

**EUROFIMA**   
ROLLING STOCK FINANCING

# SUSTAINABILITY REPORT

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# CHAPTER 1

## Executive Summary



# 1

# In Conversation with the Chairman and CEO: Sustainability Integration and Strategy

## Kristina Micic, Lead ESG Integration:

In 2025, EUROFIMA has taken further important steps in its journey to more sustainability. Today, I am pleased to discuss these developments with **Ronald Klein Wassink, Chairman of the Board**, and **Christoph Pasternak, Chief Executive Officer**.

## Q: Looking back to 2025, how would you describe EUROFIMA's progress in the field of sustainability?

### Ronald Klein Wassink:

From a governance and implementation perspective, 2025 was a year of refinement. We continued to be guided by our mission of promoting sustainable mobility and reducing the environmental impact of transportation, a mission that has shaped EUROFIMA since 1956.

We strengthened our UN Global Compact reporting and carried out our **fourth Annual Engagement cycle with eleven investees**, which allowed us to systematically address ESG topics and publish a comprehensive **Annual Engagement Report**. We also piloted Scope 3 greenhouse gas emissions measurement for our Treasury positions, refined our ESG risk mapping, and subjected the Sustainability Report to an internal audit to further improve transparency and reliability.

At the end of 2025, we can proudly say that we **maintained our impressive MSCI ESG AAA rating**, and our **Sustainalytics score was 4.6 (negligible risk)**.

These are detailed steps, but collectively they indicate a more mature, data-driven sustainability framework.

### Christoph Pasternak:

I would describe it as moving from “doing the right things” to “doing the right things at scale.” What I find exciting is that our sustainability work is no longer mainly about ticking boxes; it is increasingly about shaping the future of our company. The updated Green Bond Framework, the “dark green” Second-Party Opinion, and our Green Bond Allocation & Impact Report send a clear signal: EUROFIMA is not just following the sustainable finance agenda – we are actively helping define what high-quality, credible impact looks like in rail financing.

Furthermore, we not only **completed ESG mapping for all Treasury portfolios**, but we extended Scope 3 coverage to **93% of all Treasury positions**, giving us a much more granular view of our financed emissions.

## Q: EUROFIMA has strengthened its role as a responsible investor and financier. What stands out to you on that front?

### Ronald Klein Wassink:

The **expansion and clarification of our Green Bond Framework** in 2025, including additional eligible asset categories, combined with the “**dark green**” **Second-Party opinion** mentioned by Mr. Pasternak confirms that our instruments meet the highest expectations of investors and regulators. For a detail-oriented person like myself, it is reassuring to see that our internal policies, from Treasury to Capital Markets, consistently support this level of quality.

### Christoph Pasternak:

From my side, the most interesting development is how these technical upgrades unlock strategic possibilities. With a credible framework, robust ratings, and clear impact reporting, we can position EUROFIMA as the natural partner for investors who want pure-play exposure to sustainable mobility. That, in turn, enables us to finance more modern, efficient trains – and looking ahead, more **urban mobility assets such as trams and metros**, which are central to Europe's net-zero ambitions.

From a Board perspective, we ensure that management integrates sustainability and human capital considerations into the long-term strategic direction of EUROFIMA.

## Q: How do these achievements underpin EUROFIMA's sustainability ambitions when it comes to its staff and culture?

### Ronald Klein Wassink:

Our achievements are ultimately the achievements of the people who work for and with us. In 2024, EUROFIMA was again recognized among the **Best Workplaces in Switzerland**, and in 2025 we renewed our **Great Place to Work® certification**. These recognitions reflect a strong culture of collaboration, respect, and continuous improvement.

For our, the Board's, part, we ensure that management integrates sustainability and human capital considerations into the long-term strategic direction of EUROFIMA. For a relatively small institution, maintaining high levels of expertise and motivation is essential, particularly as our sustainability work becomes more complex.

**Christoph Pasternak:**

In 2025, we further strengthened our talent management framework to support long-term institutional knowledge, succession planning, and sustainable workforce development. I see the people in our institution as the "engine room" of everything we do. Ambitious strategies are meaningless if you do not have teams that are curious, bold, and willing to challenge the status quo. The fact that we invest in leadership development, cross-functional collaboration, and open dialogue gives us the freedom to think more about new business ideas, new partnerships, and new ways of supporting our member states.

**Q: Stakeholder engagement appears even more prominent in 2025. Engagement is a matter close to my own role so I would love to hear how you see the evolution. What has changed?**

**Ronald Klein Wassink:**

We have long recognized stakeholder engagement as a cornerstone of our sustainability approach. In 2024, we developed **Shareholder and Borrower Engagement Guidelines**, setting out principles, scope, and objectives for future dialogues.

In 2025, we move from concept to implementation: Alongside the investee dialogues, we have launched **structured engagement with shareholders and borrowers**. This allows us to address a broader context of our lending activities, including fleet decarbonization plans, more infrastructure vehicle financing, and a cross-check on how EUROFIMA could support the move to rail not just for passengers, but to a certain extent for freight as well.

**Christoph Pasternak:**

And strategically, this is where things get really interesting. These engagements give EUROFIMA a stronger voice in the conversation about how rail can accelerate the transition to low-carbon mobility. It is not about telling our partners what to do, but about co-creating solutions – leveraging our financial expertise, our ESG insights, and our unique cooperative lending model. Done right, this will increase the **policy relevance** of EUROFIMA and improve our sustainable footprint across Europe.

In 2025, we further strengthened our talent management framework to support long-term institutional knowledge, succession planning and sustainable workforce development.

**Q: Finally, where do you see EUROFIMA heading over the next years from a sustainability perspective?**

**Ronald Klein Wassink:**

I see a continuation of what we have started: improving data quality, automation of data processes, refining our risk management, and ensuring that every policy – from Equipment Financing to Treasury and Capital Markets – fully reflects our ESG commitments. The **Sustainability Strategy 2025+**, our **materiality assessment** and the identification of **sustainability gaps** provide a structured roadmap.

We will continue to approach this work with the same level of attention to detail: careful analysis, robust controls, and transparent reporting.

**Christoph Pasternak:**

I see an institution that remains true to its mission but is unafraid to grow into new defined spaces. EUROFIMA will continue to finance sustainable passenger rail – but also, increasingly, **urban mobility projects** and innovative rolling stock solutions. We will intensify our collaboration with investors, rolling stock owners, public transport authorities, operators, and policymakers, using our green bond platform, engagement activities, and analytics to push the sector forward.

If we succeed, EUROFIMA will not only be remembered for seven decades of support to European railways; it will also be recognized as a catalyst for the next generation of low-carbon mobility.

**Kristina Micic:**

Thank you both for your insights. It is encouraging to see how detailed governance and bold strategic ambition come together in EUROFIMA's sustainability journey.

**Ronald Klein Wassink**, *Chairman of the Board*  
**Christoph Pasternak**, *Chief Executive Officer*  
**Kristina Micic**, *Lead ESG Integration*

# Sustainability Highlights 2025

In 2025 we accelerated our sustainability agenda, achieving measurable progress across environmental, social, and governance topics. This section highlights the year's most important milestones, illustrating how our actions are translating ambitions into tangible outcomes for our stakeholders.

## Mission Impact: Enabling Sustainable Mobility

- Continued delivery on EUROFIMA's unique public mission: Financing passenger railway projects this year from small (EUR 6.5 million in Montenegro) to large (EUR 400 million in Italy) to support affordable, low-carbon mobility for millions of Europeans.
- Strategically expanded sustainable rolling stock categories to include light rail, trams, and metros as an eligible financing asset, strengthening long-term support for rail modernization across member countries.

## Responsible Governance

- **Launched and completed the Double Materiality Assessment through a survey covering both internal and external stakeholders to identify alignment gaps and future strategic priorities.**
- Reinforced the oversight of the sustainability-related initiatives by introducing the separate ESG-related session during each meeting of the Board of Directors.
- Introduced the new Working Stream "Health & Safety Committee" within the Sustainability Committee to further protect EUROFIMA's human capital, where every employee matters.

## Advancing Environmental Impact Measurement

- Achieved 93% Scope 3 coverage across investment assets, enabling near-complete GHG accounting of EUROFIMA's balance sheet.
- Conducted annual assessment of emissions associated with lending activities while further improving the quality of data and the model used to do it.
- Incorporated new ESG data from the third-party providers to have a better and complete risk overview of the investment assets.

Strategically expanded sustainable rolling stock categories to include light rail, trams, and metros as an eligible financing asset, strengthening long-term support for rail modernization across member countries.

Achieved 93% Scope 3 coverage across investment assets, enabling near-complete GHG accounting of EUROFIMA's balance sheet.

## Strengthening Sustainable Finance & Market Leadership

- **Updated Green Bond Framework**, expanding eligible categories to:
  - Urban transit (trams, metros, light train vehicles)
  - Innovative clean-propulsion technologies (battery-electric, hybrid systems like bi-mode, tri-mode, green hydrogen)
- Achieved "Dark Green" Second-Party Opinion by the S&P on the Green Bond Framework, confirming strong environmental robustness.
- Before this background, issued a new EUR 400 million 15-year Green Bond, which became oversubscribed more than 10 times over, contributing to EUR 6 billion in outstanding Green Bonds as of 2025.
- Celebrated updated Green Bond Framework and the EUR 6 billion outstanding green bonds mark at the Luxembourg Stock Exchange "Ring the Bell" event.
- Strengthened sustainable finance credibility through revised methodologies for hybrid and emerging technologies by defining the technical eligibility criteria for bi- and tri-mode trains as well as for hydrogen as an alternative propulsion system.
- Reached out to institutional investors with our "Invest in Sustainable Mobility 2.0" program.
- Updated EMTN documentation to further reinforce EUROFIMA's position as a trusted sustainable issuer by aligning it with EUROFIMA's broader business scope in lending.

Achieved "Dark Green" Second-Party Opinion by the S&P on the Green Bond Framework.

### Stakeholder Engagement

- Completed the fourth Investee Engagement Cycle and published the fourth “Annual Engagement Report,” covering engagement with eleven investee companies.
- Excluded the investee from the investment universe for the first time due to failed engagement process.
- Launched “Shareholder & Borrower Engagement Guidelines,” formalizing responsibilities, engagement objectives, and principles when it comes to engaging with our clients.

### Organizational Resilience

- Board of Directors meeting in Vienna approved:
  - Amendment of the Statutes, including the removal of the previously defined end date (2056)
  - Broader eligible asset types
  - Clearer pathways for new shareholders (regions and countries)
  - Recognition of bespoke recourse mechanisms to better support borrowers
- Further progress in internal governance:
  - Strengthened Asset and Liability framework
  - Foundational work for the Liquidity assessment
  - Updated Capital Markets Policy, EFC Policy, and Sustainability Policy

Launched “Shareholder & Borrower Engagement Guidelines”.

Maintained our strong ESG ratings with the MSCI ESG, Sustainalytics, ISS ESG, and Inrate.

### Transparency & Reporting Excellence

- Published the Sustainability Report 2024 aligned with GRI standards with the goal of introducing a revamped version in 2025.
- Continued annual publication of the Impact & Allocation Report, reaffirming EUROFIMA’s public mission to finance environmentally friendly passenger transport and infrastructure vehicles.
- Successfully completed the UN PRI Reporting 2025 to express our continuous responsible investment commitments.
- Submitted the renewed UN Global Compact Communication of Progress to prove our ongoing commitment to the Ten Principles and the SDGs.
- Maintained our strong ESG ratings with the MSCI ESG, Sustainalytics, ISS ESG, and Inrate.
- Enhanced internal reporting processes and data-quality improvements across ESG systems.

### People, Culture & Employer Commitment

- Retained the Great Place to Work® certification in 2025, confirming EUROFIMA being one of Switzerland’s most attractive workplaces.
- Launched a refreshed Employer Value Proposition (EVP) anchored in the DARE values: Dialogue, Agility, Responsibility, Excellence.
- Strengthened talent management through transparent feedback processes and unit-level leadership workshops.

Retained the Great Place to Work® certification in 2025.

# CHAPTER 2

## About us



# The Way We Work: Model, Mission, and Oversight

## Business Model and Mission

EUROFIMA (European Company for the Financing of Railroad Rolling Stock) is a public international body established in 1956 by a multilateral treaty with the mission to support the development of sustainable public transport across Europe. Its core business model is to provide financing solutions to its shareholders and rolling stock owners therein for the acquisition and modernization of rolling stock and related equipment. By mobilizing capital in the international debt markets, EUROFIMA enhances the availability and affordability of financing for its shareholders, thereby contributing to the transition towards low-carbon mobility and helping address broader sustainability objectives.

EUROFIMA prepares its financial statements annually in accordance with International Financial Reporting Standards (IFRS), publishes comprehensive Annual Reports, and makes sustainability reporting available following internationally recognized frameworks such as the Global Reporting Initiative (GRI).

## Governance and Organizational Structure

As a supranational organization, EUROFIMA is governed primarily by its constitutive documents, the Convention, Statutes, and Basic Agreement, and operates subsidiarily.

The governance structure consists of three principal bodies:

**General Assembly:** The highest decision-making body, comprising all member states. It meets at least annually to approve the Annual and Sustainability Reports, audited financial statements, and the appropriation of surplus.

**Board of Directors:** Responsible for setting EUROFIMA's strategic direction, overall supervision, and monitoring the financial and operational performance of the organization. The Board meets regularly, at least quarterly, and ensures risk, compliance, and internal control frameworks are maintained.

**Management Committee:** Led by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), the Management Committee handles day-to-day operations, implements strategic decisions, prepares proposals for the Board of Directors, and oversees risk monitoring and reporting.

To support the work of the Board, EUROFIMA has established dedicated committees:

**Audit and Risk Committee:** Assists the Board in supervising financial reporting, audit and compliance functions, and risk management. It oversees both internal and external audit activities.

**Human Resources Committee:** Focuses on matters related to human capital, remuneration policy, and succession planning for senior management, facilitating continuity and organizational development.

**Sustainability Committee:** Composed of representatives across key business units, this Committee drives the integration of sustainability objectives throughout the organization, coordinates ESG initiatives, and prepares recommendations for the Management Committee.

**Lead Sustainability Integration:** Lead Sustainability Integration is a primary coordinator for the Sustainability Committee. This role drives the institution's mission by designing and proposing core sustainability goals, objectives, and strategic roadmaps. The Lead is responsible for tracking the progress of all internal sustainability initiatives and ensures the ESG performance is seamlessly integrated into EUROFIMA's broader operations. By bridging the gap between Committee governance and institutional action, this role ensures every project remains authentically aligned with the non-profit's social and environmental purpose.

## **Board Composition**

EUROFIMA's Board of Directors is composed of representatives from shareholder states with a shareholding of at least two per cent of (i) the Class A Share Capital or (ii) the registered capital. These are typically senior officials, bringing deep financial and strategic expertise to the organization. All Board members are expected to act ethically, proactively disclose potential conflicts of interest, and contribute to balanced decision-making in line with EUROFIMA's mission and values. Board members are appointed for fixed terms and are eligible for re-election.

## **Executive Compensation and Remuneration Principles**

EUROFIMA maintains a compensation framework designed to attract, retain, and motivate high-performing professionals, while aligning executive incentives with long-term organizational performance and sustainability goals. Total compensation for the Management Committee comprises a base salary and variable components, with part of the variable remuneration tied to the achievement of ESG-related objectives alongside financial and business development targets.

Employee compensation policies embody principles of fairness and non-discrimination across gender, age, belief, cultural background, disability, or sexual orientation. Regular reviews of compensation structures ensure equitable pay for equivalent roles and contributions to the company's success.

## **Shareholder Rights and Participation**

Each shareholder is entitled to one vote at the General Assembly, irrespective of shareholding volume. The voting rights remain defined by the Statutes also following the introduction of A and B shares. Shareholders decide on key organizational matters, including approval of financial statements, discharge of governing bodies, auditor appointments, and matters requiring amendments to the Convention or Statutes. Changes to foundational aspects of the organization, such as shareholder admission terms or liability provisions, require a super-majority endorsement, reinforcing collective governance rights.

## **Auditing and Oversight**

Independent external auditing is an integral part of EUROFIMA's accountability framework. The external auditor is appointed by the General Assembly and reviews the annual financial statements to ensure accuracy and compliance with IFRS. The Audit and Risk Committee oversee audit processes, internal controls, compliance procedures, and risk reporting, providing recommendations to the Board of Directors. Internal audit activities further enhance transparency and operational integrity.

# Investing in Sustainability since 1956

## A Long-Term Commitment to Europe's Low-Carbon Mobility Future

EUROFIMA has supported the development of public passenger rail transportation across Europe since 1956. It was created initially to help national railway companies modernize their fleets, standardize rolling stock, and strengthen cross-border mobility. EUROFIMA was founded on a mission that even today closely aligns with modern sustainability goals: Enabling safe, reliable, and low-carbon mobility for society. Our cooperative, non-profit lending business has shaped a financing model centered on public value and long-term impact.

“EUROFIMA was designed for long-term purposes. In 2025, the General Assembly of EUROFIMA and its 25 member states decided to extend EUROFIMA's lifetime beyond the year 2056. A clear commitment to our journey towards sustainable mobility and – even more – a clear commitment to our institution.”

**Christoph Pasternak, Chief Executive Officer**

## A Track Record of Supporting Sustainable Mobility

### **Enabling Renewal, Accessibility, and the Modal Shift to Rail**

For nearly seven decades, our financing has enabled European railways and rolling stock owners to deliver their public service obligations, improve service quality, and accelerate the transition toward cleaner mobility. Modern electric and battery-driven rolling stock financed through EUROFIMA contributes directly to the modal shift, reinforcing national decarbonization efforts and EU climate ambitions. While EUROFIMA also continues to finance modern diesel trains, it incentivizes its clients to change to electric or alternative drives by offering lower interest rates for those.

“Every financing contributes to a tangible improvement: better trains, cleaner mobility, and more accessible public transport for millions of people.”

**Kristina Micic, Lead Sustainability Integration**

## A Distinctive Model for Long-Term Public Value

### Trusted Intermediary Between Investors and Sustainable Transport

Our cooperative, non-profit lending business distinguishes EUROFIMA from commercial lenders. As a trusted intermediary, we connect European rolling stock owners with international capital markets spanning the Americas, Europe, and the Asia-Pacific region. We facilitate the investment of funds from central banks, life insurers, pension funds, and asset managers, particularly through ICMA-aligned Green Bonds, into clean, efficient rolling stock. This ensures stable, affordable financing and direct contribution to Europe's sustainable mobility transition.

“EUROFIMA offers investors something rare: clarity of purpose, transparency of impact, and a direct link to Europe's clean mobility transformation.”

**Aurelia Gerber, Head of Capital Markets**

## Expanding Our Horizon: Strategy Project 2025

### Extending EUROFIMA's Lifetime and Strengthening Our Long-Term Role

Through the Strategy Project 2025, EUROFIMA is preparing for the future by extending its lifetime beyond 2056. This enables longer-term financing commitments, strengthens our strategic relevance, and expands our operational horizon to the benefit of our clients.

A key pillar is the progressive expansion into urban mobility, including the financing of trams and metros – transport modes that are inherently green, energy-efficient, and central to Europe's path to net-zero. Urban mobility faces significant investment needs, and EUROFIMA is well positioned to support this transformation with long-term, mission-driven financing.

“On the one hand, we see a revival of tram networks, especially in Western Europe; on the other hand, a substantial proportion of tram networks in Central and South-Eastern Europe are of a high average age. EUROFIMA's strategic move enables us to address Europe's mobility requirements for the next generation and expand where the greatest sustainable impact can be achieved, including in urban transport.”

**Christoph Pasternak, Chief Executive Officer**

## Strengthening Collaboration with Our Clients

### Enhancing Strategic Dialogue and Policy Relevance

As part of our future strategy, we are intensifying collaboration with shareholders and customers through structured workshops, continuous engagement, and integrated ESG dialogues. These exchanges build on our established stakeholder engagement approach and create new opportunities to align financing with long-term fleet strategies, national sustainability plans, and policy frameworks.

“Closer dialogue with our clients allows us to better understand their long-term challenges – and positions EUROFIMA as an even more relevant policy partner in sustainable mobility.”

**Kristina Micic, Lead Sustainability Integration**

Such partnerships amplify EUROFIMA's policy visibility and strengthen our overall environmental and social footprint across Europe.

## A Legacy Guiding the Future

### Supporting the Next Generation of Sustainable Mobility Solutions

EUROFIMA's historical mission remains the foundation of our modern strategy: Enabling accessible, dependable, and low-carbon transportation for all. As Europe accelerates climate action, expands urban mobility, and invests in resilient public transport, we remain committed to supporting national railway companies, public and private rolling stock owners, public transport authorities as well as urban operators through long-term, responsible financing.

“Our past defines our values, but our future will define our impact. EUROFIMA stands ready to support Europe's sustainable mobility transformation for decades to come.”

**Elena Bukina, Chief Financial Officer**

Extending our lifetime, expanding into urban mobility, and intensifying our client partnerships ensure that EUROFIMA will continue to contribute meaningfully to a cleaner, more resilient and more connected Europe.

# Our Opportunity Statement

## Situation: How is our business environment?

We are currently seeing a paradigm shift – societies and organizations are becoming increasingly aware of the environmental and social consequences of their actions. Boosting rail travel is seen as the solution towards carbon neutral transportation addressing the problem of climate change. Environmental, social, and governance (ESG) aspects are becoming an ever-important factor in doing business and in the purpose of investments and financings.

## Opportunity: Why us and why now?

We have the unique opportunity to make a significant contribution to the urgent global ambition of limiting the effects of climate change through our financings of railroad passenger transport, one of the most sustainable modes of transportation. This will help us to shape the future of mobility and foster EUROFIMA's success as the leading financing partner for sustainable public transportation in Europe.

## Objectives: What do we want to achieve?

1. Become the financing partner of choice for rolling stock owners and public transport operators based on our compelling cooperative model, efficient decision-making processes, and flexible, tailor-made solutions.
2. Secure more competitive pricing for our partners by meeting bond investors' demand for pure-play investments in sustainable mobility.
3. Promote sustainable financing via our loans to railway companies and sharing of best practices in the financial markets and beyond.
4. Maintain a resilient investment portfolio with integrated ESG considerations in our investment process and engage with our investees to further increase ESG awareness and to foster positive change.
5. Continue being a great place to work with an inclusive and diverse environment which attracts and retains top talents for our environmental and social mission.
6. Combine agility, efficiency, and sustainability into our daily operations while maintaining a strong governance for our processes.

