceans, cultures and languages. Our South African operations are vital to our business. We are proud to be partnered with the Zululand Conservation Trust, based in KwaZulu-Natal, South Africa. Zululand is committed to supporting local, disadvantaged communities through various programs designed to uplift, educate and empower by assisting local schools, providing help to nearby day care centers, organizing food drives and helping with other basic necessities, where possible. Additionally, the Zululand Conservation Trust protects local wildlife in the region, playing an essential role in conserving several endangered species, including the wild dog, pangolin and black rhino. Successes from the program include:

- Rhino conservation and protection (surplus rhinos are distributed into greater rhino meta-population).
- Orphaned rhinos are cared for, raised and released back into the wild.
- Cheetah Expansion Programs.
- Painted Wolf Projects, where this most endangered predator is given the chance to thrive and breed.
- Pangolin reintroductions, where pangolins captured from animal traffickers are nurtured back to health and then released in safe, protected areas.

Our global offices have unique partnerships with local organizations that are supported by employees at each respective site. For example, San Francisco employees volunteer with a number of organizations each year, including Breakthrough, a non-profit that supports young students on their path to higher education; Ascend Leadership, the largest non-profit Pan-Asian organization for business professionals in North America; and GLIDE Foundation, which addresses local poverty, housing and homelessness, and racial and social justice. In our London office, employees volunteer with local non-profit Crisis to assist that city's unhoused population.

We are proud to report that in 2022, Textainer donated funds to direct charitable contributions, and we have also provided containers and in-kind assistance for disaster relief efforts in connection with shipping line partners.





## Supply Chain Management

Textainer is an active member of industry groups, including the International Institute of Container Lessors (IICL), which participate in industry projects like the research and development of more environmentally friendly container flooring. We work closely with container factories and others in the industry to transition to container flooring that uses farmed wood, such as larch, birch, eucalyptus and bamboo, and we also support ongoing industry efforts to implement a floor design that may ultimately reduce approximately 30% of the wood content in a container (by substituting steel for wood). Textainer also endorses continued industry efforts to explore the use of other flooring materials, such as oriented strand board and recycled materials. We have also worked with and supported our container suppliers' transition to waterborne paint that does not use harmful solvents in the drying process. This transition occurred approximately five years ago for dry freight containers, and the transition was completed in 2022 for refrigerated containers.

We have longstanding relationships with all our major suppliers. We currently purchase our containers in the People's Republic of China (PRC). There are currently three major manufacturers, in addition to a few smaller manufacturers, of dry freight standard and specialized containers.

Our operations staff reviews the designs for our containers and periodically audits the production facilities of our suppliers. In addition, we use our Asian operations group and occasionally third-party inspectors to visit factories during container production, as an extra layer of quality control. Nevertheless, defects in our containers do sometimes occur. We work with manufacturers to correct these defects, and our manufacturers have generally honored their warranty obligations in such cases.

100% of our Tier 1 suppliers have been assessed for quality controls in the last three years.

# Governance and Business Ethics

We are proud of our strong track record of sound corporate governance practices, including ESG and compliance programs, which continue to facilitate the Company’s success. For more information, please see our [Governance Highlights Webpage](#).

## Environmental, Social and Governance Oversight

Textainer’s environmental, social and governance programs are overseen by senior management, including the Company’s CEO, CFO and General Counsel with regular input from the Board of Directors and Corporate Governance and Nominating Committee of the Board.

## Corporate Governance and Business Ethics

Our corporate governance practices follow the laws of Bermuda where we are incorporated. As a foreign private issuer under SEC rules, we are exempt from a number of NYSE governance practices. However, in an effort to establish and maintain strong corporate governance, we follow many of the NYSE governance rules even when not required. These include:

- We hold regular meetings of only the independent directors where company executives are not present.
- We maintain an independent compensation committee that sets executive compensation and administers our share compensation plan. Increases to our share compensation plan are approved by shareholders.
- We have an audit and risk committee consisting solely of independent directors and three members are designated as audit committee financial experts based on their significant experience and expertise in accounting and auditing.
- We have established a corporate governance and nominating committee consisting solely of independent directors and we have established corporate governance guidelines posted on our website.

**90%** of our directors are independent directors. Additionally, we have separated the CEO and Board Chair roles and have an independent director serving as the Board chair.