## Commitment: Why do we believe in this opportunity?

We commit ourselves to perform all our activities in a sustainable manner and to be active promoters of our mission to shape environmentally friendly and affordable public transportation that unites Europe. The achievement of our objectives will position EUROFIMA as the preferred financing partner for rolling stock owners and public transport operators and will lead to the sustainable growth of our business activities.

# CHAPTER 3

## Sustainability Governance

3

# Sustainability Governance

## Sustainability Governance as a Strategic Priority

**Sustainability governance is a strategic priority for EUROFIMA because it is inseparable from the institution's public mandate.** As an international institution established to support the development of public transport, EUROFIMA's purpose inherently aligns with long-term environmental, social, and economic sustainability objectives. Effective governance ensures that this mandate is translated into structured decision-making processes, robust oversight, and accountability across all levels of the organization.

Sustainability governance enables EUROFIMA to safeguard financial resilience while supporting the transition to low-carbon mobility, strengthening the social value of public transport, and maintaining trust among shareholders, investors, borrowers, and other stakeholders. It ensures that sustainability considerations are embedded not only in policy commitments, but also in strategic planning, risk management, and lending activities.

## Embedding Sustainability Across Decision-Making

EUROFIMA's governance framework is designed to integrate sustainability principles into decision-making at all levels of the organization. Oversight by the Board of Directors, strategic direction by senior management, and operational implementation by dedicated teams ensure a clear chain of responsibility from strategy to execution.

Sustainability considerations are incorporated into the corporate strategy, financing activities, treasury operations, and internal processes. This integration allows EUROFIMA to balance its financial objectives with its public service role, **ensuring that business decisions support both long-term financial stability and positive environmental and social outcomes in the public transport sector.**

## Governance Model Reflecting a Public-Interest Mission

EUROFIMA's governance model reflects its nature as a treaty-based, shareholder-owned institution serving the public good in its core lending business. Its shareholders are sovereign states, and its activities are directed towards supporting national railway undertakings and public transport objectives rather than maximizing shareholder returns.

This public-interest orientation is reflected in:

- conservative risk management practices
- transparent decision-making and reporting
- strong ethical standards
- a long-term perspective in financing and investment decisions

Sustainability governance reinforces this model by ensuring that environmental and social considerations are treated as integral components of value creation for society, rather than as standalone or ancillary objectives.

## Alignment with International Best Practices and Frameworks

EUROFIMA's sustainability governance is aligned with internationally recognized standards and frameworks. Sustainability reporting is prepared in accordance with the Global Reporting Initiative (GRI) Standards, ensuring transparency, comparability, and accountability. The organization's sustainability approach is also aligned with the principles of the UN Global Compact, relevant Sustainable Development Goals (SDGs), the UN Principles for Responsible Investment, and evolving EU regulatory frameworks, including the EU Taxonomy where applicable.

This alignment supports consistency in disclosures, facilitates stakeholder understanding, and ensures that governance practices remain adaptive to emerging regulatory and market expectations.

## Defining Sustainability at EUROFIMA

In the context of EUROFIMA's operations, sustainability is understood as the balanced integration of:

- **Financial sustainability:** Maintaining a robust capital structure, prudent risk management, and long-term financial viability to continue fulfilling the institution's mission.
- **Environmental sustainability:** Supporting investments that reduce greenhouse gas emissions, promote energy efficiency, and contribute to climate-friendly mobility through rail.
- **Social sustainability:** Enabling accessible, safe, and reliable passenger transport, fostering responsible employment practices, and upholding human rights and ethical standards.

This integrated definition guides governance decisions and underpins EUROFIMA's strategic objectives.

## Organizational Structure for Sustainability Governance

EUROFIMA's sustainability governance is structured to ensure clear accountability, effective execution, and strong alignment between strategic oversight and operational implementation. The framework distinguishes between strategic ownership, execution, coordination and integration, and operational delivery, thereby embedding sustainability across all levels of the organization. At the highest level, the Board of Directors holds ultimate responsibility for the sustainability strategy and oversight. The Board is responsible for approving EUROFIMA's sustainability vision, long-term commitments, and core policies, ensures alignment with the institution's public mission and risk appetite, and oversees sustainability-related risks and performance. Through regular reviews, the Board holds management accountable for delivery against approved objectives and targets.

The Management Committee (MC) is responsible for the execution of the sustainability strategy. It integrates sustainability objectives into EUROFIMA's overall organizational strategy, budgetary planning, and resource allocation. It also ensures that departments implement approved initiatives, and defines internal sustainability-related performance indicators. The MC also ensures compliance with applicable policies, standards, and regulatory expectations, and approves cross-functional action plans.

A dedicated Lead Sustainability Integration role acts as a central coordinating function within the governance framework. The Lead Sustainability Integration is a cross-functional role under the supervision of the Management Committee and is responsible for guiding the Sustainability Committee. In addition, this role ensures consistency, coherence, and effective involvement across governance levels, including the Board.

The Sustainability Committee, composed of representatives from relevant operational and support functions, is responsible for the implementation of sustainability initiatives. It provides technical expertise, institutional knowledge, and operational input, ensuring that sustainability objectives are translated into concrete actions across the organization.

Together, these governance bodies form an integrated structure that supports both strategic direction and effective day-to-day implementation of sustainability commitments.

## Roles, Responsibilities, and Oversight

Clear allocation of roles and responsibilities ensures that sustainability is embedded into decision-making, operations, and accountability mechanisms across EUROFIMA.

### Board of Directors – Strategic Ownership and Oversight

The Board of Directors is the owner of EUROFIMA's sustainability strategy and is responsible for oversight. Its duties in this regard include:

- approving the sustainability vision, long-term commitments, and strategic priorities
- ensuring alignment between sustainability objectives and EUROFIMA's public mandate and risk framework
- approving key sustainability-related policies, targets, and disclosures
- overseeing sustainability-related risks and opportunities
- holding senior management accountable for implementation and performance

### Management Committee – Execution and Integration

The Management Committee is responsible for executing the Board-approved sustainability strategy. Its role includes:

- integrating sustainability into the organizational strategy, budgets, and resource allocation
- ensuring that all departments implement sustainability initiatives in line with approved objectives
- defining internal KPIs and monitoring performance
- ensuring compliance with sustainability-related policies and regulatory requirements
- approving and overseeing cross-unit sustainability action plans

### Lead Sustainability Integration – Coordination and Strategic Interface

The Lead Sustainability Integration plays a central intermediary role between governance and operations. Key responsibilities include:

- proposing core sustainability goals, objectives, and the strategic sustainability roadmap for consideration by the MC and Board
- tracking progress on internal sustainability initiatives and ensuring timely escalation of issues
- ensuring the integration of sustainability considerations into day-to-day operations and decision-making processes
- consolidating sustainability-related data and coordinating the preparation of sustainability disclosures and reports
- facilitating coordination between operational units, the Sustainability Committee, and senior management, and supporting structured reporting to the Board

### Sustainability Committee – Operational Implementation

The Sustainability Committee is the owner of the implementation of sustainability initiatives across the organization. Its responsibilities include:

- providing subject-matter expertise and institutional knowledge to support sustainability planning
- identifying operational risks, gaps, and data needs related to sustainability
- reviewing sustainability-related project plans prior to approval by the Management Committee or Board
- coordinating and implementing sustainability initiatives within and across departments
- supporting data collection and monitoring at the operational level

Sustainability performance, risks, and progress against targets are reviewed regularly by senior management and reported to the Board of Directors as part of its ongoing oversight responsibilities. This structured governance approach ensures that **sustainability is not treated as a standalone function, but as an integral element of EUROFIMA's strategy, operations, and accountability framework.**

## Policies Supporting Responsible Governance

EUROFIMA's sustainability governance framework is supported by a comprehensive set of policies guiding operations and financing decisions. These include, among others:

- Environmental and Social Policy
- Green Bond Framework
- Lending Policy
- Capital Market Policy
- Treasury Policy
- Compliance Policy
- Anti-Money Laundering & Anti-Bribery and Corruption Policy
- Market Abuse Policy
- Supplier Code of Conduct
- Guidelines for Supplier Assessment and Monitoring
- Code of Conduct and Ethics
- Staff Regulations

These policies articulate clear expectations regarding ethical conduct, risk management, environmental and social responsibility, and transparency. They are approved by the appropriate governing bodies, reviewed periodically, and updated to reflect regulatory developments and evolving best practices. Employees are informed of and trained on relevant policies through internal communication channels, onboarding processes, and recurring training sessions.

## Integration into Lending Processes, Risk Management, and Controls

Sustainability considerations are embedded in EUROFIMA's lending and investment processes through structured risk assessments that consider environmental and social factors alongside financial criteria. This integration ensures that financing decisions are consistent with the institution's mandate and sustainability objectives.

Internal controls, compliance functions, and audit processes support the effective implementation of sustainability commitments.

## Transparency, Reporting, and Stakeholder Engagement

EUROFIMA is committed to transparent and accessible sustainability reporting. Sustainability information is communicated through publicly available reports and disclosures prepared in line with recognized standards. Robust internal processes support data quality, integrity, and consistency.

Stakeholder engagement is an integral part of sustainability governance. Stakeholder feedback and materiality assessments inform the identification and prioritization of sustainability topics and guide governance decisions, ensuring responsiveness to stakeholder expectations rather than a purely compliance-driven approach.

## Strengthening Governance Capacity and Looking Ahead

EUROFIMA continuously supports the Board's and management's oversight capability by embedding ESG and sustainability as a standing item in the Audit & Risk Committee and Board agendas. From 2025 onwards, regulatory updates, key sustainability metrics and progress of agreed actions are reviewed at every ARC and Board meeting, rather than being addressed only on an ad-hoc basis. The focus is on information relevant for decision-making, regulatory compliance, and measurable follow-up.

Looking ahead, EUROFIMA aims to further enhance governance effectiveness by enhancing sustainability integration into strategy and risk management, strengthening data and reporting processes, and reinforcing accountability across the organization.

# CHAPTER 4

## Materiality Assessment



# Double Materiality Assessment

Understanding what truly matters to our stakeholders and how those issues shape our business is central to our sustainability approach. To obtain this information, the EUROFIMA team carried out a dedicated materiality assessment during the months of September and November 2025, using the **GRI double-materiality lens** as its guiding framework. This method allowed us for the first time to look at sustainability topics from two complementary angles: how each topic affects our institution, and how the institution's activities may affect society, the environment, and the broader economy.

The assessment was structured around a survey designed to gather perspectives from both inside and outside the organization. A list of twenty-one potential material topics was prepared beforehand, drawing on established frameworks such as **GRI, SASB, IFRS, and ESRS**, and complemented by several topics particularly relevant to our business model and mission.

The survey brought together a broad cross-section of voices.

**Internally**, colleagues from across the organization, including the Front Office staff, employees from various functions, members of the Management Committee, and the Board Members, were invited to reflect on how each topic presented to them might influence the institution's operations, strategic direction, and long-term resilience. Their task was to look inward, weighing the potential impact of each topic.

**Externally**, we reached out to stakeholders who interact with our institution in different contexts: shareholders, investors and creditors, trading partners such as banks and brokers, as well as peers. They were asked to rate their level of concern on a scale from zero to ten, offering an outside-in view of expectations, emerging risks, and perceived areas of importance. For this first double materiality assessment, we targeted primarily our market stakeholders. In the next rounds, we plan to also include nonmarket stakeholders to broaden our views and to account for the values associated with them.

After obtaining the responses, all replies were consolidated and weighted to reflect a fair representation of the significance of each topic.

The combination of internal and external perspectives, as expected, produced a richer picture than either perspective alone could provide. It allowed us to understand where internal priorities and external expectations converge and where attention may be needed to strengthen alignment. It also reaffirmed the value of engaging with stakeholders regularly, particularly in a sector and organizational context that continues to evolve.

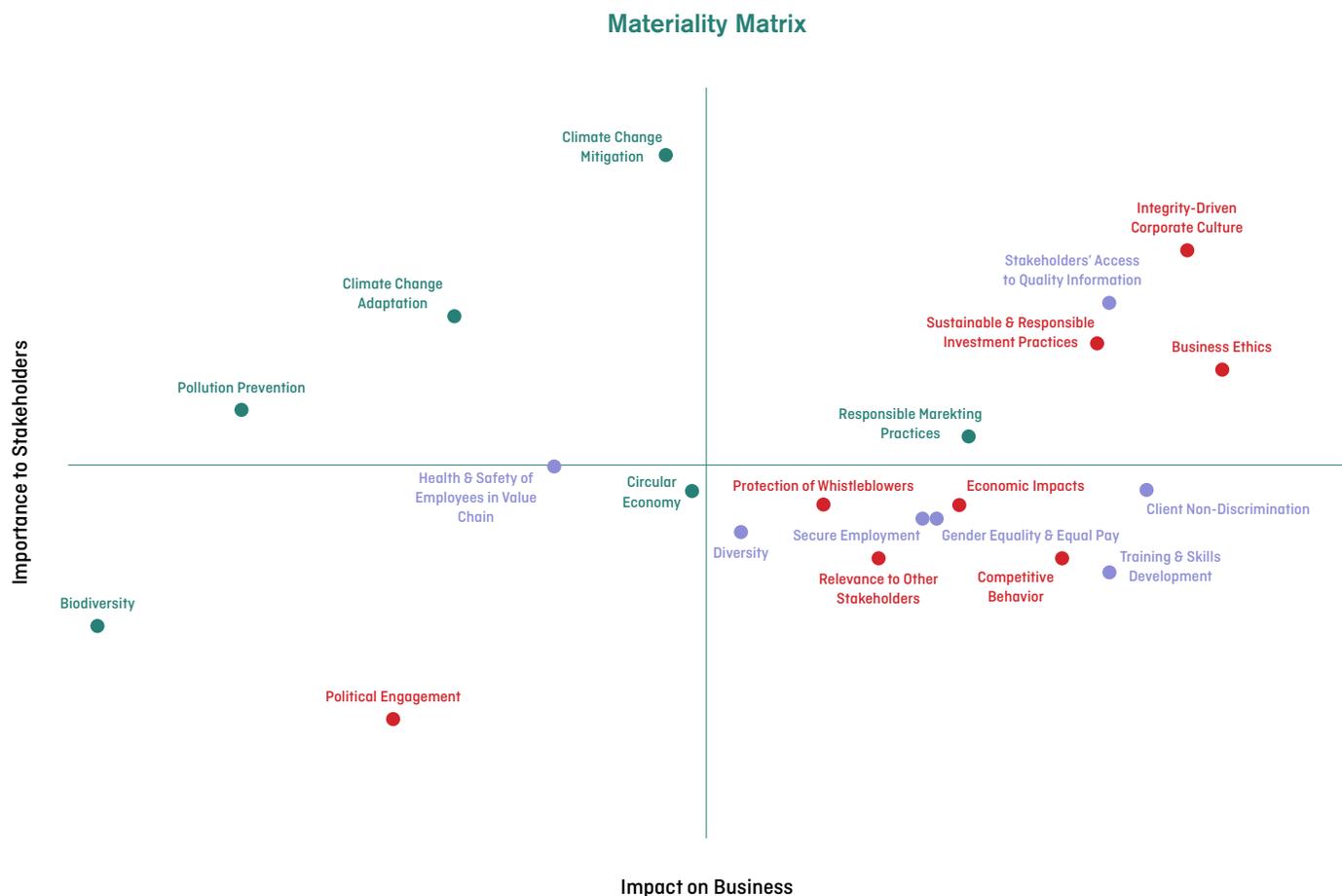
The results of this process are illustrated in the **Materiality Matrix** presented in the separate section. The matrix highlights the topics that stand out as the most significant for our institution and its stakeholders, setting the direction for our sustainability efforts in the year ahead and ensuring that our work remains anchored in what genuinely matters.

The goal is also to learn from the experience of this year, improve the process of assessment, and repeat it in the upcoming years.

# Materiality Matrix

Once all Double Materiality survey responses were collected, the results were carefully analyzed, weighted, and consolidated for each of the shortlisted sustainability topics. To ensure that the assessment reflected the different perspectives within the institution, internal responses were weighted using an approach that recognized the varying degrees of responsibility and oversight held by different groups. This means that the views of a) employees, b) Front

Office colleagues, c) the Management Committee, and d) the Board of Directors contributed proportionally to their influence on strategic decision-making and risk management. By contrast, the responses from **external stakeholders**, including shareholders, investors, creditors, trading partners, and peer institutions, were weighted equally, reflecting the diversity of their roles and the balanced importance of their perspectives.



The consolidated results were then mapped onto a **Materiality Matrix**, which presents the weighted scores from internal stakeholders on the **X-axis** ("Impact on business") and the weighted results from external stakeholders on

the **Y-axis** ("Importance to stakeholders"). This two-dimensional view offers a structured visual representation of how each topic is perceived and prioritized across the institution's ecosystem.

For clarity, the matrix is divided into four quadrants. The **top-right quadrant** highlights topics that are scored highly on both axes, reflecting issues considered essential by internal and external participants alike. These represent the institution's **most material topics**, where both business impact and stakeholder expectations converge. The topics located in this quadrant for the reporting year include:

1. Integrity-Driven Corporate Culture
2. Stakeholders' Access to Quality Information
3. Sustainable and Responsible Investment Practices
4. Business Ethics
5. Responsible Marketing Practices

Other quadrants offer additional insight: the **top-left** includes topics of heightened importance to external participants, while the **bottom-right** captures topics of higher internal relevance. The **lower-left** quadrant represents topics of comparatively lower priority from both perspectives, though they still remain monitored and part of the broader sustainability context.

To help readers navigate the results visually, the matrix uses **color-coding**, where topics belonging to the same thematic category, i.e., environmental (green), social (purple), or governance (red), are highlighted in the same color. This makes it easier to see how different dimensions of sustainability are distributed across the matrix.

The draft matrix and the underlying rationale were reviewed by the **Sustainability Committee** and the **Management Committee**, who validated both the final list of material topics and their positioning. Their involvement ensured that the outcomes not only reflected stakeholder views but were also aligned with strategic priorities and EUROFIMA's governance responsibilities.

The final Materiality Matrix forms an integral part of this Sustainability Report and plays a defining role in shaping EUROFIMA's **sustainability agenda for the coming years**. The assessment enabled us to develop a clearer understanding of what matters most to stakeholders such as partners, investors, clients, employees, and peers, and to compare these expectations with the internal view of how each topic affects the business. This provides a practical lens through which to determine next steps: Whether certain topics require deeper analysis, whether additional initiatives or policies should be developed, or whether the current management approach needs to be further strengthened.

We plan to conduct the materiality assessment on a **biennial cycle**, providing sufficient time to respond to insights from previous assessments, implement improvements, and adjust to changes in regulation, market expectations, or organizational developments. Each future cycle will consider refinement to the assessment methodology, potential updates to the shortlist of material topics, and the appropriate mix of stakeholders to be involved.

As part of this section, we are glad to present a **table highlighting the five topics located in the top-right quadrant** of the matrix. The table outlines for each topic the corresponding **GRI reference**, the **topic boundary**, the **management approach**, as well as selected **KPIs in a separate table**. More detailed information on these topics and how they are managed in practice can be found throughout the relevant thematic sections of this report, including areas such as *Business Ethics, Governance, and Responsible Investment*.

**TABLE 1: Top material topics, boundaries and management approach**

Material topic	Main GRI references	Topic boundary	Management approach (incl. under-consideration)
Integrity-driven corporate culture	GRI 2-9, 2-12, 2-23, 2-24	The main impacts arise within the organization itself, shaping how employees, management, the Board, and internal processes adhere to ethical norms and expected behaviors. These effects also extend beyond the organization's walls, as the company's culture and integrity standards influence business partners, clients, and investees across the value chain through clearly communicated expectations of ethical conduct	<ul style="list-style-type: none"> <li>▪ Maintain and enforce a Code of Conduct and complementary policies (ethics, anti-retaliation, conflict of interest).</li> <li>▪ Provide compulsory ethics training for employees and managers.</li> <li>▪ Operate safe, confidential whistleblowing channels and ensure non-retaliation.</li> <li>▪ Conduct periodic culture and integrity surveys.</li> <li>▪ Investigate and remediate misconduct through a defined process.</li> </ul>
Stakeholders' access to quality information	GRI 2-16, 2-29, GRI 3-3, GRI 417	Impacts arise both outside and inside the organization. Externally, clients, creditors, business partners, regulators, media, and civil society depend on receiving accurate and timely information from the company to form their views and decisions. Internally, the effects are felt by employees who prepare, review, and rely on disclosures, as the quality of information they handle shapes decision making and accountability throughout the organization	<ul style="list-style-type: none"> <li>▪ Use structured internal controls for review and approval of published information.</li> <li>▪ Tailor information to stakeholders to make it clear, structured, consistent, and accessible without any barriers, e.g., paywalls, jargon, etc.</li> <li>▪ Provide various accessible communication channels: digital and non-digital.</li> <li>▪ Regularly conduct stakeholder evaluations to identify information gaps.</li> <li>▪ Maintain defined service standards for responding to inquiries.</li> </ul>
Sustainable & responsible investment practices	GRI 3-3 (custom topic), GRI 2-6, 2-22, 2-23	Impacts arise both outside and inside the organization. Externally, the organization's investment decisions influence the companies it finances, with consequences for environmental systems, workers, local communities, and overall market behavior. Internally, impacts are embedded in how portfolios are constructed and monitored, as well as in the work of research, risk management, and stewardship teams, where investment choices and engagement practices shape the sustainability profile of the portfolio.	<ul style="list-style-type: none"> <li>▪ Apply ESG integration and screening procedures during investment decisions.</li> <li>▪ Use exclusion lists and high-risk issuer flags.</li> <li>▪ Conduct ESG due diligence and periodic reviews of holdings.</li> <li>▪ Undertake engagement with issuers, track outcomes, and escalate when necessary.</li> <li>▪ Measure portfolio climate impact (e.g., PCAF financed emissions).</li> <li>▪ Evaluate thematic or climate targets (e.g., % sustainable assets, net-zero pathways).</li> </ul>

Material topic	Main GRI references	Topic boundary	Management approach (incl. under-consideration)
Business ethics	GRI 205, GRI 206, GRI 2-15, 2-23, 2-26	Impacts arise both within the organization and in its external relationships. Internally, they stem from employee conduct, management decisions, and the effectiveness of governance and compliance systems, which together determine how ethical principles are applied in daily business. Externally, impacts manifest in interactions with suppliers, clients, business partners, and regulators, especially when unethical behavior or misconduct distorts markets or harms stakeholders	<ul style="list-style-type: none"> <li>▪ Maintain and keep on implementing the Anti-Bribery &amp; Corruption Policy, whistleblower programs, Anti-Money Laundering Policy.</li> <li>▪ Operate gift/benefit approval processes and maintain registers.</li> <li>▪ Strengthen KYC procedures and requirements.</li> <li>▪ Conduct due diligence on high-risk third parties.</li> <li>▪ Perform internal audits, monitoring, and compliance testing.</li> <li>▪ Investigate and remediate confirmed misconduct.</li> <li>▪ Disclose cases to the Board, where required.</li> </ul>
Responsible marketing practices	GRI 417	Impacts arise both outside and inside the organization. Externally, they affect customers and end-users who are exposed to product information, advertising, and sales interactions, shaping their understanding, choices, and trust. Internally, impacts occur across marketing, product, legal, and compliance teams, which are responsible for designing, reviewing, and approving communications to ensure that they are accurate, transparent, and fair.	<ul style="list-style-type: none"> <li>▪ Apply responsible marketing policies, including requirements for risk disclosures, fair treatment, and suitability.</li> <li>▪ Implement evidence-based marketing.</li> <li>▪ Pre-clear all marketing materials through legal/compliance review.</li> <li>▪ Train staff on responsible marketing and mis-selling prevention.</li> <li>▪ Operate client complaint mechanisms and track remediation.</li> <li>▪ Monitor incidents of misleading communication and take corrective action.</li> <li>▪ Ensure product information is complete, consistent, and accessible.</li> </ul>

**TABLE 2: Materiality topics, KPIs and results for 2025**

Materiality topic	KPI/Measure	Results 2025	Target (annual)
Integrity-driven corporate culture	1. No. of code of conduct breaches	none	none
	2. Speak-up rate (no. of ethical concerns raised)	none	none
	3. Retaliation rate (no. of demotions, salary reductions)	none	none
	4. Resolution time for ethical concerns	n/a	<30 days
	5. Ethics and compliance training completion rate	100%	100%
	6. % of internal policies reviewed and updated (annually)	59%	>50%
	7. Employee awareness level (e.g., understanding integrity standards)	100%	100%
	8. Number of policy violations	none	none
Stakeholders' access to quality information	1. Timeliness of disclosures (i.e., average publication delay)	no delays	no delays
	2. Number of corrections to published information	no corrections	no corrections
	3. Stakeholder satisfaction with clarity and accessibility of information (webpage only)	(to be implemented)	80%-90%
	4. Website accessibility <sup>1</sup>	73%	>80%/min. level AA
	5. Average time on key information pages (webpage only)	(to be measured)	>2 min
	6. Average response time to stakeholder inquiries (incl. non-sustainability related)	5 business days	3 business days
	7. No. of official sustainability publications (incl. updates) <sup>2</sup>	9	min. 5
	8. % of sustainability disclosures supported by external assurance <sup>3</sup>	11%	100%
	9. Downloads of sustainability materials (official webpage only)	(to be measured)	+10-30% YoY
	10. Machine readability of the official webpage	80%	min. 90%
Sustainable & responsible investment practices	Relevant measures are presented in "Portfolio ESG Indicators" and "Financed Emissions" sections		
Business ethics	1. Anti-corruption & ethics training coverage (% of staff participating)	100%	100%
	2. Number of confirmed corruption or misconduct incidents	none	none
	3. Number of conflict-of-interest disclosures submitted	none	none
	4. Number of legal actions for anti-competitive behavior, price-fixing, collusion, or similar	none	none
	5. Total lobbying and political contributions	none	none
	6. Number of business partnerships terminated due to non-compliance	none	none
	7. Number of reports made through whistleblowing channels	none	as required
	8. No. of disciplinary actions taken due to ethical violations	n/a	as required
Responsible marketing practices	1. Number of non-compliance incidents in marketing	none	none
	2. % of official marketing materials reviewed for compliance before release	(to be measured)	100%
	3. Stakeholder complaints related to unclear/misleading information	none	none
	4. Completion rate of responsible marketing training	(to be implemented)	100%
	5. Audit findings on marketing and product communication	none	none
	6. Data-privacy complaints linked to marketing practices	none	none
	7. Webpage review rate	(to be measured)	80-100%
	8. Example of products or services with clear, accurate labelling and disclosure	Green Bonds	All applicable
	9. Product information completeness score (linked to 8)	(to be measured)	>90%

<sup>1</sup> Chrome's built-in audit tool (Lighthouse) result for the landing page. Target level is associated with the official WCAG score level.

<sup>2</sup> Which are: Sustainability Report, Allocation & Impact Report, UN Global Compact Report, UN PRI Report, Annual Investee Engagements Report, Green Bond Framework (update), SPO Assessments 2025, Shareholders & Borrowers Engagement Guidelines, Employer Value Proposition

<sup>3</sup> As percentage of the publications listed under No. of official sustainability publications (incl. updates)



# CHAPTER 5

## Responsible Funding & Lending

# 5

# EUROFIMA Lending Policy

EUROFIMA's lending policies underpin its mission to promote the sustainable development of public transport across its member states or regions and public transport operators. The policies ensure that financing is directed toward rolling stock used exclusively for public service missions, supporting mobility services and modal shift objectives across Europe. Through clearly defined eligibility criteria, risk management mechanisms, and sustainability safeguards, the policies operationalize EUROFIMA's non-profit mandate while aligning lending activities with European climate and mobility goals.

The lending policies establish transparent and consistent rules for eligibility, pricing, collateralization, and risk management. They comprise the [Lending & Pricing Policy](#), the [Equipment Financing Policy](#), and the [Capital Markets Policy](#), reflecting an integrated approach linking lending decisions with EUROFIMA's mission and financial resilience. Eligibility and pricing for equipment financing contracts are determined using a methodology derived from Standard & Poor's capital framework. This reinforces EUROFIMA's role in providing accessible, affordable, and long-term financing to public transport undertakings serving the public interest.

EUROFIMA's non-profit mandate is at the core of its lending and capital allocation mechanisms. Commissions and capital charges are calibrated to cover operational costs and capital requirements rather than to maximize profit, prioritizing stable and affordable financing for borrowers. Base commissions are set at cost-covering levels, and capital charges are calculated using risk weights linked to the guarantor's rating in line with the S&P methodology. This approach supports long-term financial stability and predictable financing across economic cycles.

The lending framework contributes to European sustainability objectives by financing rolling stock used exclusively for public service obligations (PSO). This strengthens the accessibility and attractiveness of rail transport and supports decarbonization, reduced air pollution, lower congestion and land-use impacts, and promotes a **equitable transition** towards accessible and affordable public transport. Environmentally superior technologies are promoted through pricing incentives, with projects that meet the eligibility criteria of the EUROFIMA Green Bond Framework benefiting from lower base commissions, as defined in the Lending & Pricing Policy, which governs the financing conditions of the project.

The Equipment Financing Policy focuses on the physical characteristics of eligible projects. It specifies the types of rolling stock that may be financed, as well as exclusion and ESG screening criteria that must be met. The Policy also references borrower engagement processes and the application of sustainability checks, including alignment with the Green Bond Framework where relevant. The exclusion criteria within the policy are consistent with key EU Paris-Aligned Benchmark (PAB) principles and are complemented by additional rail-specific ESG safeguards. For financings eligible under the Green Bond Framework, borrower engagement and screening include the assessment of transition and physical climate risks, including expectations regarding resilience to climate-related risks, avoidance of high-emission lock-in for rolling stock with non-zero tailpipe emissions, and compatibility with long-term decarbonization trajectories.

Strong governance structures underpin the lending policies and are defined in the Capital Markets Policy. Lending decisions rest with the Management Committee, with quarterly reporting to the Board of Directors, which is responsible for oversight of policy amendments and deviations. Portfolio monitoring extends beyond financial metrics to include environmental and social considerations.

EUROFIMA continuously reviews and refines its lending policies in response to sector developments, regulatory change, and evolving sustainability expectations. Periodic updates to lending criteria, ESG considerations, and risk management processes ensure continued alignment with EUROFIMA's mission and best practice. The revision of the Lending & Pricing Policy, which was most recently approved in September 2025, demonstrates the institution's commitment to continuous improvement and alignment with best practices. Independent oversight, internal audit, and external reviews linked to the Green Bond Framework support transparency and assurance.

## Current Loan Book & Fleet

The Table 3 provides an overview of EUROFIMA's loan portfolio as at the end of 2025. It presents the total outstanding loan book, its geographical distribution by country, the number of borrowers, and a breakdown by asset utilization. The portfolio composition reflects EUROFIMA's public mission of financing rolling stock in support of sustainable rail transport across its member states.

**TABLE 3: Loan portfolio by country and asset utilization**

Country	# of borrowers	Loan book	Open market	PSO-Mainline	PSO-Urban	PSO-Freight	Infrastructures
Austria	2	298.2	56.7	166.8			74.6
Belgium	1	1,050.2	8.9	1,041.3			
Czech Republic	1	687.9		687.9			
Croatia	1	98.2		98.2			
Denmark	1	17.7		17.7			
France	1	116.3	116.3				
Italy	1	2,365.0		2,365.0			
Luxembourg	1	121.6		121.6			
Montenegro	1	7.7		7.7			
Spain	1	1,558.8	100.5	1,458.3			
Switzerland	1	2,895.9		2,895.9			
<b>Total</b>	<b>12</b>	<b>9,217.6</b>	<b>282.5</b>	<b>8,860.4</b>	-	-	<b>74.6</b>

The portfolio is predominantly composed of financing for rolling stock operated under public service obligations (PSO), in particular for mainline passenger services. The borrower base largely mirrors EUROFIMA's shareholder structure and consists mainly of state-owned or publicly controlled national railway operators. A limited share of the outstanding portfolio relates to open-access operations. This exposure arises from legacy contracts concluded prior to amendments to EUROFIMA's Statutes

in 2017 and continues to amortize in accordance with the original contractual terms. While PSO mainline applications remain the core focus of EUROFIMA's activities, the composition of the loan book is expected over time to broaden to **additional public-service rail applications**, including urban and regional transport, in line with evolving mobility needs and public policy objectives.

The Table 4 shows the rolling stock financed by EUROFIMA as at the end of 2025, measured in individual rail vehicles and broken down by country. The average age of the fleet (21.7 years) reflects contract tenors and the balance between new financing and refinancing of existing assets. Additionally, the oldest assets in the portfolio (25 years or older) have all been thoroughly modernized. If adjusted for the modernization date of these older assets, the overall fleet age reduces to 15.6 years on average.

**TABLE 4: Rolling stock financed by country and rail vehicle type**

Contracting state	Railway operator	Locomotives			Multiple-unit trains				Passenger cars	Infrastructure equipment	Total	Average age (years)
		mainline		shunting	motor units			trailer cars				
		diesel	electric		diesel	electric	bi/tri- mode					
Austria	ÖBB		19				86	86		218	409	11.1
Belgium	SNCB		46	23	60		329	175	150		783	16.3
Czech Republic	CD				44		200	58			302	2.3
Croatia	HZ				14		38	45			97	5.1
Denmark	DSB						10	15			25	
France	SNCF						4	16			20	8.8
Italy	FS		572		84	50	264	350	1,465		2,785	26.4
Luxembourg	CFL						62	31	53		146	18.0
Montenegro	ZPGC						2	1			3	12.5
Spain	RENFE				116		1,072	1,024			2,212	22.0
Switzerland	SBB						807	915			1,722	15.6
<b>Total</b>			<b>637</b>	<b>23</b>	<b>318</b>	<b>50</b>	<b>2,874</b>	<b>2,716</b>	<b>1,668</b>	<b>218</b>	<b>8,504</b>	<b>21.7</b>

EUROFIMA's loan book is composed entirely of financing to PSO and similar public-mission rail services, ensuring that resources are channeled toward **publicly mandated, inclusive, and fare-regulated mobility**. Loans finance only rolling stock, enabling railways to procure, upgrade and maintain trains cost-efficiently throughout their lifetime. This model supports modern, reliable, and fit-for-purpose passenger and infrastructure fleets and the continued provision of high-quality public transport services.

The portfolio also reflects a diverse geographic distribution, consistent with EUROFIMA's multilateral structure, while remaining aligned with sustainable mobility and modal-shift objectives. The majority of the fleet consists of fully electric rolling stock (89.7%), complemented by hybrid and other low-emission technologies, supporting the **decarbonization** of European passenger transport systems. By enabling clean, frequent, and comfortable public rail services, the financed fleet contributes to shifting travel from more carbon-intensive private car use and short-haul aviation toward lower-emission mass transit.

In addition to the snapshot of the fleet as at the end of 2025, EUROFIMA also monitors how the fleet has evolved over time in terms of “green” content. For this purpose, “green” is defined by reference to the latest version of EUROFIMA’s Green Bond Framework (only passenger vehicles in which the energy source is electric, battery, hydrogen or hybrid can be regarded as green).

**TABLE 5: Fleet breakdown by green and non-green type**

	2025	2024	2023	2022	2021
<b>Green equipment</b>	7,630	7,644	7,842	7,896	8,371
<b>Non-green equipment</b>	877	909	979	817	761
<b>Green equipment (%)</b>	89.7%	89.4%	88.9%	90.6%	91.7%

Over the last five years, the portfolio has remained consistently close to 90% green equipment as defined above. Variations in the non-green portion reflect, among other factors, EUROFIMA’s mandate to support rail transport across different operational contexts, including financing linked to infrastructure works and activity in networks in which non-electrified lines remain part of the operating environment.

EUROFIMA also considers **climate-related risks** as part of its portfolio oversight. Physical risks such as heat stress, flooding, and extreme weather events may affect the operation and maintenance of rolling stock over its economic life, while transition risks may arise from regulatory, technological, or market developments in the transport sector. These considerations are taken into account through borrower engagement (see a separate section for further details) and risk assessment processes, supporting the long-term resilience of the financed fleet.

In addition to the direct environmental benefits of financing newer and often greener rolling stock, EUROFIMA financing supports continuous improvements in service quality, including accessibility upgrades, energy-efficient HVAC systems, less polluting braking components, and other passenger-comfort enhancements. These improvements support broader socio-economic objectives in line with national transport strategies and EU mobility policy, while also contributing to the modal shift toward less carbon-intensive transport.

The composition of EUROFIMA’s financed fleet reflects the strategic direction of European transport policy. At the EU level, the predominance of electric and zero-emission rolling stock in the fleet is aligned with the **European Green Deal** and the **Sustainable and Smart Mobility Strategy**, which aim to reduce transport sector emissions, strengthen cross-border connectivity, and increase the modal share of rail transport. At the national level, borrowers use EUROFIMA financing to implement fleet renewal, decarbonization, and accessibility strategies, including replacement of ageing diesel stock, expansion of suburban and regional EMU fleets, and upgrades to improve reliability and passenger experience. EUROFIMA’s loan book therefore not only aligns with, but supports member states’ long-term climate and mobility plans.

Like all long-lived transport assets, EUROFIMA-financed rolling stock is exposed to physical climate risks which typically vary in accordance with the geographical location. These can include risks such as:

- Heatwaves, droughts, and wildfires in Southern Europe
- Heavy rainfall, river flooding, and landslides in Central Europe
- Winter storms, ice formation, and cold spells in Northern Europe

Such events may increase wear on equipment, impact service availability and safety, or require adjustments to maintenance and operations.

Borrowers are increasingly implementing **climate adaptation measures** to address the risks. Examples include:

- Reinforcing maintenance regimes and component tolerance for high-temperature operation
- Upgrading HVAC systems to maintain performance during intense heatwaves and improve passenger comfort
- Enhancing operating and emergency procedures for extreme weather
- Reinforcing embankments and sandbanks in flood-prone or erosion-sensitive areas
- Improving drainage, water-evacuation systems, and track-side infrastructure
- Deploying synthetic or spark-reducing brake materials to mitigate fire risk

Such climate risk considerations and adaptive measures are integrated into EUROFIMA's due diligence processes, particularly through borrower-level ESG screening. Since physical risks are highly location-specific, EUROFIMA requests information on the following matters when speaking with (potential) borrowers:

- Borrowers' climate-risk policies and assessments
- Identified regional hazards
- Adaptation strategies and relevant investments

## Borrowers are increasingly implementing climate adaptation measures to address the risks.

These checks have already been applied systematically to **all green loans**, which represent a significant share of the loan book, and will be progressively extended to the remainder of the portfolio. The information obtained in this manner provides insights that are expected to support more targeted engagement with borrowers, better long-term planning, and strengthen the overall resilience of the financed fleet by sharing and **promoting best practices**.

Several of EUROFIMA's shareholders, such as those in Italy, Spain, Switzerland, Belgium, and the Czech Republic, are increasingly reporting adoption of digital maintenance tools, energy-efficient EMUs, and upgraded climate-resilient features as part of their fleet upkeep and renewal programs. EUROFIMA's financing facilitates these investments by providing stable, cost-efficient capital for rolling stock renewal and modernization.

In addition, the geographic and operational diversification of EUROFIMA's loan book helps avoid concentrated exposure to any single climate pattern or hazard zone. The portfolio spans multiple countries, climatic regions, and rolling stock types, including suburban, regional, and intercity passenger fleets. This reduces the likelihood that a single extreme event would materially affect the entire portfolio and supports the exchange of emerging good practices through engagement.

Over the coming years, EUROFIMA expects its loan book to remain predominantly comprised of green, fully electric rolling stock, in line with the eligibility criteria set out in the Green Bond Framework. At the same time, loan book growth is expected in additional asset types, reflecting borrowers' fleet strategies and evolving operational needs. In this context, hybrid-propulsion rolling stock projects, where combined with credible electrification expansion plans, are expected to play a transitional role and to support a progressive shift toward lower-emission and ultimately fully electric rail operations.

# Green Bond Framework & Green Bond Portfolio

EUROFIMA's responsible funding strategy is anchored in its public mission to promote sustainable, low-carbon rail transport among its borrowers. Green Bonds constitute a central mechanism through which EUROFIMA formalizes and transparently communicates the environmental impact of its lending activities, channeling investor demand for high-quality labelled instruments directly into climate-aligned rolling stock investments.

Low-carbon transport plays a critical role in reducing emissions within the broader context of international climate objectives, including the Paris Agreement and the EU Green Deal. Financing green rolling stock supports both a modal shift away from higher-emissions road and air passenger transport to lower-emissions rail and the decarbonization of public rail systems, thereby contributing to credible net-zero pathways.

Nearly 90% of EUROFIMA's financed rolling stock fleet consists of fully electric passenger rail vehicles, which are by nature zero-tailpipe-emission assets. The Green Bond Framework (the "Framework") provides the structure through which this inherent sustainability value is codified, assessed, verified, and communicated to capital markets. The Framework aligns with the ICMA Green Bond Principles and incorporates the eligibility and screening principles of the EU Taxonomy. In addition, EUROFIMA applies internal methodologies and best practices which, in several respects, exceed minimum market standards.

**Eligibility for Green Bond financing** follows a defined and documented process encompassing:

1. Confirmation of borrower **eligibility**.
2. Verification of eligible use of **proceeds**.
3. Application of **exclusion criteria** as defined in the Equipment Financing Policy, consistent with key Paris-Aligned Benchmark (PAB) principles.
4. ESG **screening** of the borrower profile and the financed assets.
5. Assessment of eligible **rolling stock** technologies.
6. Verification of **data** availability to support impact reporting.
7. Annual eligibility **review**.

Eligible rolling stock technologies include fully electric rolling stock, battery-electric, bi-mode and tri-mode hybrid propulsion, and green hydrogen rolling stock, all assessed using EUROFIMA's internal methodology.

The Framework provides for (at least) annual **allocation and impact reporting** (see a separate section for further details) by EUROFIMA, including disclosures of the allocation of proceeds, emissions calculation methodologies, key environmental indicators, and rolling stock characteristics. Transparency is ensured through disclosures published on EUROFIMA's website, investor communications, and green bond issuance announcements.

All assets financed through the Framework support **climate change mitigation**, with greenhouse-gas emissions savings used as the primary impact indicator. These savings are derived through two distinct pathways:

- Emissions avoided: Calculated by comparing the low- or zero-emissions values of green rolling stock with alternative non-green and higher-emissions alternative means of transport, e.g., car journey emissions
- Emissions reduced: Calculated as the emissions savings from the replacement of an existing higher-emissions train (e.g., diesel units), with an eligible alternative such as green hybrid or fully electric rolling stock

Based on the 2025 Allocation and Impact Report, EUROFIMA-financed green assets avoided approximately **3.34 million tons of CO<sub>2</sub>e** annually, alongside **4,569 GWh** in annual energy savings. In addition to delivering measurable environmental impact for investors, borrowers of Green Bond proceeds benefit from lower base commissions ("greenium") applied to eligible loans.

EUROFIMA-financed green assets avoided approximately 3.34 million tons of CO<sub>2</sub>e annually, alongside 4,569 GWh in annual energy savings.

While climate change adaptation is not the primary focus of the Framework, project screening incorporates **Do No Significant Harm (DNSH)** considerations, including physical climate risks, biodiversity impacts, noise mitigation, and circular-economy principles, in line with EU Taxonomy guidance and EUROFIMA's internal standards.

In addition to asset-level impacts, EUROFIMA's Green Bond Framework supports broader systemic climate and sustainability objectives by advancing:

- **Transport decarbonization** through emissions avoided and reduced
- **The modal shift** by enabling affordable financing for PSO traffic
- **Energy efficiency** and **passenger comfort** through the financing of rolling stock upgrades

With respect to the United Nations Sustainable Development Goals, the Framework primarily contributes to SDG 9 (Industry, Innovation and Infrastructure) and SDG 11 (Sustainable Cities and Communities).



**Goal 9**

Industry, Innovation and Infrastructure



**Goal 11**

Sustainable Cities and Communities

EUROFIMA's Green Bond Framework is **reviewed periodically** to reflect regulatory developments, market practices, and lessons learned from materiality assessments and borrower engagement. Strengthening collaboration with borrowers on EU Taxonomy alignment, impact data, and screening practices remains a core objective as EUROFIMA continues to enhance transparency and leadership in sustainable public transport financing.