Additionally, we maintain the following corporate governance practices:

- We follow majority voting in the election of directors and shareholders have the right to call a special meeting and to act by written consent. We have put the elimination of our “poison pill” up for a vote of shareholders to allow shareholders to weigh in on this matter of corporate governance.
- Our Compensation Committee annually benchmarks our executive compensation against peer companies using an independent compensation consulting firm and we maintain an executive compensation policy that strongly links compensation to company performance with the majority of executive compensation being “at risk” compensation. Our executive compensation plans include claw-back provisions and executives are not permitted to pledge or hedge their shares.

## Ethics Program and Code of Conduct

We expect all employees and directors to abide by the guidelines set out in our [Code of Business Conduct and Ethics](#). Ethics and compliance at the Company is overseen by our General Counsel who also serves as our Company Compliance Officer and provides regular training to employees and directors on the Code of Business Conduct and Ethics and legal matters.

Our business ethics program and Code of Business Conduct and Ethics addresses:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest in personal and professional relationships.
- Full, fair, accurate, timely and comprehensible disclosure in reports and documents that we file with, or submit to, the Securities and Exchange Commission as well as in the company’s public communications.
- Compliance with applicable governmental laws, rules and regulations.
- Prompt internal reporting of violations to an appropriate person or persons as identified in the code.
- Accountability for adherence to the code.



To ensure the appropriate tone is set from the top of the organization, we expect managers in the company to facilitate the following:

- Lead and act with integrity.
- Periodically review the code with their teams.
- Encourage employees to ask questions and/or raise concerns.
- Ensure team members complete all required compliance training.
- Take timely and effective action where appropriate.
- Highlight and promptly report areas of non-conformance with the Code of Business Conduct and Ethics.

Employees are sent the Code of Business Conduct and Ethics at onboarding as a part of the Employee Handbook, which they are required to acknowledge. Additionally, in the event there is a substantial update to the Handbook, we ask for updated digital acknowledgment.

Please see our Bribery and Corruption Policy in the [Code of Business Conduct and Ethics](#).

Please see our Political Involvement Policy in the [Code of Business Conduct and Ethics](#). Textainer does not make any political contributions and we do not direct or track any contributions employees make on their own behalf.

Please see details on our Non-Retaliation Policy and violation reporting mechanisms in the [Code of Business Conduct and Ethics](#).

### Ethics Training

Compliance and ethics training is mandatory for all employees to complete on a regular basis. This training is refreshed regularly to ensure up-to-date best practices are followed. All employees also receive training on the Code of Conduct.

### Board Demographics

As of December 31, 2022, Textainer’s global workforce was comprised of 50% women. At the board level we have 30% women.

### Data Privacy and Information Security

At Textainer, data security and privacy are top priorities. We employ cybersecurity best practices, including third-party cybersecurity trainings and tools to enhance employee and company data security. Employees are advised of the Acceptable Use Policy, which stipulates that inappropriate use of the company’s computer resources can result in discipline, up to termination. All our IT policies, which include security, are aligned with NIST standards and best practices. The company also maintains detailed business continuity and contingency plans that are tested regularly and include cybersecurity as a component. Our Chief Information Officer reports regularly to the Board of Directors on data security, cybersecurity, IT matters.

Our regularly tested data security, privacy and business continuity procedures include Disaster Recovery as a Service (DRaaS) to back up our systems in real time. Upon declaring an incident, these backups have the capability to fully restore our systems. This process is tested and validated regularly.

Textainer does not keep consumer personal information. Our data privacy policy applies to all operations and suppliers.

# SASB Index

TOPIC	SASB CODE	2022 DISCLOSURE
Electricity Use (kWh) <sup>1</sup>	RT-IG-130a.1	417,800 kwh electricity consumed. 179,400 kBTU diesel oil and natural gas consumed.
Percentage of Electricity from the Grid <sup>2</sup>	RT-IG-130a.1	100%
Percentage of Electricity from Renewable Sources <sup>2</sup>	RT-IG-130a.1	17%
Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1	As Textainer is a container owner and lessor and not a freight forwarder or shipping line, we do not regularly transport or ship containers, as such, the company is not responsible for operating or fueling medium- and heavy-duty vehicles, non-road equipment, stationary generators, marine diesel engines, locomotive diesel engines, on-road medium- and heavy-duty engines, and other non-road diesel engines.
Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2	
Sales-weighted fuel efficiency for stationary generators	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	RT-IG-410a.4	
Description of the Management of Risks Associated with the Use of Critical Materials	RT-IG-440a.1	Textainer does not currently disclose this information.
Revenue from remanufactured products and remanufacturing services	RT-IG-440b.1	See the container lifecycle section of this report on page 6.