Governance and oversight of the Framework are ensured through a dedicated working group within the Sustainability Committee, comprising representatives from the Front Office, Middle Office, and Rolling Stock Management unit. The working group coordinates eligibility assessments, market alignment, and maintenance of the Framework. Updates are approved by the Management Committee, while the Board of Directors provides strategic oversight through the Audit & Risk Committee.

EUROFIMA obtained an independent **Second-Party Opinion** (S&P Global for the latest update of the Framework, confirming alignment with ICMA GBP and robustness of internal processes (*see separate section for further details*).

# Impact Reporting

The Impact Reporting of EUROFIMA presents the expected environmental impacts of projects financed with the Green Bonds proceeds and fully allocated at the time of reporting, the relevant methodology applied and the related governance process. The projects financed with the proceeds of EUROFIMA Green Bonds contribute to climate change mitigation as well as to social co-benefits, thus moving forward our mission to support the development of public passenger rail transportation across Europe, supporting Goal 9 and Goal 11 of the UN SDGs. The Impact Reporting is produced in line with the requirements set out in our Green Bond Framework, the ICMA "Handbook – Harmonised Framework for Impact Reporting" issued in December 2020 and incorporates some of the elements included in the TEG Report "Proposal for an EU Green Bond Standard", published in June 2019, the TEG final report on the EU taxonomy, and its technical annex published in March 2020.

The Allocation & Impact Report is published annually in March in accordance with the Green Bond Framework. It is publicly available and provides transparent, reliable data on our projects, supported by a clear methodology for external stakeholders, including EUROFIMA bond investors, peers, borrowers, rating agencies, and individuals.

EUROFIMA reports on the following core indicators, with the goal of quantifying the savings generated:

1. Estimated annual Green-House Gas emissions (GHG) reduced or avoided, measured in tons of CO<sub>2</sub>, N<sub>2</sub>O, and CH<sub>4</sub>.
2. Estimated annual energy consumption reduced or avoided, measured in GWh.
3. Estimated CO<sub>2</sub> emissions per passenger kilometer (gCO<sub>2</sub> /pkm), for each type of rolling stock.
4. Estimated energy consumption per passenger kilometer (MJ/pkm), for each type of rolling stock.
5. Number of clean vehicles financed and deployed (i.e., electric rolling stock).

The methodology used to determine these impact indicators is based on a comparative approach. Specifically, the emissions and energy consumption associated with the financed green assets or projects are assessed against those of alternative modes of transportation that would likely have been used in the absence of such financing. For the purposes of impact assessment, this counterfactual scenario constitutes the baseline.

With regard to emissions reductions, the estimated savings generated by a new project are calculated relative to the emissions associated with the rolling stock being replaced or that would otherwise remain in operation.

In addition to quantitative metrics, the Impact Reporting also includes the qualitative impact of our projects on society. The most important social co-benefits covered are the following:

1. Traffic congestion reduction.
2. Support for local employment and workers.
3. Support for economic activities.
4. Reduction in inequalities.

The methodology utilized to estimate the environmental impacts is proprietary. A detailed description can be found at the following link <https://www.eurofima.org/investor-relations/reporting/allocation-impact-reports/>. Nevertheless, active steps are taken to ensure the reliability of the published results. These include the following measures taken with regard to the model and data:

1. Making robust assumptions with objective reasoning.
2. Using credible and reliable data sources for input data (e.g., official publications by governments or other supranational institutions the sources are properly disclosed at all times.
3. Utilizing data directly provided by railway operators, whenever available. The aim is to increase the number of operators sharing the data directly.
4. Periodically and critically reviewing the model and assumptions made, also with the aim to accommodate new asset types or update the input data retrospectively.

Here you find a table (Table 6) that summarizes the environmental impacts and their development through the years:

TABLE 6: Environmental impacts through the years							
		2025	2024	2023	2022	2021	2020
Indicators	GHG emissions savings (CO <sub>2</sub> eq., Ktons)	3,343.9	3,183.8	2,595.4	2,167.8	1,436.4	159.1
	Energy consumption savings (Gwh)	4,569.0	4,341.0	3,585.0	2,988.7	1,968.1	229.8
	Green vehicles financed	1,906	1,899	1,730	1,436	983	104
	Outstanding Green Bonds (EUR mln)	5,655.9	5,531.0	4,742.0	3,692.8	2,898.2	497.0
	GHG emissions savings (CO <sub>2</sub> eq. tons) per vehicle	1,754.4	1,676.6	1,500.2	1,509.6	1,461.2	1,529.8
	GHG emissions savings (CO <sub>2</sub> eq. tons) per EUR mln	591.22	575.6	547.3	587.0	495.6	320.1

The data presented is subject to potential revision. The most up-to-date allocation and impact figures will be published in the "Allocation & Impact Report 2026", to be made available on EUROFIMA's website in March 2026.

The results are consistent with the growth of our Green Bonds portfolio. The relevant growth of the savings per vehicle and per EUR million proceeds reflects the mix of green asset financed, countries, and relevant passenger kilometer transported. They highlight the significant contribution of our Green Bond program to climate change mitigation by – among other things – increasing the number of low- and zero-emission vehicles, improving vehicle efficiency, substituting fossil fuels with alternative and net-zero carbon fuels and supporting the modal shift from road to rail. We aim at gradually (if meaningful and possible) adding quantitative indicators for social co-benefits to assess the impact on society.

The Impact Reporting is mostly prepared and managed by the employees working in the Front Office, especially funding officers, and the rolling stock experts working in the Middle Office when it comes to collateral selection, green net proceeds allocation, the impact methodology, and measurement. The Impact Reporting is overseen by the Sustainability Committee, which set the guidelines to ensure alignment with the Green Bond Framework and with market standards and practices such as EU standards and ICMA principles of Green Bonds. Ultimately, the Management Committee reviews and approves the Impact Reporting before its publication each year.

# Shareholders & Borrowers Engagement

Engagement with shareholders and borrowers is a central element of EUROFIMA's responsible funding and lending approach and is inseparable from its mission and non-profit nature. As a supranational organization dedicated to financing rolling stock running under public service obligations or similar public missions, EUROFIMA operates as a niche lender in the European transport landscape. Because our focus is uniquely placed on public mobility assets, it is essential that we know our borrowers well, understand the operational environment in which their fleets circulate, and maintain a clear view of their specific needs and strategic priorities. This deep understanding is only possible through continuous bilateral engagement. It is through ongoing, structured interaction that we ensure our financing solutions remain suitable-to-purpose, relevant, and supportive of national and regional mobility objectives across all forms of rail-based public transport.

This engagement is intricately linked to EUROFIMA's mission to contribute to the development of sustainable passenger mobility throughout Europe. As long-distance, suburban, and urban transport systems evolve in response to climate goals, urbanization, decarbonization strategies, and new regulatory frameworks, EUROFIMA's role goes beyond the provision of long-term funding. Engagement enables the institution to facilitate the exchange of knowledge and the diffusion of best practices on topics ranging from regulatory requirements to technological innovation, climate adaptation methodologies, accessibility standards, and circular design principles. Through this dialogue, EUROFIMA supports borrowers in ensuring that rolling stock financed today remain aligned with long-term sustainability expectations and emerging European standards.

Transparency in the use of proceeds is a cornerstone of our lending model, and engagement is a primary mechanism for upholding this expectation. Borrowers provide detailed information on the maintenance or refurbishing of the projects financed as well as the purchase of new rolling stock. Additional information on sustainability, which includes climate risk and vulnerability assessments, adaptation measures, waste and circularity strategies, human and labor rights policies, and biodiversity management approaches are also gathered on a case-by-case basis. These disclosures enable EUROFIMA to assess not only compliance with **EU Taxonomy "Do No Significant Harm"** and Minimum Social Safeguards requirements, but also alignment with national and EU sustainability goals. Since our lending is intrinsically linked to the long-term performance of public transport assets, transparency in sustainability objectives and the ability to influence them constructively through engagement is critical to reinforcing our mission.

Engagement strengthens trust and collaboration precisely because it is a reciprocal exchange. While borrowers share operational insights, fleet strategies, and sustainability considerations, EUROFIMA contributes knowledge, benchmarking perspectives, capacity-building support, and clarity on regulatory developments. In addition to financial assistance, we provide technical and analytical guidance, support borrowers in navigating evolving sustainability frameworks, and offer comparative insights drawn from other pan-European

network of operators. Through regular meetings, site visits, bilateral discussions, joint workshops, thematic exchanges, and other forms of interaction, EUROFIMA helps rolling stock owners and public transport providers better understand and respond to the requirements of climate adaptation, EU sustainable finance legislation, circularity, and social responsibility. This flow of expertise that EUROFIMA "gives back" reinforces its role as a trusted, long-term partner rather than a transactional lender.

In line with its long-term partnership approach, EUROFIMA applies a responsible and disciplined procedure when engaging with borrowers facing payment difficulties. In such situations, EUROFIMA seeks early, transparent dialogue to understand the borrower's circumstances and, where appropriate, explore viable and sustainable solutions. Engagement is conducted in a fair, respectful, and consistent manner, while remaining firmly anchored in prudent credit-risk management, applicable laws and regulations, and EUROFIMA's internal policies. Any remedial measures are assessed on a case-by-case basis and are designed to support financial stability without compromising fiduciary responsibilities or risk standards.

Recently introduced [Shareholders and Borrowers Engagement Guidelines](#) formalize and codify these practices by setting out the objectives, principles, and processes governing all engagement activities. They identify inclusivity, consistency, materiality, strategic alignment, and continuity as core principles ensuring that all borrowers, regardless of their size, location, or the type of rolling stock they operate, are approached with fairness and long-term focus. The Guidelines clarify that engagement aims to support a borrower rather than intervene in day-to-day management, while also emphasizing the importance of confidentiality, fiduciary responsibility, and careful handling of confidential information.

The engagement begins well before the financing decision is finalized, as historically borrowers were also our shareholders, and it tends to continue systematically throughout the full duration of the financing. At the pre-financing stage, EUROFIMA conducts a comprehensive assessment under the Equipment Financing Policy to understand the eligibility criteria, the adherence to the public service obligations, and alignment with relevant sustainability criteria assessing the borrower's climate adaptation strategies, social safeguards, circularity practices, and regulatory readiness using an ESG Questionnaire as a central input. This early dialogue helps identify expectations, clarify technical and reporting requirements, and ensure that the rolling stock under consideration meets our eligibility criteria. In the financing period itself, engagement remains active through ongoing exchanges, site visits, review of use-of-proceeds documentation, verification of equipment status, and sustainability reporting. This continuity enables EUROFIMA to monitor performance, maintain transparency, and support borrowers as their operational or regulatory contexts evolve. During implementation, engagement becomes more operational, with ongoing dialogue on reporting processes, ESG expectations, and project progress.

Following disbursement and project completion, EUROFIMA maintains this engagement with the borrower in order to produce and assess impact reporting, reflect on lessons learned, and integrate borrower feedback into future financing processes. This continuous feedback loop supports the principle of continuity set out in the Shareholders and Borrowers Guidelines, ensuring that sustainability practices and reporting remain robust over time and that both EUROFIMA and its borrowers can adapt to new regulatory or market conditions in a timely manner.

Engagement processes are supported by clearly defined responsibilities for the staff. Client relationship managers coordinate exchanges, conduct ESG assessments, and integrate findings into the lending process, while senior management oversees alignment with EUROFIMA's strategic objectives. Engagement results are assessed through qualitative and quantitative indicators and are featured prominently in both the Sustainability Report and, where relevant, the Green Bond Allocation & Impact Report, reinforcing transparency towards investors and stakeholders.

**TABLE 7: Borrowers' compliance with the EU Taxonomy**

EU Taxonomy category	EU Taxonomy subcategory	Borrower 1	Borrower 2	Borrower 3	Borrower 4	Borrower 5	Borrower 6
Substantial contribution	Eligible rolling stock & fuel type	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant
DNSH	Climate change adaptation	Gaps identified	Compliant	Pending disclosure	Gaps identified	Gaps identified	Compliant
DNSH	Transition to a circular economy	Partially compliant	Compliant	Pending disclosure	Gaps identified	Gaps identified	Compliant
DNSH	Climate change mitigation	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant
MSS	Minimum social safeguards assessment	Compliant	Compliant	Compliant	Partially compliant	Partially compliant	Compliant
Voluntary screening	Biodiversity	Compliant	Compliant	Gaps identified	Gaps identified	Pending disclosure	Compliant
Voluntary screening	Pollution prevention	Compliant	Compliant	Compliant	Gaps identified	Gaps identified	Compliant

EUROFIMA engaged with six borrowers/shareholders through a targeted questionnaire covering key taxonomy topics (climate adaptation, circular economy, pollution, and biodiversity). The response rate was 100%, with the results showing overall partial compliance and ongoing progress, alongside a limited number of identified gaps and pending disclosures.

Over time, EUROFIMA has observed that borrower engagement leads to measurable improvements in ESG performance. Operators and other rolling stock owners increasingly incorporate climate scenario analysis into the procurement of trains and urban mobility vehicles, enhance recyclability rates of components, strengthen labor and human rights frameworks, and introduce biodiversity preservation measures in their operations. These developments reflect the effectiveness of dialogue and shared

learning, which the Guidelines encourage EUROFIMA to disseminate across its community of borrowers to facilitate sector-wide improvement.

Looking ahead, borrower engagement will continue to evolve in response to heightened expectations regarding climate adaptation, circularity, accessibility, and innovation, particularly in the context of expanding urban mobility and the diversification of rolling stock types. EUROFIMA plans to intensify thematic exchanges on regulatory developments. As a non-profit niche lender supporting public service mobility, EUROFIMA will continue to rely on engagement as a means of understanding borrower needs, strengthening transparency, and supporting the rail and urban transport sectors in their transition toward a more sustainable, resilient, and inclusive future.



# CHAPTER 6

## Responsible Asset Ownership

# 6

# UN Principles for Responsible Investment (PRI) Signatory

EUROFIMA's commitment to responsible investment is reflected in our status as a signatory to the United Nations Principles for Responsible Investment (UN PRI), a global initiative that promotes the integration of environmental, social, and governance (ESG) considerations into investment decision-making. Our institution joined the UN PRI in 2021, formalizing a long-standing internal practice of aligning investment activities with sustainability principles and strengthening transparency toward stakeholders.

As an asset owner, we manage our investment portfolios internally, with three portfolio managers responsible for the allocation of funds across a range of fixed-income instruments. Although these activities are not part of the institution's core lending operations, they play a crucial role in supporting financial resilience and generating the net income needed to sustain the institution's mission. Becoming a UN PRI signatory affirms that these investment activities are conducted responsibly and in accordance with internationally recognized principles.

The UN PRI framework provides six principles that guide responsible investment practice:

- 1. We will incorporate ESG issues into investment analysis and decision-making processes.**
- 2. We will be active owners and incorporate ESG issues into our ownership policies and practices.**
- 3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.**
- 4. We will promote acceptance and implementation of the Principles within the investment industry.**
- 5. We will work together to enhance our effectiveness in implementing the Principles.**
- 6. We will each report on our activities and progress towards implementing the Principles.**

For the institution, these principles serve as a reference point for developing policies, strengthening analytical processes, and clarifying expectations around issuer transparency and conduct. EUROFIMA's Treasury & Asset Management unit continually works to incorporate ESG considerations into its investment analysis and decision-making, building on the foundations set by its [ESG Integration Framework](#) and its exclusion criteria for issuers with severe ESG risks or violations of the UN Global Compact.

The implementation of the Principles is overseen by the portfolio management team, supported by the EUROFIMA Sustainability Committee Working Stream "ESG Integration." The latter is comprised of representatives of the Front Office, including the Head of Capital Markets, Treasury & Asset Management, Middle Office, Risk Management, Accounting, Controlling & Compliance units as well as the Chief Executive Officer. This structure ensures that ESG factors are not treated as a separate or standalone consideration but are embedded into EUROFIMA's broader approach to risk management, ethical conduct, and long-term strategic planning. The Management Committee and the Board are continuously informed of developments in responsible investment practices and review progress made in enhancing integration and oversight.

As part of its commitment as a signatory, EUROFIMA annually submits a [UN PRI Transparency Report](#), which is publicly available on our website. This report offers stakeholders a detailed view of the institution's responsible investment approach, covering governance structures, investment practices, stewardship activities, and the degree of ESG integration within the investment process. By making this information accessible, we reinforce our commitment to openness, accountability, and continuous improvement.

In 2025, as part of our compulsory UN PRI Reporting, we set out several concrete commitments for the period 2025-2027 designed to further strengthen the practical implementation of the PRI principles across our investment activities:

- a. Publication of the amendments to the Responsible Investment Guidelines to better reflect existing responsible investment practices and clarify the “exclusions” to the investment universe (i.e., targeting the UN PRI Principle 1).**
- b. Continuing ESG-data quality improvements, including gaining access to new sustainability research (i.e., targeting the UN PRI Principles 1, 3 and 4).**
- c. Carrying out active investee engagement, including publishing the Annual Engagement Report (i.e., targeting the UN PRI Principles 2, 3, 4 and 6).**
- d. Divesting as a consequence of failed direct sustainability engagement with investee(s) (i.e., targeting the UN PRI Principles 1, 2, 3 and 6).**
- e. Evaluating and opportunistically including new sustainable instruments into portfolios (i.e., targeting the UN PRI Principle 1).**
- f. Measuring the portfolio financed emissions (scope 3) and publishing the figures (i.e., targeting the UN PRI Principles 1, 3 and 6).**
- g. Validating and assessing the financed emissions target (i.e., targeting the UN PRI Principles 1 and 6).**
- h. Holding active public policy consultations and having active responsible investment memberships (i.e., targeting the UN PRI Principles 2, 4 and 5).**

Being part of the UN PRI community also provides opportunities for learning and collaboration. Through the PRI platform, the portfolio managers can exchange insights with other investors, follow emerging best practices, and stay informed about evolving expectations in sustainable finance. This engagement supports the further refinement of internal policies and contributes to the building of an investment approach aligned with long-term sustainability trends.

EUROFIMA views its UN PRI signatory status as both a commitment and an ongoing journey. It plans to continue strengthening ESG data coverage within the investment portfolio, improving the analytical depth of ESG assessments, and enhancing the consistency and clarity of responsible investment disclosures. These efforts support the organization's broader sustainability objectives and ensure that its investment activities remain aligned with the values that underpin its mission.

# ESG Integration Framework

EUROFIMA applies a structured and disciplined approach to responsible investment, ensuring that environmental, social, and governance (ESG) considerations are embedded in every stage of its investment process. This approach is built on three **reinforcing pillars: norm-based screening, ESG integration, and engagement**. Each of these serves a distinct purpose within the broader framework, and collectively they ensure that EUROFIMA's investment activities align with its ethical commitments and risk management standards.

The first two pillars rely on ESG data supplied by independent providers, such as ESG rating agencies (i.e., Sustainalytics, Inrate and Fedafin). All data received is integrated into EUROFIMA's internal systems and forms the basis for screening, risk analysis, and portfolio construction. Within this structure, the **Middle Office** is responsible for maintaining ESG information that is up to date and ensuring that any changes reported by third parties are promptly reflected in internal tools. These updates are communicated to the **portfolio managers**, who are tasked with ensuring that all investment decisions remain consistent with EUROFIMA's ESG requirements. Portfolio managers must verify, daily, that all potential investments meet ESG criteria before they are executed, and they must continuously monitor the portfolio to ensure ongoing alignment. If an issuer's ESG profile deteriorates after the initial investment, such as falling below minimum compliance thresholds or breaching EUROFIMA's exclusion criteria, the portfolio manager may be required to divest.

## Pillar 1 – Norm-Based Screening

The first pillar acts as a safeguard, ensuring that EUROFIMA invests only in issuers that uphold basic standards of responsible conduct. Norm-based screening is centered on compliance with the **Ten Principles of the United Nations Global Compact**, which reflect internationally accepted norms regarding human rights, labor standards, environmental responsibility, and anti-corruption. The assessment identifies issuers that fail to meet these minimum standards and therefore must be excluded from the investable universe. For EUROFIMA, adherence to the principles of the UN Global Compact is a fundamental prerequisite for any financial relationship, whether investment-related or transactional. An issuer classified as "non-compliant" cannot be accepted into the portfolio, and any shift to non-compliance triggers the liquidation of the investment and the cessation of the business relationship. In this way, norm-based screening ensures that EUROFIMA supports only those entities willing and able to conduct their business in line with widely recognized ethical and sustainability benchmarks.

## Pillar 2 – ESG Integration

The second pillar focuses on the systematic consideration of ESG risks alongside traditional financial risk factors such as credit, liquidity, and interest rate risk. Using **ESG scores and ratings**, the Treasury & Asset Management unit evaluates each investment opportunity before inclusion in the portfolio. ESG factors are treated as integral components of risk analysis and portfolio construction, rather than as supplementary information.

Portfolio managers work within a strategic target for the overall ESG profile of the portfolio which is evaluated and approved by the Management Committee. This means that the investment strategy requires maintaining a weighted average ESG risk score below a defined threshold. The target guides security selection and supports a consistent, forward-looking approach to managing ESG risk across the entire portfolio.

In 2025, using a scale from zero (i.e., negligible ESG risk) to 100 (i.e., severe ESG risk score), the ESG risk scoring targets were defined as follows: Bond portfolio targeted a score below 22.0, money market portfolio targeted a score below 26.0 and margining portfolio below 30.0. The ESG risk score goals corresponded to quantitatively feasible targets which consider the specifics of each portfolio and reflect well the reality of existing investment universes and instruments traded. No "severely" rated (i.e., in Sustainalytics jargon, ESG risk score exceeding 40.0) issuers were part of any of the three portfolios throughout the entire reporting year.

## Pillar 3 – Engagement

The third pillar emphasizes active ownership and reflects EUROFIMA's commitment to encouraging improved ESG practices among its investees and financial counterparties. Engagement may take place either bilaterally or in collaboration with other investors, and focuses on promoting transparency, strengthening governance practices, and supporting positive changes in ESG performance.

Engagement activities are grounded in the institution's fiduciary duty to manage assets prudently and responsibly on behalf of its shareholders. They also translate EUROFIMA's commitments under the **UN Principles for Responsible Investment**, particularly Principle 2 ("active ownership") and Principle 3 ("promoting disclosure"). All engagement work follows the [Investee Engagement Guidelines \(IEG\)](#), which define the scope, method, and responsibilities associated with stewardship activities. The guidelines outline four key stewardship principles: monitoring, governance, transparency, and alignment with best practice. All staff involved in investment activities are expected to uphold those principles. The guidelines have been in effect since January 1, 2022, and apply to all investments and all financial transactions with counterparties. The results of the engagements are summarized and presented as part of the [Annual Engagement Report \(AER\)](#), which can always be found on EUROFIMA's website.

Through these three pillars, EUROFIMA ensures that its investment activities remain aligned with its ethical commitments, long-term risk management objectives, and broader sustainability strategy. The ESG Integration Framework acts not only as a set of operational procedures but also as a statement of the institution's responsibility to promote sound governance, social integrity, and environmental stewardship in the financial markets in which it operates.

# Investee Engagements

Active engagement with investee companies is a central element of EUROFIMA's approach to responsible asset ownership. Although the institution invests exclusively in fixed-income instruments and does not hold equity positions, it views ongoing dialogue with issuers and financial counterparties as an essential responsibility. This reflects both EUROFIMA's fiduciary duty to its shareholders and its role as a mission-driven, non-profit organization supporting sustainable development. Engagement enables the institution to promote stronger sustainability practices among its investees while strengthening the integrity and resilience of its own investment activities.

EUROFIMA engages proactively with counterparties because fixed-income investors face material exposure to ESG risks, even without voting rights. Poor governance, weak environmental management, or insufficient social safeguards can manifest as credit risk, reputational harm, or financial underperformance. Engagement therefore serves as a direct input into risk management. Through structured annual engagement cycles, portfolio managers gain deeper insight into how investees identify, assess, and mitigate material ESG risks, ranging from business ethics and cybersecurity to environmental impact, biodiversity considerations, and the quality of internal sustainability governance. These insights enhance our understanding of long-term risks and support more informed decision-making. The Annual Engagement Reports demonstrate that many investees value these discussions, often highlighting the importance of gaining clarity on ESG rating methodologies, expectations regarding disclosures, and evolving regulatory requirements.

As a signatory to the UN Principles for Responsible Investment (UN PRI), EUROFIMA has committed to acting as an active owner and encouraging issuers to improve their transparency and sustainability performance. Engagement directly fulfils **Principle 2** ("We will be active owners and incorporate ESG issues into our ownership policies and practices") and **Principle 3** ("We will seek appropriate disclosure on ESG issues by the entities in which we invest"). The structured engagement program ensures that these principles are embedded in everyday investment practice, not merely in policy. [EUROFIMA's Investee Engagement Guidelines](#), which came into effect in 2022, provide a clear framework for monitoring ESG risks, promoting good governance, encouraging transparency, and aligning investee practices with recognized standards. These guidelines apply to all investment activities and all financial transactions conducted with counterparties.

Engagements are conducted on a confidential, bilateral basis and tailored to the specific risks and industry context of each investee. Discussions often focus on the management of material ESG risks identified through third-party assessments. The reports from recent years show that engagements commonly cover topics such as disclosures & reporting quality, sustainability strategies, the integration of climate and biodiversity considerations, and responses to regulatory changes in Switzerland and the European Union, i.e., primary markets of our exposure.

The engagement cycles also highlight broader challenges investees face, including data limitations, uncertainty around new sustainability requirements, and the need for clearer internal governance structures. These discussions provide a valuable opportunity for EUROFIMA to support investees in navigating a rapidly changing ESG landscape while reinforcing the institution's expectations regarding responsible business conduct.

Engagement also plays a key role in promoting positive change among investees. The Treasury & Asset Management staff have observed measurable improvements in several cases, including better ESG risk ratings, removal from Global Compact Watchlists, development of new sustainability-related policies, and strengthened internal governance frameworks on the part of issuers invested in. In 2023, for example, nine of the companies we engaged with improved their ESG Risk scores, and one investee progressed from “High” to “Low” ESG risk, reflecting meaningful enhancements in core business standards and transparency.

Even when improvements are incremental, the ongoing dialogue fosters a culture of accountability and continuous progress. Conversely, where investees demonstrate insufficient willingness to engage or fail to take material steps toward improving their sustainability performance, EUROFIMA may ultimately reconsider or restrict the business relationship.

The engagement process also strengthens EUROFIMA's ability to safeguard its reputation and manage exposure to ESG-related controversies. By maintaining regular dialogue with investees, the institution stays informed about emerging issues and can respond promptly to potential risks. This contributes directly to the stability and credibility of its investment portfolios, supporting EUROFIMA's broader mission of responsible, sustainable financing.

When it comes to the most recent results, the 2025 investee engagement cycle continued the active, one-to-one engagement with the same eleven investees as in 2024. No additional investees were included due to internal capacity constraints, and the sector mix remained unchanged, with financial institutions still making up most of the engagement investees' list.

When it comes to the ESG ratings of those institutions, over half of the investees improved their ratings, while around 40% saw little or no change. One investee with an already low rating experienced a further decline.

These rating changes were a key input into engagement decisions, helping determine whether investees exited the cycle positively, negatively, or continued for another year. Engagement topics were tailored to the individual investees, but most discussions focused on climate strategy, nature-related risks, financed emissions, sustainability reporting standards, and related ESG issues. More details can be found in the publicly available [Annual Engagement Report 2025](#).

Investee engagements allow EUROFIMA to reinforce the idea that **sustainability is not merely a reporting requirement but a shared responsibility**. Each year's engagement cycle strengthens the connection between EUROFIMA and its investees, enabling both sides to reflect on challenges, exchange knowledge, and explore pathways toward more robust sustainability practices. EUROFIMA remains committed to continuing this dialogue in the years ahead, recognizing engagement as a cornerstone of responsible investment and a meaningful contribution to the long-term resilience of the financial system.

Investee engagements allow EUROFIMA to reinforce the idea that sustainability is not merely a reporting requirement but a shared responsibility.

# Investment Portfolio Level ESG Indicators

Reporting on environmental, social, and governance (ESG) indicators has become an essential part of responsible asset management. These indicators offer investment professionals a structured way to evaluate how companies manage risks and opportunities that do not always appear on traditional financial statements. By disclosing ESG indicators, we show how sustainability considerations are fully integrated into our investment process and how they influence portfolio construction, risk management, and long-term value creation. This transparency demonstrates our commitment to managing assets responsibly, in line with global expectations for sustainable finance.

Our analysis draws on several specialized ESG data providers: Sustainalytics, Inrate, Fedafin, and Bloomberg. Each offers distinct expertise, and together they provide a more comprehensive understanding of ESG risks and per-

formance. These external data sources are complemented by information obtained directly from the companies in which we invest. Company-reported data serves as a primary source whenever available, as it allows for more accurate and granular assessment of ESG practices at the issuer level.

As not all ESG information comes in the same form or frequency, we use mapping and weighting techniques to combine data from various sources. The most important weighting method is based on the market value of each position in our portfolio. This ensures that the ESG characteristics of larger holdings have a proportionately greater influence on the overall portfolio profile. When market values are not available, such as for money market instruments, the nominal value of the position is used instead. This approach helps us maintain consistency and comparability across different asset types.

**TABLE 8: Cross-cutting indicators for investment portfolios**

Indicator	Value
Number of investment portfolios	2
Money market instruments included	Y
Capital market instruments included	Y
Derivatives included	N
Total investments (EUR bn) <sup>1</sup>	4.0
- Money market portfolio (EUR bn)	2.4
- Bond portfolio (EUR bn)	1.6
Percentage of investments under ESG Integration Framework	100%
Average ESG Risk Score – bond portfolio <sup>2</sup>	17.0
Average ESG Risk Score – money market portfolio <sup>3</sup>	20.5
Investments in companies classified by Bloomberg as:	
- Aerospace/defense	None
- Alcohol	None
- Arms manufacturing	None
- Fossil fuels, refining, oil field services, etc.	None
- Gambling	None
- Metals and mining	None
- Tobacco	None
Number of active investee engagements throughout 2025	11

<sup>1</sup> Balance sheet value; as at Dec. 31, 2025; no derivative positions are accounted for.  
<sup>2</sup> Corresponds to "Low" ESG risk exposure.  
<sup>3</sup> Corresponds to "Medium" ESG risk exposure.  
 Data sources: Sustainalytics; Fedafin; Inrate; Bloomberg; internal calculations.

The ESG indicators we monitor vary in nature, and their update frequency reflects this. Certain metrics, such as ESG risk scores for the investment portfolios, are calculated daily. This enables close monitoring of changes that may signal emerging risks.

**TABLE 9: Portfolio level indicators as at end December 2025**

Indicator	Bond Portfolio	Money market portfolio
<b>UN Global Compact</b>		
Compliant investees (%)	61%	16%
Watchlist investees (%)	1%	-
No available information (%)	38%	84%
	<b>100%</b>	<b>100%</b>
<b>ESG risk scores</b>		
Negligible risk	11%	-
Low risk	52%	51%
Medium risk	33%	35%
High risk	3%	13%
No available information	1%	1%
	<b>100%</b>	<b>100%</b>
<b>Investee classifications</b>		
Local authorities	27%	48%
Government-related (incl. Treasuries)	20%	11%
Banking (incl. covered bonds)	18%	37%
Supranational	13%	-
Consumer non-cyclical	8%	-
Technology	3%	-
Insurance	3%	-
Other	8%	4%
	<b>100%</b>	<b>100%</b>
<b>ESG-labelled instruments</b>		
Green bonds	7%	-
Social bonds	5%	-
Sustainability bonds	6%	-
Sustainability-linked bonds	1%	-
Not labelled bonds	81%	100%
	<b>100%</b>	<b>100%</b>

Data sources: Sustainalytics; Fedafin; Inrate; Bloomberg; internal calculations.

Other indicators are assessed periodically. For example, investees are audited on a quarterly basis to confirm their continued compliance with the UN Global Compact, a global initiative promoting responsible business conduct. Some indicators are updated at the discretion of the portfolio manager, such as the share of ESG-labelled instruments within the portfolio.

**TABLE 10: Bond portfolio additional indicators as at end December 2025**

Indicator		Weighted average value	Portfolio share (%)	Comment
EU Taxonomy	DNSH adaptation pass rate (%)	36.4%	62.4%	DNSH tests assess broad, entity-level requirements related to environmental objectives. The result reflects the share of tests successfully met, with 100% indicating full compliance. Estimated value.
	DNSH mitigation pass rate (%)	38.7%	61.6%	
	Minimum Social Safeguards compliance rate (%)	45.8%	58.1%	The estimated compliance rate, where Minimum Social Safeguards mandatory tests cover requirements derived from the international frameworks on which the safeguards are based. The score reflects the proportion of tests successfully met, with 100% indicating full compliance.
UN Global Compact	Signatory	N	26.4%	Indication whether the company is a signatory of the United Nations Global Compact (UN GC)
		Y	31.5%	
		n/a	42.1%	
Overall	Carbon emissions reduction targets	N	43.2%	Indication whether the company has carbon emissions reduction initiatives aimed at aligning with the Paris Agreement (i.e., Net Zero Emissions Target, Science Based Targets)
		Y	32.8%	
		n/a	24.0%	
	Energy Intensity per sales	41.7%	47.5%	Measures the company's energy intensity, expressed as megawatt-hours of energy consumed per million in sales revenue. The metric is based on disclosure in company filings, and is calculated as energy consumption x 1000 / sales.

Based on Bloomberg ESG Data

Financed emissions, which quantify the greenhouse gas emissions associated with our investments, are calculated annually using positions from the previous year. These results are presented in a dedicated section of the Sustainability Report.

Some portfolio indicators remain available only for parts of the long-term portfolio. For example, certain values shown in the "Bond Portfolio Additional Indicators" table are derived from limited data sets. This is largely due to incomplete or delayed ESG reporting by investee companies or difficulty accessing information for all holdings.

Expanding the number of available ESG indicators is therefore a priority. Doing so will deepen our understanding of the portfolio's exposure to a wider range of ESG topics and will enhance our ability to manage these risks proactively.

Within our Risk Management Framework, ESG risk is treated with the same level of importance as traditional financial risks such as credit risk or interest rate risk. We calculate a weighted average ESG risk score both at the global portfolio level and for each portfolio individually. This metric acts as an overarching indicator of sustainability performance across the managed assets.

A deterioration in an investee's ESG standing may trigger corrective action. For instance, positions may be reduced or liquidated if an issuer is downgraded to "High" or "Severe" ESG risk, or if the company is found no longer to meet the standards of the UN Global Compact or the Global Standards screening. These measures ensure that our portfolios remain aligned with our sustainable and responsible investment principles and with the ESG Integration Framework.

ESG risk metrics are reviewed and approved continuously by the Management Committee. In parallel, updates are presented regularly to the Board of Directors, ensuring strong oversight at the highest governance levels.

In addition to this internal governance structure, we report ESG portfolio indicators across several external frameworks and documents. These include the Treasury Strategy documentation, the UN Principles for Responsible Investment (UN PRI) report, and the Sustainability Report itself. Through this consistent and transparent reporting, we demonstrate how ESG considerations shape our investment decisions and contribute to the resilience and responsibility of our portfolio.

# CHAPTER 7

## Responsible Operations



7

# Culture

EUROFIMA's corporate culture is deeply rooted in our public mission: Advancing sustainable, efficient, and socially responsible rail transportation across Europe. Since our foundation in 1956, this mission has shaped not only what we do but how we do it. It underpins our belief that a strong workplace culture is essential to fulfilling our role as a supranational organization serving the public good. Over time, we have cultivated a collaborative, respectful, and inclusive environment which resonated with our mission strongly.

In 2022, we clearly defined our corporate values through a dialogue process involving all employees and introduced four **value ambassadors** from the staff members to help anchor these values in our daily interactions with one another. Our **D-A-R-E values**, i.e., Dialogue, Agility, Responsibility, and Ex-

cellence, form the backbone of how we communicate, lead, and grow as an organization. They also guide regular feedback workshops, leadership and self-leadership trainings, and ongoing improvements to our performance management approach.

Our D-A-R-E values, i.e., Dialogue, Agility, Responsibility, and Excellence, form the backbone of how we communicate, lead, and grow as an organization.

 <b>Dialogue</b>	 <b>Agility</b>	 <b>Responsibility</b>	 <b>Excellence</b>
<p><b>We engage in dialogue &amp; make informed decisions</b></p>	<p><b>We stay open-minded when change comes</b></p>	<p><b>We are committed to providing long-lasting and impactful, positive change to the environment and society</b></p>	<p><b>We leverage suitable, ethical tools to achieve excellent results</b></p>
<p>I listen carefully and participate in discussions</p> <p>I give feedback to others in a timely and respectful manner</p> <p>I actively share my knowledge and ideas</p> <p>I am ready to collaborate with others while being open to constructive talks</p>	<p>I embrace change in order to stay ahead of the curve</p> <p>I stay motivated to find the best solutions to new challenges</p> <p>I am not afraid to take calculated risks</p> <p>I aim to simplify things whenever possible</p>	<p>I actively look for and point out things which can be done in more responsible and environmentally-friendly ways</p> <p>I am accountable for my work and decisions</p> <p>I am going to do what I said I would do - I walk the talk</p> <p>I consider sustainability in all my decision-making processes</p>	<p>I challenge the status quo and strive to improve the way we work together</p> <p>I am ready to go the extra mile for our customers</p> <p>I focus on our goals and think of ways to positively contribute towards their achievement</p> <p>I perceive any input from others as opportunities to further develop and grow</p>

**We D·A·R·E to keep the train rolling!**

Central to our culture is the conviction that people thrive in an atmosphere of mutual support, trust, and respect. We strive to maintain a healthy, safe, and motivating workplace where concerns can be raised openly and addressed constructively. **A transparent feedback culture**, supported by regular employee surveys, structured performance reviews, and direct dialogue with line managers, ensures that every voice can contribute to shaping our work environment.

To strengthen open dialogue and feedback culture, in 2024, staff elected an Employee Representative. The role of the Employee Representative is to represent the interests of employees in discussions with management on matters affecting individuals or groups of staff. Some of the issues raised may also be sensitive in nature. To be effective, the Representative must be familiar with the Staff Regulations and established practices, and must ensure that a structure is in place through which employees' concerns can be raised and, when necessary, escalated to the Management Committee.

In 2025, the performance review process was comprehensively revised and improved with the introduction of upward feedback, thereby completing the 360° feedback framework. This development strengthens our leadership culture by promoting transparency, accountability, and continuous dialogue across all organizational levels.

Our grievance and whistleblowing processes, supported by external partners and a strict non-retaliation policy, strengthen our commitment to integrity and psychological safety. In recent years, no grievances have been reported, reflecting our efforts to foster a fair and respectful workplace.

Diversity, equal opportunities, and inclusion are also a core part of how we work. We value the varied perspectives, experiences, and backgrounds our employees bring and aim for balanced representation across nationalities, genders, and age groups. Our Code of Conduct reinforces our zero-tolerance approach to discrimination and harassment and sets clear expectations for behavior that reflects our professional responsibilities, both in and out of the office.

Central to our culture is the conviction that people thrive in an atmosphere of mutual support, trust, and respect. We strive to maintain a healthy, safe, and motivating workplace where concerns can be raised openly and addressed constructively.

**TABLE 11: Gender diversity of governance bodies and employees in 2025**

Age group	Female	Male	Total
Under 30	-	-	-
30-50	7	15	22
Over 50	5	11	16
<b>Total</b>	<b>12</b>	<b>26</b>	<b>38</b>

**TABLE 12: Distribution of governance bodies per age group in 2025**

Age group	Total
Under 30	-
30-50	3
Over 50	7
<b>Total</b>	<b>10</b>

**TABLE 13: Distribution of employees per age group in 2025**

Age group	Total
Under 30	-
30-50	19
Over 50	9
<b>Total</b>	<b>28</b>

**TABLE 14: Distribution of internal stakeholders per age group and gender in 2025**

Age group	Under 30	30-50	Over 50	Male	Female
Board of Directors	-	3	7	7	3
Management Committee	-	2	-	1	1
Unit Heads	-	5	2	5	2
Other Employees	-	12	7	13	6

We also nurture a **culture of care** by supporting employee well-being, including mental health. When needed, we adjust workloads, tasks, or working hours and provide tailored return-to-work solutions. Our commitment to well-being is integrated into daily management practices and guided by Swiss labor standards on health and safety.

Throughout the organization, we encourage colleagues to take pride in the impact of their work. Our **“People @ EUROFIMA”** initiative, launched in 2024, gives employees a platform to share their stories with the wider outside world via social media and highlight how our mission inspires their daily work. These insights reinforce the sense of purpose that unites us and the collaborative spirit that defines our culture. Throughout 2025, we published four interviews with our valued employees, and we will publish more in the coming years as the list of employees who want to contribute to this series continues to grow.

With the introduction of our **Employer Value Proposition (EVP)** in 2025, we reinforced how our culture and mission complement one another and shape the employee experience. The EVP is intended to show that, as a supranational organization with a public mission, we offer a unique workplace where

professional expertise meets social responsibility. We want to make it clear that our culture – which is mission-driven, people-centered, and values-based – remains one of our strongest assets in attracting and engaging talented individuals who want to make a difference.

### EUROFIMA Employer Value Proposition

**“Together, we empower people to drive sustainable mobility through meaningful finance - building a greener Europe.”**

At EUROFIMA, we are shaping the future of sustainable rail transportation across Europe, and we do it through our people. Rooted in our values of Dialogue, Agility, Responsibility, and Excellence, we foster a culture where people (like you) can do their best work while harmonizing professional ambition with personal well-being.

As a supranational organization with a public mission, EUROFIMA offers a unique workplace where financial expertise meets social responsibility, and where your work drives impact beyond the bottom line. If you dare to grow your career while contributing to sustainable public transportation in Europe, you've found the right place.



**DIALOGUE:**  
people-oriented culture at the core

We believe that meaningful work begins with open and honest dialogue. In our close-knit, international team, respect, trust, and collaboration shape our daily work. Our flat structure enables efficient and transparent communication where every voice is valued, and every idea has the power to shape our path.



**RESPONSIBILITY:**  
purpose with real impact that matters

Our mission is to support the development of public passenger rail transportation, driving sustainable mobility across Europe. By joining us, you are taking on a responsibility that matters, enabling greener, more connected societies and making a tangible difference in the lives of millions.



**AGILITY:** multicultural, mission-aligned team through diversity

With colleagues from across Europe and a shared commitment to our mission, our diversity fosters agility, innovation, and collaboration. We move fast, adapt to challenges, and support each other every step of the way. This adaptability also extends to how we grow together. Whether you are just starting or taking your next leap, we offer space to learn, evolve, and make meaningful contributions from day one.



**EXCELLENCE:**  
a standard we live by

Our small, high-performing, and interactive teams deliver excellence every day. We uphold the highest standards, act with integrity, and focus on creating long-term value, not just quick wins. We believe excellence is sustained by balance: a stable foundation, strong leadership, and a supportive environment that values well-being as much as achievement.

# Employment

Our staff represents one of our most important assets. Accordingly, it is our goal to provide a sustainable, diverse, and rewarding working environment that fosters competence, commitment, cooperation, and ensures that all employees are treated with dignity and respect.

As at December 31, 2025, EUROFIMA employed 28 employees of 13 different nationalities, 9 of whom were women and 19 men. The average number of full-time equivalents over the entire reporting year was 26.3. No employee was employed on a temporary basis at any point in 2025.

**TABLE 15: New employees**

Age group	Female	Male	Total
Under 30	-	-	-
30-50	2	1	3
Over 50	-	-	-
<b>Total</b>	<b>2</b>	<b>1</b>	<b>3</b>

**TABLE 16: Employee turnover**

Age group	Female	Male	Total
Under 30	1	-	1
30-50	-	2	2
Over 50	-	-	-
<b>Total</b>	<b>1</b>	<b>2</b>	<b>3</b>

EUROFIMA is aware of its social responsibility as an employer and takes various measures to ensure that its personnel and training policies are fair and responsible. Through appropriate measures, we ensure continuous compliance with all relevant national laws and labor standards. EUROFIMA is also committed to complying with international standards such as the International Labour Law, the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child and the rejection of forced labor.

EUROFIMA's approach to promoting a work-life balance is based on a straightforward principle to help employees perform to their fullest potential. Flexible working arrangements (e.g., flexible working time, flexible holidays, part-time working, job-sharing, working from home, and parental leave for both men and women) help our employees balance life and work and are an essential element in meeting the individual needs of a diverse workforce. In 2024, EUROFIMA staff members were introduced to the possibility of two weeks "workation," i.e. the possibility for staff to work remotely from abroad to further promote flexibility in general and enabling colleagues coming from abroad to spend time with family and friends.

EUROFIMA employs people based on their competencies for the role and does not discriminate based on race, gender, age, nationality, disability, religion, sexual orientation, family status, etc. All staff members contribute to an engaging workplace with diverse perspectives, experience, knowledge, and cultural background.

To help our employees navigate the pitfalls of their everyday work, EUROFIMA has established a Code of Conduct, which is considered to be a central document and is regularly reviewed and adjusted to ensure that everything essential is covered and that risks are avoided. The Code reiterates and reinforces the fundamental values and mission of our organization, and it offers employees guidance on appropriate behavior and the rules that apply within our organization. The same applies to our Code of Conduct for Suppliers.

In 2025, we continued to support our employees through the following mechanisms:

- Enabling a flexible hybrid working environment.
- Maintaining consistent communication to track employee morale in order to pinpoint needs and expectations during a protracted crisis.
- Promoting learning and development programs to increase employee engagement and retention.

In addition, the health and safety of our employees is an essential part of our responsibility as an employer (see *Occupational Health & Safety* for more details). We also view our responsibility as extending beyond our employees' direct working time, and we also provide additional insurance for non-occupational risks.

Another of EUROFIMA's core responsibilities towards its employees is education, which it views as an essential lifelong process that is facilitated by continuous training. All employees are supported by providing them with various training opportunities, seminars, and conferences to help them advance in their roles and experience personal growth. Since 2023, we have adopted a new talent management approach, which is built on three pillars: performance management, training & development and rewards & recognition; succession planning as a wider topic is an integral part of the three pillars. In the past years, a comprehensive Training Catalogue was produced, providing a list of suitable courses for professional development and functional training for all staff members. Leadership development was also enhanced with some specially designed programs. Popular training and measures include, but are not limited to, CFA Program, Certificate in ESG Investing, ICMA training and con-

ferences, and other relevant conferences to ensure that staff remain up to date regarding relevant market developments in their specific fields. The average number of training days per employee per year is five, fully supported by EUROFIMA.

All employees are supported by providing them with various training opportunities, seminars, and conferences to help them advance in their roles and experience personal growth.

**TABLE 17: Advancing skills & training**

	2025	2024	2023	2022	2021	Target
<b>Type of employment</b>						
Permanent	100%	100%	100%	100%	96%	Preferred
Temporary	0%	0%	0%	0%	4%	On demand
<b>Direct employment</b>	100%	100%	100%	96%	100%	Preferred
Indirect employment	0%	0%	0%	4%	0%	On demand
<b>Type of trainings</b>						
Participation in internal trainings/ seminars	100%	100%	100%	100%	89%	100%
Participation in external trainings/ seminars	60%	82%	46%	56%	96%	70%
<b>Overall participation</b>	100%	100%	100%	100%	96%	100%
<b>Average duration of trainings/seminars (in no. of days)</b>	8	9	6	8	6	Increase by 10%
<b>Work-life balance</b>						
Part-time employees	21%	18%	15%	15%	11%	On demand

Managerial and leadership development at EUROFIMA is tailored to individual needs, with training programs designed to support internal career growth. In 2024, EUROFIMA implemented a customized leadership effectiveness training, which included coaching sessions and peer learning groups for all line managers. The “DARE to Lead” program was specifically designed to foster self-reflection on leadership, provide practical support in coping with day-to-day challenges, and promote a shared understanding of leadership and performance culture aligned with EUROFIMA's values. The leadership training was supported by external coaching sessions and internal peer learning sessions.

In 2025, EUROFIMA held a workshop titled “DARE to GROW” with all employees, based on the “DARE to LEAD” leadership training program, with the aim of fostering self-management and personal growth and strengthening collaboration and the feedback culture.

The workshop was supplemented by Gallup Clifton strength assessments. Following the workshop, two further “lunch & learn” sessions were held during the course of the year, one on psychological safety to create and maintain safe spaces, and the second on feedback and communication using LEGO® Serious Play®.

To show the same level of encouragement for the future generation of professionals, we also support students with their theses work and offer traineeship programs and project-related assignments. To that end, we established and maintained contact with higher educational institutions.

When it comes to the remuneration, the total compensation of the Management Committee (i.e., CEO and CFO roles) includes a base salary and variable compensation. A portion of variable compensation is linked to ESG-related performance targets, while the rest is tied to financial performance and business development.

The Management Committee provides proposals on staff and management remuneration to the Human Resources Committee and Board of Directors. The Board of Directors decides on the budget proposal linked to remuneration of existing staff via its approval. The Human Resources Committee (HRC), for its part, is responsible for reviewing, reporting on, and, if required, making recommendations to the Board of Directors regarding matters relating to human resources and compensation policy, and establishing a plan of continuity and development of management for EUROFIMA. The HRC reviews and makes recommendations regarding changes to the internal organization of EUROFIMA upon receiving proposals from management or based on external consultancy. Such changes can also involve positions within the management team. EUROFIMA aims to maintain a fair annual total compensation ratio, ensuring that what is invested in the staff aligns with the company's overall goals and values. This approach allows us to provide competitive salaries and benefits at all levels of the company.

We are committed to rewarding performance and paying all employees fairly. The compensation of every employee is reviewed once a year to ensure that equal pay for equivalent roles and experience is ensured, and that contribution to the company's success is being rewarded. The identified gender pay gap is not a result of unequal pay. Rather, it is the result of the higher proportion of men in senior roles, especially at the senior management level. Excluding senior management compensation, the mean pay gap on the total compensation would amount to 12%. The table below shows the mean and median pay gap in the fixed salary, as well as the variable and total compensation between all men and women within EUROFIMA.

**TABLE 18: Pay gap in 2025**

	Mean pay gap	Adjusted mean pay gap (excl. executive management team)	Median pay gap
<b>Fixed salary</b>	4%	12%	19%
<b>Variable compensation</b>	-21%	16%	46%
<b>Total compensation</b>	2%	12%	21%

# Occupational Health & Safety

EUROFIMA is committed to safeguarding the health, safety, and well-being of all employees. In an office-based, non-industrial work environment, "health and safety" encompasses the physical, psychological, and social conditions that enable employees to work productively, comfortably, and without risk of injury or harm. This includes ergonomic workplace design, emergency preparedness, mental health support, and a respectful, inclusive work culture.

Ensuring a safe, healthy, and supportive workplace aligns with EUROFIMA's approach to **responsibility, care, and integrity**. We aim to provide an environment where employees can perform at their best while feeling protected, respected, and supported in their daily work. Our core goals include preventing work-related illness and accidents, promoting mental and physical well-being, enabling early intervention and support when issues arise, and continuously improving our occupational health and safety (OHS) framework.

OHS oversight at EUROFIMA is shared across the organization:

- **The Management Committee** ensures compliance with relevant legislation and approves key OHS initiatives.
- **Human Resources (HR)** coordinates implementation, guidance, employee support, and policy updates.
- **The Health and Safety Committee (HSC)** – composed of volunteer safety officers – supports risk assessments, emergency preparedness, training, and awareness activities.
- **All employees** are responsible for following safety procedures, reporting hazards, and contributing to a safe and respectful work environment.

EUROFIMA complies with all applicable Swiss occupational safety regulations, including the Swiss Labor Code and Accident Insurance Act, and adheres to relevant EU occupational safety directives. The company maintains internal OHS guidelines and a Code of Conduct that are reviewed regularly and updated as needed.

As mentioned in one of the previous sections, all staff members have access to a confidential grievance mechanism to report concerns, including health, safety, and workplace integrity issues. All grievances are reviewed promptly and resolved through an impartial process.

EUROFIMA continuously works to ensure a safe physical working environment. The key elements here include:

- **Ergonomic workstations** with height-adjustable desks and monitors.
- **High-quality ventilation and natural light** in the office building.
- **Compliance with building safety regulations** and routine facility inspections.
- **Regular risk assessments**, including ergonomic and psychosocial factors.
- **Structured emergency preparedness**, including evacuation plans, fire safety drills, and first aid training.
- **Remote/hybrid work guidelines** ensuring employees can work safely from home while maintaining work-life balance.
- **Regular review of office layout** to support health, safety, collaboration, and accessibility.

These measures help prevent occupational risks and contribute to long-term employee comfort and productivity.

Supporting mental health and emotional resilience is another essential part of our OHS approach. EUROFIMA promotes:

- Flexible working arrangements, including hybrid work, flexible hours, parental leave, part-time options, and job-sharing.
- Manager and HR training on recognizing and addressing psychosocial risks.
- Regular communication to monitor morale and address emerging challenges.
- Health campaigns, and external support services.
- A culture where employees can openly discuss well-being concerns.

These efforts help maintain a balanced and supportive work environment that enables employees to thrive.

EUROFIMA also conducts courses and training aimed at strengthening OHS awareness and capability, including:

- First aid training and refresher courses.
- Ergonomics guidance for all new employees.
- Stress prevention and mental health awareness training.
- Emergency response exercises and evacuation drills.
- Orientation for new employees on OHS standards and individual responsibilities.

Employees are encouraged to participate through feedback channels, direct dialogue with HR and managers, staff surveys, and involvement in the HSC's initiatives. Training effectiveness is evaluated through surveys and debriefings after drills or incidents.

To demonstrate that we "walk the talk," the following list of initiatives shows what was implemented in practice in the past two years.

#### 2024 initiatives

- Professional **ergonomic workplace check**.
- Annual **team hike** to promote physical well-being.
- Participation in the **B2Run Basel**, with over a quarter of staff joining.
- Regular safety monitoring and coordination of emergency procedures.

#### 2025 initiatives

- **Emergency response training** for all HSC members.
- **First aid refresher courses** for HSC members, HR, and new employees.
- Participation in **mental health training** for HSC and HR.
- Introduction of **free seasonal flu vaccinations** for all employees.
- Launch of **on-site health check-ups** available to all staff.

These measures strengthen preventative healthcare, support early detection of health issues, and contribute to higher productivity, fewer sick days, stronger resilience, and improved overall safety.

Additionally, the HSC continued its ongoing initiative of providing **fresh seasonal fruits every week**, promoting healthier daily habits across the workforce.

Next year, we will further broaden our OHS program. Planned initiatives include:

- **Training on bullying and harassment prevention**, promoting a respectful and psychologically safe workplace.
- **Expanded mental health initiatives**, including presentations, e-learning modules, resource lists, and guidance on support channels.
- **Continued ergonomic improvements and risk assessments.**
- **Monitoring of hybrid work practices** to ensure ongoing well-being and safety.
- **Further development of digital tools** for OHS tracking and reporting.

Our goal stays the same, and it is to ensure that health and safety remain deeply embedded in the corporate culture, supporting an engaged, healthy, and high-performing workforce.

## Business Ethics

EUROFIMA sees business ethics and integrity as vital aspects for our mission, credibility, and long-term contribution to sustainable development. As a non-profit maximizing supranational institution established to support the procurement of rolling stock and the growth of rail transport, our actions must reflect the highest standards of ethical conduct at every level of the organization. Our ethical framework is integral to how we operate, how we engage with stakeholders, and how we maintain trust with investors, borrowers, and the public.

Ethics and integrity are central to EUROFIMA's mission because our credibility and reputation are essential for fulfilling our public service mandate. Trust in our ethical conduct enhances our ability to mobilize capital in global financial markets, sustain long-standing relationships with shareholders, and support public transport that contributes to climate and social goals. Our focus on ethical behavior is not just a compliance requirement but a strategic commitment to transparency, responsibility, and accountability that underpins our long-term financial health and sustainability.

EUROFIMA's governance, policies, and values explicitly reflect our non-profit nature and public service orientation. Our ethical framework is designed to ensure that all activities align with applicable laws, international standards, and the expectations of our member states and stakeholders. We are committed to high standards of **propriety, diligent risk management, and responsible stewardship of resources** in support of sustainable transport solutions. The **Code of Conduct** and our **Compliance Policy** guide our staff and leadership to act in a manner consistent with our mission and institutional values.

Besides our D-A-R-E values, our core principles – which are **integrity, transparency, professionalism, respect, and accountability** – guide decisions at every level of the organization. These are embedded in our policies and reflected in employee conduct, leadership expectations, and governance practices. They shape our approach to lending and investment decisions, interactions with counterparties, and internal operations, driving a culture where ethical considerations are prioritized alongside financial and strategic objectives.

Strong business ethics underpin our ability to build and maintain trust with investors, shareholders, borrowers, and the public. By adhering to high ethical standards, we ensure that our funding activities, financial reporting, and stakeholder communications are transparent, reliable, and consistent with best practices, further strengthening trust in our organization. This trust translates into sustained investor confidence, competitive funding conditions, and effective partnerships for sustainable rail transport solutions.

Responsibility for ethical behavior and compliance is shared across EUROFIMA's governance structure:

- The Board of Directors and relevant committees provide oversight and ensure that ethical considerations are fully integrated into corporate strategy and risk management.
- The Management Committee drives implementation, reinforces ethical leadership, and embeds compliance in our organization with policies throughout operational decision-making.
- EUROFIMA has an independent compliance function that identifies, monitors, and reports on compliance risks, ensuring objectivity and accountability.

Strong business ethics underpin our ability to build and maintain trust with investors, shareholders, borrowers, and the public. By adhering to high ethical standards, we ensure that our funding activities, financial reporting, and stakeholder communications are transparent, reliable, and consistent with best practices, further strengthening trust in our organization.

Responsibility for ethical behavior is distributed across departments and management levels, with each employee accountable for upholding ethical standards in daily activities. The compliance function reports directly to senior management and supports a corporate culture based on ethical values and professional conduct.

Our ethical framework is defined by a robust suite of policies that articulate our approach to integrity and compliance. These include:

- **Code of Conduct:** Mandatory for all Board members and employees, establishing standards of professional behavior.
- **Anti-Money Laundering, Anti-Bribery and Anti-Corruption Policy:** Governing the prevention of financial crime.
- **Compliance Policy:** Setting out principles for legal and regulatory adherence and risk management.

These policies align with international standards, including the UN Global Compact principles, EU and international AML directives, and other global best practices in governance and ethical finance. EUROFIMA annually confirms its continued support for the UN Global Compact and its anti-corruption principles in its Communication on Progress.

We ensure staff awareness of ethical standards through regular training and annual confirmations of understanding key compliance policies. In 2025, 100% of employees completed extensive compliance training, including anti-money laundering, anti-bribery, and corruption topics, as well as business ethics and ESG training.

Enforcement mechanisms include routine monitoring of compliance with internal policies, internal controls embedded in business processes, and audits by internal and external auditors. Violations of policies result in appropriate disciplinary actions.

Given our role as a financial intermediary, we proactively address risks related to corruption, fraud, money laundering, and terrorist financing.

Conflicts of interest and the acceptance of gifts or hospitality governed by very strict rules to prevent inappropriate influence, and all third parties and counterparties are expected to adhere to our ethical standards through contractual obligations and engagement guidelines.

As mentioned above, confidential channels are available for employees and stakeholders to report concerns about suspected misconduct, with protections against retaliation. Reports are investigated thoroughly, documented, and followed up, with findings communicated to governance bodies and used to improve and refine systems and controls. Our whistleblowing framework aligns with applicable EU standards and promotes a culture where concerns is encouraged, and safeguards are assured.

Compliance with anti-corruption and financial crime policies is monitored on an ongoing basis. Regular internal and external audits assess the effectiveness of our ethics and compliance practices, driving improvements to internal controls. Policy reviews are conducted periodically to ensure alignment with evolving regulatory developments and emerging risks.

We publicly disclose our commitment to ethical conduct and anti-corruption through our Sustainability Reports, website content, and UN Global Compact Communication on Progress, reinforcing transparency and stakeholder confidence. This robust disclosure aligns with the GRI Standards on governance and ethics and underscores our commitment to responsible business practices.

Looking ahead, EUROFIMA will continue to strengthen its ethical and compliance frameworks by:

- Expanding the range of **digital tools** and automation for real-time monitoring and risk detection.
- **Enhancing training and awareness programs** across the institution.
- **Developing measurable indicators** of ethical performance to track progress and drive continuous improvement.

By embedding ethics deeply into our governance and operations, EUROFIMA reinforces the trust of our stakeholders and ensures that sustainability and integrity guide every aspect of our work.

In 2025, 100% of employees completed extensive compliance training, including anti-money laundering, anti-bribery, and corruption topics, as well as business ethics and ESG training.

# Green Procurement & Supplier Assessment

EUROFIMA's operations focus on the provision of financing in accordance with our mission. As a result, the majority of our suppliers are service providers rather than suppliers of physical goods. These service providers are primarily active in specialized sectors such as financial market data and analytics, credit ratings, financial IT systems, and professional advisory services, including legal, audit, and consulting, which support activities that are closely embedded in core business processes. In addition, key suppliers also cover some of EUROFIMA's operational needs such as IT infrastructure, payment network services, cybersecurity, facility management, and insurance.

Compared to goods-based supply chains, service providers are generally less exposed to significant environmental impacts. Accordingly, given the current structure of our supply chain, no severe adverse environmental impacts associated with it have been detected in the past or are expected in the future.

The governance of procurement activities is defined in EUROFIMA's Procurement Policy, which sets out the rules, roles, responsibilities, and processes applicable to the procurement of goods and services across the organization. The objective of the policy is to ensure that appropriate and consistent purchasing decisions are taken on behalf of EUROFIMA.

Sustainability and ESG expectations are integrated indirectly into procurement through defined control objectives, supplier eligibility requirements, and mandatory adherence to the Supplier Code of Conduct. These measures include, among others, supplier selection, the avoidance of conflicts of interest, and regular supplier reviews. Compliance with the Supplier Code of Conduct is a prerequisite for supplier engagement above defined thresholds and constitutes the primary mechanism through which ESG standards are applied in procurement and supplier assessment. Our Supplier Code of Conduct is aligned with internationally recognized frameworks, including:

- The United Nations Global Compact Principles.
- The United Nations' Universal Declaration of Human Rights.
- The ILO (International Labour Organization) Declaration on Fundamental Principles and the Rights at Work.
- The Rio Declaration on Environment and Development.
- The United Nations Convention Against Corruption.

Through compliance with the **Supplier Code of Conduct**, procurement activities are aligned with EUROFIMA's broader sustainability commitments by extending ESG principles consistently to suppliers.

Any ESG-related risks are assessed through our supplier selection and monitoring processes. **As part of procurement decisions, vendor bids and quotations are evaluated not only on quality, technical compliance, and cost considerations, but also on suppliers' commitment to comply with the Supplier Code of Conduct, which defines applicable ESG standards and expectations.** This requirement applies to both new and existing suppliers when contracts are awarded. In addition, EUROFIMA applies a proportionate approach to supplier monitoring, with core suppliers – defined as those involved in significant procurements above certain thresholds – subject to enhanced monitoring based on established supplier assessment guidelines.

As part of procurement decisions, vendor bids and quotations are evaluated not only on quality, technical compliance, and cost considerations, but also on suppliers' commitment to comply with the Supplier Code of Conduct, which defines applicable ESG standards and expectations.

Since 2023, EUROFIMA has applied a **structured supplier sustainability assessment and monitoring framework**. In this framework, selected suppliers are assessed either through third-party ESG ratings or, where such ratings are not available, through ESG questionnaires or autonomous desk research. ESG performance and related data collection are assessed in line with the principles of the UN Global Compact, covering four key areas: labor standards, health and safety, environmental practices, and business ethics.

Based on the outcomes of the assessment, EUROFIMA may exclude a supplier from procurement or decide to terminate cooperation with that supplier if:

- The supplier is found to be non-compliant with, or in violation of, one or more UN Global Compact principles.
- The supplier fails to meet at least 50% of EUROFIMA's sustainability performance criteria.
- The supplier has an adverse ESG risk rating.
- There is clear and robust evidence of non-compliance with EUROFIMA's Supplier Code of Conduct.

The sustainability performance of EUROFIMA's core suppliers is subject to periodic monitoring, which is conducted in a three-year cycle.

Under its supplier sustainability assessment and monitoring framework, EUROFIMA applies ESG criteria to suppliers representing approximately 80% of its total annual procurement spend.

As part of the sustainable procurement approach, EUROFIMA's procurement spend is categorized by supplier domicile, distinguishing between local (Switzerland-based) and non-local suppliers. In 2025, the share of procurement from local suppliers increased to 54%, primarily driven by one-off local goods purchase. The change in non-local goods mainly reflects a reclassification of certain suppliers. Services remained the dominant spend category over the past two years and were broadly stable year-on-year, due to the specialized nature of established service providers.

**TABLE 19: Purchases**

	Local		Non-Local	
	2025	2024	2025	2024
Services	42.3%	44.2%	45.7%	44.6%
Goods	11.7%	2.5%	0.3%	8.7%
<b>Total</b>	<b>54.0%</b>	<b>46.7%</b>	<b>46.0%</b>	<b>53.3%</b>

# CHAPTER 8

## Climate & Environmental Impact

8

# Operational Emissions

Understanding the greenhouse gas (GHG) emissions arising from EUROFIMA's own operations is an essential part of managing the institution's environmental footprint. Although EUROFIMA's business model results in relatively limited direct emissions, measuring operational emissions provides transparency, supports internal efficiency improvements, and allows trends to be monitored over time. It also complements the much larger indirect emissions associated with financing activities by ensuring that the institution's internal operations are managed consistently with its sustainability ambitions.

We measure operational emissions in line with internationally recognized greenhouse gas accounting principles. As a single legal entity that fully owns and controls its operations, the reporting boundary is clearly defined and applied consistently. This ensures that emissions from all relevant activities under EUROFIMA's control are captured in a transparent and comparable manner. Should the organizational structure change in the future, the reporting boundary would be reassessed to maintain appropriate and consistent coverage.

The operational emissions inventory includes direct emissions from sources owned or controlled by EUROFIMA (scope 1), as well as indirect emissions from purchased energy such as electricity and heating (scope 2). In addition, EUROFIMA has assessed indirect upstream and downstream emissions (scope 3) to identify those categories that are most relevant to its operational activities. This screening considers the scale of emissions, their relevance to the institution's activities, and the degree of influence EUROFIMA can reasonably exert over them.

Based on this assessment, business travel and employee commuting have been identified as the most material scope 3 categories related to operations. These emissions are included because they represent a meaningful

share of the institution's operational climate footprint and can be influenced through organizational policies, travel choices, and workplace practices. Including these categories reflects EUROFIMA's public mission of supporting sustainable mobility and reinforces internal consistency between that mission and day-to-day operations.

Operational emissions are calculated using a combination of internal activity data and externally recognized emission factors. Energy consumption data is derived from utility invoices and internal records, while business travel and commuting data is based on travel records and standardized assumptions where direct data is not fully available. The methodologies applied are documented to ensure consistency over time and to allow for comparability with peer institutions.

The resulting emissions figures are reported in aggregated form in the Sustainability Report, with financed emissions also disclosed separately due to their scale and strategic importance. The calculations are reviewed internally for completeness and plausibility before being consolidated into the overall emissions profile. This process supports reliable reporting and provides management with a clear overview of EUROFIMA's operational climate footprint.

As with most operational emissions reporting, certain limitations remain. Estimates are sometimes required where detailed activity data is not yet available, particularly for commuting patterns. Over time, we aim to further improve data quality and methodological robustness by refining internal data collection processes and aligning with evolving best practices. These improvements will support more precise tracking of emissions and strengthen the institution's ability to identify reduction opportunities within its own operations.

It should be noted that the building-related emissions differ from those reported in last year's Report. The owner of the building in which our office is located revised the underlying energy consumption data, and we adjusted the emissions accordingly.

**Direct (scope 1) GHG emissions, indirect (scope 2) GHG emissions from energy; other indirect (scope 3) GHG emissions; GHG emissions intensity**

**TABLE 20: Non-financed GHG emissions (tons CO<sub>2</sub> eq.)**

		2025	2024	2023	2022	2021
<b>Scope 1</b>		<i>not applicable<sup>1</sup></i>				
<b>Scope 2</b>	Electricity <sup>2</sup>	-	-	-	-	-
	Heating <sup>3</sup>	1.2	1.2	1.3	6.5	37.9
	Cooling <sup>3,5</sup>	4.0	3.9	4.1	2.2	-
<b>Scope 3</b>	Business travel	46.0	43.1	10.1	31.1	0.0
	Rail	0.5	0.4	0.2	0.1	0.0
	Flight – short haul	16.1	12.9	9.9	11.2	
	Flight – long haul	29.4	29.8		12.8	
	Other	0.0	0.0	0.1	0.0	
	Commuting	8.0	8.0	7.9	15.7	-
<b>Total non-financed emissions</b>		<b>59.2</b>	<b>56.2</b>	<b>23.4</b>	<b>55.5</b>	<b>37.9</b>
<b>Annual change</b>						
	Scope 1	-	-	-	-	-
	Scope 2	5.2	5.1	5.4	8.6	37.9
	Scope 3	54.0	51.1	18.0	46.8	-
<b>Carbon intensity ratio<sup>4</sup></b>		<b>1.13</b>	<b>1.31</b>	<b>0.55</b>	<b>2.13</b>	<b>1.03</b>

<sup>1</sup> EUROFIMA does not generate direct GHG emissions. Indirect emissions from its office are presented under Scope 2.

<sup>2</sup> Electricity used by EUROFIMA comes from 100% renewable energy sources.

<sup>3</sup> Due to the timing of data received, (district) heating and cooling emissions for the current year & 2025 are estimated and will be updated when actual data is available.

<sup>4</sup> The carbon intensity is calculated by dividing the annual CO<sub>2</sub> equivalent emissions by annual revenues in USD equivalent (tCO<sub>2</sub> eq./M.USD revenues).

<sup>5</sup> The cooling system is not powered by electricity; the energy comes from heat produced by the incineration plant (similar principle to a reverse heating pump).

**TABLE 21: GHG emissions overview (tons CO<sub>2</sub> eq.)**

		2025	2024	2023	2022	2021	
Scope 1		-	-	-	-	-	
Scope 2		5.2	5.1	5.4	8.6	37.9	
Scope 3	Non-financed emissions	54.0	51.1	18.0	46.8	0.0	
	Financed emissions <sup>1</sup>	Equipment Financing Contracts (lending)	337,732	358,319	323,692	329,884	354,027
		Fixed income instruments (asset ownership)	Not available	470,806	Not available	Not available	Not available
<b>Total</b>		Incomplete	829,125	Incomplete	Incomplete	Incomplete	

<sup>1</sup> see "Financed Emissions" section for further details

**TABLE 22: Distance travelled (km)**

	2025	2024	2023	2022	2021	2020
Rail	27,323	32,311	21,660	9,885	320	8,840
Flight – short haul	75,418	83,434	63,762	72,073	-	52,800
Flight – long haul	13,106	77,228	-	45,782	-	-
Other	5	-	320	-	-	-
<b>Total</b>	<b>115,852</b>	<b>192,773</b>	<b>85,742</b>	<b>127,740</b>	<b>320</b>	<b>61,640</b>

# Financed Emissions

Understanding the Greenhouse Gas (GHG) emissions associated with EUROFIMA's lending and investment activities is a fundamental part of our approach to climate responsibility. While the financing activities themselves do not generate significant direct emissions, the loans provided to railway undertakings and the securities held in the investment portfolios each carry an indirect climate footprint. The financed emissions reveal how the institution's capital allocation contributes to real-world energy use, technological progress, and transition readiness across sectors and regions. Measuring these emissions brings that indirect footprint into view and strengthens the connection between EUROFIMA's financial decisions and their environmental consequences.

Assessing financed emissions helps identify where the most significant climate impacts occur within both the lending and investment portfolios and provides a basis for comparing issuers and counterparties on a consistent, transparent basis. These insights make climate-related risks, such as transition risk, far more tangible, and strengthen the institution's capacity to evaluate the long-term resilience of our portfolios. Transparent disclosure also signals to shareholders, investors, clients, and the public that the institution treats climate impacts as part of its financial stewardship, not as a side consideration. By reporting the figures transparently, we contribute to market accountability and help encourage better data availability and more robust climate practices across the financial sector.

Measuring financed emissions fits naturally within our broader sustainability strategy, responsible investment policy, and our commitment to transparency. Linking environmental impact directly to capital allocation ensures that climate considerations are integrated into everyday decision-making. For the lending business, financed emissions provide a clearer understanding of how different railway operators and rolling stock categories contribute to the institution's climate profile. In the investment portfolios, emissions data strengthens ESG integration by grounding assessments in evidence rather than general expectations. Together, these practices reinforce EUROFIMA's role as a responsible, non-profit financial institution that supports sustainable development and long-term value creation.

EUROFIMA calculates its financed emissions in line with the **GHG Protocol** and the **Partnership for Carbon Accounting Financials (PCAF)** standard. The GHG Protocol provides an overarching framework for greenhouse gas accounting, ensuring international consistency, while PCAF offers a practical methodology tailored to the indirect nature of emissions linked to loans and financial assets. These methodologies are widely used across the financial industry and allow disclosures to be transparent, credible, and comparable with those of peer institutions.

Reporting financed emissions also supports EUROFIMA's compliance with **GRI 305: Emissions**, particularly scope 3 category 15 (investments), which is often the most material emissions source for financial entities. By providing this information, we meet stakeholder expectations for climate transparency and demonstrate that we are willing to address the most complex aspects of our climate footprint. This strengthens the overall quality of the Sustainability Report and ensures that disclosures remain aligned with global standards and emerging regulatory requirements.

Data quality, consistency, and transparency are central to our financed emissions reporting. We strive to apply methodological updates such as PCAF and the GHG Protocol as they evolve, use high-quality data from external providers, or, where necessary, directly from borrowers/issuers, document all assumptions clearly, and present results using the highest level of detail feasible. These principles help ensure that financed-emissions disclosures remain reliable even in sectors where data availability is still developing.

Once calculated, the financed emissions results are reviewed internally according to the area of business they relate to, i.e., those arising from lending activities or from the Treasury & Asset Management unit's investment portfolios. Relevant Sustainability Committee Working Stream members review the completeness and consistency of calculations before the results are reported to the Management Committee and subsequently to the Board of Directors. Externally, the figures are disclosed in the Sustainability Report and, where applicable, in the institution's UN PRI Transparency Report. The methodologies and assumptions applied in the calculations are communicated clearly to support transparency and stakeholder confidence.

Looking ahead, the institution aims to strengthen methodological robustness over time. As issuers' disclosures improve and ESG data providers enhance their coverage, a larger share of the portfolios will rely on direct emissions figures rather than estimates. Internal processes will evolve accordingly, supported by periodic reviews of assumptions, improved data handling, and alignment with updates to the PCAF methodology. Engagement with issuers is expected to contribute positively as well, as better corporate reporting will directly improve the accuracy of data.

EUROFIMA is also exploring the feasibility of establishing portfolio-level emissions intensity targets where appropriate. Any targets for the investment portfolios must be realistic and grounded in the institution's strict portfolio guidelines and risk-management framework; initial analyses show that existing financed emissions' levels are already comparable with or below those of similar institutions. For the lending portfolio, the situation is more complex. Public transport often faces constraints related to infrastructure, technology availability, and the pace of national fleet modernization. Strict emissions pathways may therefore be difficult to align with EUROFIMA's mission without undermining its role in supporting rail development across Europe. Nevertheless, EUROFIMA remains committed to working with borrowers and shareholders to support the adoption of lower-emission and zero-emission technologies, as well as efficiency improvements and fuel-shift strategies.

### Financed Emissions Associated with Equipment Financing Contracts (EFC)

Indirect emissions associated with the EFCs (i.e., loans extended to railway undertakings) represent an estimate of the CO<sub>2</sub> equivalent emissions attributable to the rolling stock financed by EUROFIMA and included – whether in whole or in part – in our lending portfolio during the period 2021-2025.

The estimation of emissions generated by our EFCs is based on the Global GHG Accounting and Reporting Standard for the Financial Industry developed by PCAF, as referenced above. Although more sector-specific methodologies do exist for transport (e.g., ISO 14083 – Greenhouse gases – Quantification and reporting of greenhouse gas emissions arising from transport chain operations), we have opted to apply the PCAF standard to ensure methodological consistency and comparability across the institution, thereby avoiding the use of multiple frameworks for financed emissions.

Given the high degree of fragmentation within the lending portfolio – across asset categories (multiple units, locomotives, passenger and freight wagons), asset models and classes (e.g., Siemens Desiro, Alstom Coradia, Stadler FLIRT), operational use (passenger, freight, shunting, infrastructure works), and energy sources (electric, diesel, hybrid, bi-mode, or tri-mode) – and considering that detailed operational data were received from key railway

undertakings, it was necessary to develop several estimation models. These models were designed to accommodate differing data sets and to reflect the technical specificities of the underlying assets, as outlined above.

All estimation models are proprietary and have been developed internally. The underlying algorithms, assumptions, input data, and data sources, as well as the methodological framework, are comprehensively documented in dedicated internal documentation. EUROFIMA staff remain fully available to provide further clarification regarding the calculation of emissions or to share additional information on methodology with interested stakeholders, as appropriate.

The estimation covers all rolling stock that was included – whether fully or partially – in the portfolio during the period 2021-2025, with the exception of vehicles used for the construction and maintenance of rail infrastructure (e.g., track and overhead line works). These assets were excluded due to the absence of sufficiently granular data from railway undertakings and their immaterial contribution to total emissions, reflecting their comparatively low operational mileage.

The GHG emissions generated by the EFCs in the years 2021-2025 are shown in the Table 23.

**TABLE 23: Financed emissions associated with EFCs**

	2025	2024	2023	2022	2021
<b>Total emissions (tCO<sub>2</sub> equ.)</b>	337,732	358,319	323,692	329,884	354,027
<b>Loan Book (M€)</b>	9,218	9,120	9,551	9,232	10,140
<b>Emissions Intensity (tCO<sub>2</sub> equ./M€)</b>	36.6	39.3	33.9	35.7	34.9

As the data was unavailable at the time of publication, the 2025 emissions figures presented were based on assumptions and would be revised in next year's Report. It should be noted that EUROFIMA reserves the right to introduce methodological improvements on an annual basis, including the integration of additional railway operators providing specific data and, where possible, the use of higher-quality information sources.

Accordingly, the emissions reported differ from those published in 2025. The primary reason is that the Italian railways operator Ferrovie dello Stato Italiane S.p.A. (FS) – the operator responsible for the largest share of emissions – has provided us with the detailed fleet-level data, thereby enhancing both the reliability of the model and the associated PCAF score.

The development of GHG emissions, visible in Table 23, depends on multiple factors, including fleet composition (type and model), traffic volumes, energy sources, and countries of operation. Nevertheless, two principal trends can be identified:

1. Traffic levels only fully recovered from the pandemic in 2024. For comparison, total GHG emissions amounted to 455,147 tons in 2019.
2. The reduction in emissions observed in 2025 is primarily driven by decreased utilization of FS rolling stock within our portfolio.

As the PCAF methodology does not provide a specific standard for estimating data quality scores for railway rolling stock, the data quality scoring table for motor vehicle loans was applied. In accordance with the guidelines, a score was assigned to each individual rolling stock model. As a general rule, models using actual operator-reported data – for example in the cases of Austria, Spain, and Luxembourg, where electric trains are powered exclusively by certified renewable electricity – receive a score of 1. In cases where estimates are based on average values from the general model, a score of 5 is assigned. Individual asset scores are subsequently weighted by the market value of the rolling stock, as this metric best reflects the composition of the loan portfolio. The resulting portfolio data quality score, calculated as the average over the four-year period from 2021 to 2024 (given that most of the data for 2025 is not yet available and assumptions were required), is **1.90**.

To ensure the highest standards of data quality, consistency, and transparency within this complex framework, the following measures have been implemented:

- a) A clear distinction is made between input data received directly from railway operators and general, non-specific information.
- b) Data provided directly by the source is presumed accurate and of high quality and is securely stored in a dedicated directory.
- c) Secondary data is obtained exclusively from publications issued by leading and widely recognized institutions; a comprehensive list of sources remains permanently available for consultation and verification.
- d) The general modelling framework is based on a set of assumptions. The rationale underlying each assumption is documented whenever possible. Furthermore, stress-testing of these assumptions has produced highly stable final results.
- e) The models are subject to an annual critical review aimed at strengthening methodological robustness and improving data quality over time. Both operator-specific data and external information are updated using the most recent figures available, and efforts are continuously made to increase the proportion of data sourced directly from railway operators.
- f) Finally, a verification checklist has been created to ensure the consistency, accuracy, and completeness of calculated results prior to publication. The final emission figures are additionally reviewed and approved by two EUROFIMA staff members – the Rolling Stock Manager and the Head of Middle Office – before submission to the Management Committee for the final approval.

For the time being, EUROFIMA has consciously not set any specific target to reduce the GHG emissions associated with the lending portfolio. The reasons for this decision are as follows:

1. Our primary mandate to support the development of rail transportation in Europe drastically limits our control and margin of maneuver to adapt to the market and the pace of its development.
2. The country in which the train operates is the primary influencing factor, more so than the train type, class, or operational mode. This is mainly due to the national energy mix used by electricity providers, over which operators we finance have little or no control. Consequently, when operators/borrowers request financing or refinancing for older or diesel rolling stock, our primary mandate takes precedence. In cases where an operator/borrower located in a country with an unfavorable energy mix seeks our support, refusing to provide the financing on the ground of emissions targeting would contradict our overarching mission of supporting rail transportation development in our member countries.

We expect that in the future two contrasting factors will influence the GHG emissions generated by our EFCs: On one hand, the trains belonging to our portfolio are likely to be more efficient and modern, as financing linked to old, inefficient rolling stock is about to expire; on the other hand, markets with the highest potential activity from our side are in high-emissions electrical grid countries.

In cases where an operator/borrower located in a country with an unfavorable energy mix seeks our support, refusing to provide the financing on the ground of emissions targeting would contradict our overarching mission of supporting rail transportation development in our member countries.

### Financed Emissions Associated with Investment Activities

The assessment of financed emissions provides critical insight into the carbon impact associated with the portfolios managed by the EUROFIMA Treasury & Asset Management unit, enabling alignment with the UN PRI commitments and industry expectations of asset owners regarding sustainability objectives. The process of financed emissions measurement reflects our commitment to transparency and responsible investment practices. The analysis leverages the Partnership for Carbon Accounting Financials (PCAF) methodology and market-value share approach, tailored to address the unique challenges of vast differences among liquid assets in a bond portfolio, i.e., “Equity Funded” (EQF) portfolio, and money-market portfolio, i.e., “Funded Liquidity” (FL) portfolio. The measurement accounted only for the assets, i.e., short- and long-term investments of the portfolios and excludes any derivative positions

associated with hedging activities. The ultra-short investments of the third internally managed portfolio, i.e., “Margining” portfolio, is outside the scope of this process.

PCAF provides a standardized framework for financial institutions to measure and disclose the greenhouse gas emissions associated with their investment portfolios. It helps understand their financed emissions across various asset classes, such as sovereign debt, corporate loans, and mortgages. Using transparent and harmonized guidelines, the PCAF methodology enables consistent, comparable, and actionable insights to drive climate strategies and align with net-zero goals.

The PCAF equations to calculate financed emissions, as used, are the following:

- Listed companies<sup>1</sup>

$$\text{Financed emissions} = \sum \frac{\text{Outstanding amount}_c}{\text{Enterprise value including cash}_c} \times \text{Company emissions}_c$$

- For bonds to private companies

$$\text{Financed emissions} = \sum \frac{\text{Outstanding amount}_c}{\text{Total equity + debt}_c} \times \text{Company emissions}_c$$

where, c = corporate borrower

- Sovereign debt

$$\text{Financed emissions} = \sum \frac{\text{Outstanding amount}_s}{\text{PPP - adjusted GDP}_s} \times \text{Sovereign emissions}_s$$

where, s = sovereign borrower

<sup>1</sup> Enterprise value including cash (EVIC) is defined as the sum of the market capitalization of ordinary shares at the end of the fiscal year, the market capitalization of preferred shares at the end of the fiscal year, and the book values of total debt and minorities' interests. No deductions of cash or cash equivalents are made to avoid the possibility of negative enterprise value.

Due to the specifics of the investment portfolios and some limitations of the PCAF methodology, several assumptions must be made. As such, the financed emissions are measured on the outstanding positions of the bond portfolio using the fair value of instruments and as at December 31 of the year analyzed. In the meantime, all buy transactions with money market instruments throughout the analyzed year, as part of the dedicated portfolio, are measured in nominal value and are tenor weighted. All non-EUR denominated positions are translated into EUR equivalents using the prevailing FX rates. The financed emissions associated with the ESG-labelled bonds are calculated in the same manner as in the case of conventional bonds, i.e., no distinction is made due to labelling.

The primary data source for the investee emissions is the Bloomberg ESG data. Any missing information is collected manually if possible. Dubious information from the primary source is also manually reviewed and adjusted to reflect the verified data. The sector and/or industry proxies are used to fill in some data gaps. The latter are also filled in with the latest available data points, e.g., in case the data for the analyzed year is not accessible or non-existent, the data from the previous year(s) is used instead.

The following table demonstrates the calculated results for the year 2024:

**TABLE 24: Financed emissions by investment portfolio**

Portfolio	Financed emissions (metric tons of CO <sub>2</sub> equivalent)	Coverage	Financed emissions intensity (tCO <sub>2</sub> per EUR mln assets)
Bond portfolio	138,906	77%	87.2
Money market portfolio	331,900	95%	129.0
<b>Total</b>	<b>470,806</b>	<b>93%</b>	<b>113.1<sup>1</sup></b>

<sup>1</sup> The total financed emissions in tons of CO<sub>2</sub> equivalent relative to the respective portfolio total assets as at December 31, 2024.

The bond portfolio's lower coverage of 77% reflects its exposure to a broader set of international investees for which carbon emissions data was unavailable or hard to estimate at the time of calculation. By contrast, the money market portfolio's transactions were more concentrated in a smaller set of issuers for which data was reported, estimated, or often manually completed.

The weighted PCAF score was calculated based on total exposure to each investee across both portfolios. Three data quality categories predominate: (a) data reported by the investee, verified by primary sources or manually sources disclosures (score 2); and (b) data estimated via primary-source proprietary models (score 4), or (c) manual estimation (e.g., industry average, peer estimation, etc.) (score 5). Based on the 93% coverage, **the final weighted PCAF score was 2.4.**

The financed emissions calculation does not come without its limitations. The shortcomings of the PCAF methodology and the absence of another widely accepted alternative make the calculation more challenging. To proceed, we apply several assumptions and our own decisions. However, it should be explicitly noted that all assumptions and decisions were deliberately conservative in nature and tended to "overestimate" rather than "underestimate" the financed emissions associated with investment activities. Any double counting is, unfortunately, inherent to the approach and is acknowledged. The quality of input data will also require further refinement, as even when using data directly reported by the investee company, the figures may include multiple underlying assumptions and limitations. The calculation itself is complex, and manual workflow often requires gathering external raw data from numerous uncorrelated sources, followed by rigorous screening and preprocessing.

# Resource Efficiency

EUROFIMA is committed to minimizing the environmental footprint of its operations and continuously improving the efficiency of its resource use. Although its activities are office-based with comparatively low direct environmental impact, the organization recognizes its responsibility to manage energy, waste, and materials in a responsible and sustainable manner. EUROFIMA actively implements a range of measures to reduce consumption, encourage sustainable behavior, and integrate environmental considerations into daily operations.

Our operational energy consumption relates primarily to electricity and heating in our office premises. We continuously promote energy-efficient practices among staff members and implement technical and behavioral measures to reduce demand.

Key initiatives include:

- Encouraging travel by train over plane for business travel wherever feasible.
- Turning off electronics, lighting, and heating at the end of each workday.
- Installing motion-activated lighting to reduce unnecessary energy use.
- Choosing energy-efficient equipment and appliances for office operations.
- Using smart power strips to reduce standby consumption.
- Improving natural lighting and incorporating indoor plants to enhance air quality and reduce artificial light use.
- Encouraging hybrid work arrangements that reduce commuting-related emissions and on-site energy demand.
- Procuring sustainable and energy-efficient office products.
- Providing bicycle racks and promoting sustainable commuting habits.
- Ensuring all drinking water is supplied through glass bottles or a smart cooler machine.
- Recycling or donating old electronics and IT equipment.
- Using recycled paper for business cards and printed materials, including the Annual Report.
- Ensuring that 100% of the electricity supplied to the building comes from renewable energy sources, as provided by our utility supplier.

**TABLE 25: Energy consumption within the organization**

Indicator	Consumption in MWh				
	2025	2024	2023	2022	2021
Electricity consumption	16.6	16.6	16.9	16.0	3.1
Heating consumption	12.4	12.4	11.9	46.7	206.4
Cooling consumption	39.5	39.5	39.2	36.6	-
<b>Total</b>	<b>68.5</b>	<b>68.5</b>	<b>68.1</b>	<b>99.2</b>	<b>209.5</b>

**TABLE 26: Energy intensity**

Indicator	Energy intensity ratio				
	2025	2024	2023	2022	2021
Total energy consumption (MWh)	68.5	68.5	68.1	99.2	209.5
Number of employees FTE	26.3	26.5	25.7	25.8	26.0
<b>Energy intensity ratio (MWh/FTE)</b>	<b>2.60</b>	<b>2.60</b>	<b>2.65</b>	<b>3.84</b>	<b>8.06</b>

Since all energy consumption within the organization is attributed solely to our office premises, the energy intensity ratio is calculated using the number of employees as the denominator. The types of energy included in the ratio are electricity and heating consumed within the organization, as outlined above. The ratio uses energy consumption within the organization.

**TABLE 27: Reduction of energy consumption**

Indicator	2025	2024	v	v%
Electricity consumption (MwH)	16.6	16.6	0	0%
Heating consumption (MwH)	12.4	12.4	0	0%
Cooling consumption (MwH)	39.5	39.5	0	0%
<b>Total energy consumption (MwH)</b>	<b>68.5</b>	<b>68.5</b>	<b>0</b>	<b>0%</b>

Energy data is provided by the building owner with approximately an 18-month delay. Therefore, estimates for the most recent two years are based on the assumption of no significant changes in the size of premises, infrastructure, or staffing levels. Once actual figures become available, previously published estimates are updated to ensure accuracy and transparency.

EUROFIMA reserves the right to revise past years' data in subsequent Sustainability Reports as updated information becomes available.

### Waste Management and Circular Practices

While EUROFIMA's operations generate relatively low volumes of waste due to the nature of its business, the organization remains committed to responsible waste management and continuous improvement in line with the principles of waste reduction, reuse, and recycling. We strive to minimize waste generation and ensure proper separation and disposal through the following measures:

- Clearly labelled, separate bins for general waste, paper, plastics, and compostable materials.
- A strong emphasis on waste prevention, including a paper-light workplace and digital-first processes.
- Use of reusable plates, cutlery, cups, and water bottles to avoid single-use plastics.
- Responsible recycling and donation of obsolete electronic devices in cooperation with certified e-waste handlers.
- Purchasing office supplies made from recycled or sustainably sourced materials.
- Encouraging employees to reduce waste through awareness campaigns and regular reminders.

These efforts contribute to both environmental stewardship and operational efficiency and reinforce EUROFIMA's commitment to sustainable internal practices.

# Biodiversity

Biodiversity, defined as the diversity of life forms within a given ecosystem or habitat, is a cornerstone of sustainable development and a crucial consideration for sectors that interact directly with natural environments. Rail development, in terms of building new lines, electrifying, or modernizing them, may have a significant impact on any habitats/ecosystem that are crossed by the tracks. At EUROFIMA, we believe that fostering an awareness of biodiversity's value aligns with our mission of promoting environmentally responsible and sustainable development of rail transportation. As a non-profit institution dedicated to financing rolling stock owners in the acquisition and modernization of rolling stock, we understand the role biodiversity plays in creating resilient ecosystems and supporting the communities served by our borrowers.

However, as an organization that focuses on financing rolling stock, we have minimal if not zero direct impact on biodiversity. The fact that rolling stock that is utilized to build and maintain rail tracks and overhead lines is part of our scope of financing and that some of our shareholders/clients own companies which manage the rail networks, does not change the concept.

The public transport companies we finance also see biodiversity and nature preservation as important considerations in their daily operations. Public transport has a unique environmental footprint due to land use, emissions, and interactions with local ecosystems, and our borrowers are increasingly adopting practices to mitigate these impacts through placing special emphasis on the assessment of the technical, natural, and anthropic features of the land area when planning new infrastructure. Besides that, many of the rolling stock owners support and actively implement measures to protect wildlife

habitats, conserve local flora, and ensure that their activities contribute positively to surrounding ecosystems. Concrete projects related to biodiversity are, for example, maintaining embankments in a near-natural state, promoting the networking of habitats for animals along and across railroad lines, or even restoring or creating new habitats, reducing the use of herbicides for weed control. For more details, we encourage all interested stakeholders to have a closer look at the reporting and disclosures made by our borrowers/clients directly on their webpages and in sustainability-related publications.

Though EUROFIMA does not yet track specific biodiversity metrics for its projects, we promote responsible practices and encourage our borrowers to prioritize biodiversity conservation as an essential component of their sustainable operations.

Concrete projects related to biodiversity are, for example, maintaining embankments in a near-natural state, promoting the networking of habitats for animals along and across railroad lines, or even restoring or creating new habitats, reducing the use of herbicides for weed control.

# CHAPTER 9

## Social Impact

# 9

## Public Mission

Public service obligations (PSOs) are a cornerstone of the European passenger rail transport system as well as, in the future, also partially freight rail system. In essence, a PSO is a rail service that public authorities require an operator to provide in general interest, even when the service cannot be delivered profitably under normal market conditions. These obligations ensure that essential mobility remains available to all citizens, supporting territorial cohesion, social inclusion, and reliable connectivity across regions that would otherwise risk marginalization. By guaranteeing affordable, frequent, and accessible passenger services, PSOs help preserve rail as an equitable and environmentally sustainable mode of transport within the European mobility landscape.

The European Union has established a clear and robust regulatory framework governing PSOs. The central piece of this legislation is **Regulation (EC) No. 1370/2007**, which defines how public authorities may impose, contract, and compensate PSO services. The Regulation requires PSO contracts to be awarded through transparent and competitive procedures, unless specific exemptions apply, ensuring both accountability and efficiency in the use of public resources. It also sets out the principles for calculating compensation, preventing over-compensation, and safeguarding compliance with EU state-aid rules. Complementing this, **Directive 2012/34/EU** establishes the Single European Railway Area, requiring fair and non-discriminatory access to rail infrastructure and ensuring that all operators compete under equal conditions. Together, these instruments create a regulatory environment in which public-service needs can be met without compromising competition, innovation, or the integrity of the internal market.

EUROFIMA's mandate has evolved in line with the transformation of the European public transport landscape. For much of its history, the institution was able to finance a broad range of rolling stock, including both passenger and freight equipment. With the progressive liberalization of the rail sector and the introduction of the EU's 4th Railway Package aimed at opening domestic passenger markets and strengthening competition, EUROFIMA undertook a major revision of its statutes in 2017. This amendment refocused the institution's activities exclusively on rolling stock used for publicly mandated passenger services operated under PSO contracts and infrastructure vehicles. By withdrawing from the financing of commercial open-access operations, EUROFIMA aligned itself fully with the requirements of a liberalized market, ensuring that its support is confined to public-service activities where market forces alone cannot guarantee adequate conditions. This evolution reinforces compatibility with EU competition and state-aid rules and positions EUROFIMA as a complementary actor supporting operators entrusted with delivering essential, publicly mandated passenger mobility. By limiting its activities to the sphere of publicly mandated transport, EUROFIMA does not participate in commercial open-access markets and therefore does not distort competitive dynamics. Instead, it complements the regulatory structure by enabling operators tasked with PSO delivery, whether state-owned, privately owned, or regionally governed, to secure long-term, affordable financing for modern and sustainable rolling stock.

By limiting its activities to the sphere of publicly mandated transport, EUROFIMA does not participate in commercial open-access markets and therefore does not distort competitive dynamics.

PSOs deliver significant public value but must do so without undermining fair market conditions. Their contractual nature, transparency requirements, and compensation safeguards are designed to ensure that operators meet public mobility needs while avoiding undue economic advantage. EUROFIMA supports this balance by maintaining strict financing criteria and ensuring that all borrowers operate under legally approved PSO frameworks. The institution examines borrower eligibility, public-service mandates, and regulatory compliance before extending financing. This confirms that support is directed only toward services legitimately defined as PSOs and that the financial terms do not provide any implicit form of preferential treatment outside the public-service domain.

Because many PSO operators particularly regional, cross-border, or smaller entities may face challenges accessing long-term capital at favorable rates, EUROFIMA's non-profit maximizing lending model plays an important role in safeguarding the continuity and quality of public transport. By channeling the favorable financing terms it secures on the capital markets as a highly rated supranational institution, EUROFIMA enables rolling stock owners with key public service obligations to invest in renewing or maintaining their fleets and in acquiring modern, energy-efficient equipment without overly straining their budget. This is especially important in areas where commercial operators are absent and where the public-service operator must nonetheless maintain reliable, safe, and environmentally sustainable rail connections. Rather than competing with the market, EUROFIMA addresses financing gaps that could otherwise hinder the delivery of essential mobility services.

To maintain market neutrality, EUROFIMA applies transparent, objective, and non-discriminatory lending practices. All borrowers are assessed according to the same principles, ensuring equal treatment regardless of size, ownership structure, or national context. Internal governance mechanisms, including risk assessment, compliance controls, and regular monitoring, ensure alignment with European competition law and state-aid principles. EUROFIMA maintains a close exchange with its borrowers to confirm that the financed assets correspond to duly approved PSO contracts and that financing reinforces the intended public policy outcomes. This oversight ensures that financing does not create distortions but instead enhances service quality, operational efficiency, and long-term sustainability.

EUROFIMA enables rolling stock owners with key public service obligations to invest in renewing or maintaining their fleets and in acquiring modern, energy-efficient equipment without overly straining their budget.

Beyond the financial dimension, EUROFIMA's support also encourages innovation and environmental progress within the PSO framework. By enabling investment in low-emission and zero-emission rolling stock, digital upgrades, improved accessibility features, and modern safety standards, EUROFIMA contributes to a rail sector that is increasingly competitive with other modes of transport while remaining consistent with climate objectives and national mobility strategies. At the same time, establishing transparent performance criteria, sharing best practices across operators through the shareholders and borrowers' engagements, and offering support, create a framework in which continuous improvement becomes both achievable and expected. EUROFIMA promotes modernization and lifecycle improvements that strengthen the long-term competitiveness and attractiveness of European rail services.

Through these combined efforts, EUROFIMA helps ensure faster and broader modal shift to rail and that essential rail services continue to operate where they are most needed, that operators can compete responsibly within a liberalized market, and that Europe's public passenger rail system evolves toward greater sustainability, innovation, and resilience. This commitment reflects EUROFIMA's enduring mission to **support the public interest by enabling accessible, efficient, and future-proof public transport mobility across Europe.**

In addition to PSO passenger rail services, from 2026 onwards EUROFIMA will also be supporting urban traffic solutions based on the same principles, as well as infrastructure vehicles and other investments in rolling stock serving a similar public mission.

# Inclusivity

For EUROFIMA, inclusivity describes the ability of publicly supported rail services to remain accessible, affordable, and available to all, irrespective of geography, income, or physical mobility. This understanding flows naturally from our institution's founding purpose: To support the development of rail transportation across Europe in the public interest. EUROFIMA's membership principles are designed regardless of organizational structure so that railway administrations state entities, public operators, or private operators entrusted with public-service roles can join if financial responsibility and public-interest criteria are met. Our financing therefore strengthens the capacity of rolling stock owners and PSO operators to provide mobility as a public service that connects communities equitably rather than serving only commercially attractive markets.

This commitment is embedded in our decision-making through the requirement to finance only rolling stock used under public service obligation (PSO) (see a separate section on PSO) contracts or rolling stock serving a similar public mission. These contracts obligate operators to meet social needs, including regulated fares, minimum service levels, and accessibility standards. Accordingly, our lending policies and risk framework are oriented toward enabling operators to fulfil these obligations. By offering long-term, affordable financing, we help modernize and maintain fleets in a way that safeguards the social role of rail services, prevents the erosion of connectivity in less profitable regions, and reduces cost pressures that could otherwise translate into higher fares.

**We consider inclusive and sustainable transport to rest on three inter-linked dimensions:** (i) **Accessibility** concerns the ability of all passengers, including those with reduced mobility, to travel safely and comfortably; (ii) **affordability** encompasses both passenger fares and the burden on public budgets; modern, reliable rolling stock paired with long-term financing supports cost-effective operations and equitable fare structures; and (iii) **connectivity** refers to the capacity of rail to link cities, towns, and rural areas to wider economic and social opportunities. Sustainable transport must therefore deliver environmental benefits while ensuring that mobility remains a foundation for equal participation in society.

Promoting inclusivity in this way contributes directly to Europe's economic resilience. In regions where private mobility alternatives may be limited or costly, reliable PSO rail services help reduce territorial disparities, support labor mobility, and enable households to access opportunities beyond their immediate area. EUROFIMA's financing provides stability for operators and governments alike, creating predictable investment cycles and helping ensure that modern rolling stock does not remain accessible only to regions with stronger fiscal capacities.

Because all the fleets we finance operate under PSO mandates or serve a similar public mission, our financing directly supports routes that are essential for geographic inclusion. Many financed trains serve regional, suburban, and rural lines where rail forms the backbone of public mobility. By funding both new rolling stock and mid-life modernization or refurbishment, we help

operators maintain service continuity even when budget constraints might otherwise lead to deferred investment. In areas where electrification is incomplete, financing for bi-mode or diesel trains ensures uninterrupted services across network boundaries, enabling rural communities to remain connected without shifting toward higher-emission modes.

Modern rolling stock supported by EUROFIMA enhances reliability and comfort, factors that particularly benefit passengers who depend on public transport as their primary means of travel. Reduced disruption, improved punctuality, and enhanced lifecycle performance support predictable timetables and allow operators to uphold fare policies that protect vulnerable groups. For passengers with reduced mobility, accessible rolling stock featuring low floors, dedicated spaces and improved boarding play a crucial role in enabling independent, dignified travel. By reducing long-term operating costs and improving efficiency, our financing indirectly helps maintain fare structures that remain accessible to low-income households.

By offering long-term, affordable financing, we help modernize and maintain fleets in a way that safeguards the social role of rail services, prevents the erosion of connectivity in less profitable regions, and reduces cost pressures that could otherwise translate into higher fares.

Strengthened connectivity is central to our contribution to inclusivity. EUROFIMA-financed fleets operate across urban, metropolitan, regional, and rural corridors, expanding access to employment, education, healthcare, and other essential services. Reliable PSO networks reduce travel times, increase the functional reach of employers and universities, and offer sustainable alternatives to private car dependency. In doing so, they reinforce territorial cohesion and mitigate the risk of social or economic isolation in regions facing demographic or structural challenges. By underpinning long-term investment, we help to maintain mobility systems that bind Europe's regions together.

PSO operators translate our financing into tangible public outcomes: regulated fares, guaranteed service availability, off-peak provision, discounted travel for young, elderly, or disabled passengers, and full compliance with accessibility standards. By providing modern, robust, and well-adapted rolling stock, we support their ability to meet these obligations consistently. The stability offered by long-term financing also allows operators to plan service enhancements, expand capacity where needed, and sustain high reliability throughout the fleet's lifecycle.

Investments in rolling stock generate economic value well before trains enter service. Manufacturing, refurbishment, and maintenance activities stimulate Europe's industrial ecosystem, supporting high-skilled employment and innovation across supply chains. Once operational, modern fleets contribute to regional development by enabling efficient commuting patterns, enhancing tourism, and reducing congestion and environmental costs. The long-term orientation of EUROFIMA's mandate provides industrial stability, helping suppliers plan production, preserve skills, and maintain capacity.

Sustainable rail investments also play a critical role in balanced territorial development. Improvements in travel times, comfort, and reliability enhance the attractiveness of both urban hubs and peripheral regions. Local authorities benefit as improved accessibility supports regeneration efforts, while rural communities gain from dependable links to larger labor markets and essential services. By supporting both electrified and transitional rolling stock solutions, EUROFIMA ensures that regions at different stages of decarbonization can continue progressing without being disadvantaged.

Long-term financing is a key instrument for reducing disparities across Europe. By allowing operators to spread costs over extended periods, EUROFIMA supports investment cycles that would be difficult to achieve with short-term borrowing. This lowers exposure to refinancing risks and interest-rate fluctuations and enables operators in lower-income regions to access rolling stock that matches the quality available elsewhere. In this way, our financing contributes to even more distribution of high-quality mobility services across the continent.

EUROFIMA also catalyzes additional investment. Our green bond issuance brings private capital into the public transport sector, creating investor confidence and complementing government expenditure on infrastructure, accessibility upgrades, and network expansion. By consistently demonstrating commitment to sustainable mobility assets, we support broader financial flows into rail and related areas of sustainable development.

We assess the economic and social effects of our financing through quantitative and qualitative indicators such as train-kilometers operated, passengers transported using EUROFIMA-financed rolling stock, reductions in energy consumption and emissions, and distribution of financing across countries and service types. Increasingly, these indicators are linked to wider social outcomes such as accessibility improvements, reductions in travel time, and enhancements in service quality. As operators expand their own data capabilities, we are advancing methodologies to understand the long-term societal value of our financing, including **social return on investment**.

The broader societal benefits of our work are visible in enhanced mobility opportunities, reduced environmental impacts, and greater economic resilience supported by dependable rail services. As measuring social ROI requires complex methods, we combine operational data with qualitative insights on social inclusion, regional cohesion, and improved access to opportunities. As harmonized reporting practices evolve, our approach will continue to grow in depth and accuracy through engaging with our shareholders and borrowers.

Because all EUROFIMA borrowers operate under PSO frameworks or serve a similar public mission, inclusive service provision forms a consistent baseline across our portfolio. We monitor inclusivity through the types of services financed, the regional distribution of financing, and the performance of rolling stock in supporting reliable, frequent, and accessible transport. As data availability increases, we are deepening our understanding of how inclusivity expresses itself across different contexts: urban, regional, and rural.

Recent financing measures illustrate these impacts clearly. High-capacity suburban trains have supported fast-growing metropolitan areas in maintaining affordable, accessible mobility for expanding populations.

- Maintenance and mid-life refurbishment programs have preserved service quality in corridors where rail remains the only viable mass-transport option, showing how transitional technologies can deliver meaningful social and economic value as Europe progresses toward full decarbonization. Renovated EMUs for Renfe include low-floor boarding, wheelchair-accessible spaces, and universally accessible toilets enabling mobility for people with reduced mobility or disabilities.
- In Central and Eastern Europe, new regional units have strengthened essential links between rural areas and cities, reducing isolation and improving access to employment and education. HŽPP-Končar EMUs serve regional and rural areas, and maintenance-facility support ensures sustainable service reinforcing mobility in less-urbanized regions. In addition, financing of locally manufactured EMUs in Croatia (Končar) highlights how EUROFIMA's funding can stimulate national industrial supply chains, jobs, and regional economic activity beyond mobility itself.
- By giving long-term, favorable financing to rolling stock owners with a PSO or a similar public mission, EUROFIMA enables public transport operators to maintain or expand services even for non-commercial or marginally profitable routes for affordability.

# Social Impact from Investments

The short-term and long-term (i.e., bond) investment portfolios materially contribute to social wellbeing through three main channels: Investing in bonds designed to create positive social outcomes, providing financing to public authorities, and applying strict rules that prevent investments in companies with poor social or ethical records.

A portion of the investments are allocated to what are known as **“social bonds”** (about five percent of total bond holdings). These are regular bonds, but with a dedicated purpose: The cash raised by the issuer must be used for projects that directly benefit society. Examples include funding for affordable housing, schools, public transport, healthcare facilities, or programs that support vulnerable groups. Although detailed project-by-project reporting is not internally available for all the bonds we hold, these instruments follow internationally recognized standards set by the International Capital Market Association (ICMA). These standards require issuers to explain how the proceeds will be used and how they contribute to social goals.

Another seven percent of the bond investments is invested in **“sustainability bonds”** and **“sustainability-linked bonds.”** Sustainability bonds combine environmental and social uses of proceeds, so the financed projects might range from clean water infrastructure to community health initiatives. Sustainability-linked bonds work differently: Instead of financing a specific project, the issuing company sets measurable sustainability targets (for example improving working conditions, increasing access to healthcare, or strengthening responsible supply-chain practices). If the company fails to meet these targets, the financial terms of the bond become less favorable for the issuer. In our portfolio, these types of bonds are mostly issued by banks and pharmaceutical companies, i.e., two sectors that have significant influence on financial inclusion and public health.

The largest share (around forty percent) of the investments, i.e., both short- and long-term, however, is invested in instruments issued by governments and local authorities. This form of financing has a natural social character. Governments use bond proceeds to support the day-to-day functions that keep societies running: healthcare systems, education, public safety, infrastructure maintenance, and social protection programs. Even though it is difficult to calculate the exact impact that our specific investments have, it is clear that a substantial portion of the capital we provide helps sustain essential public services across the communities these authorities serve.

Another important source of social impact comes from what we intentionally avoid. The investment portfolios exclude any issuer that violates major international principles on responsible business conduct, including the **UN Global Compact, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights.** In practical terms, this means we do not invest in companies involved in severe labor-rights abuses, child labor, forced labor, discrimination, violations of freedom of association, corruption, or other serious ethical breaches. These principles serve as a global baseline for what is considered acceptable corporate behavior. By excluding non-compliant issuers, we reduce the risk that our investments could support harmful practices.

The investment portfolios exclude any issuer that violates major international principles on responsible business conduct, including the UN Global Compact, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights.

We also avoid investing in issuers classified as posing “severe” environmental, social, or governance risk by independent ESG research providers (see previous sections of “Responsible Asset Ownership” chapter for more details). Such ESG risk assessments typically indicate exposure to ongoing controversies or systemic weaknesses in how the company manages issues like worker health and safety, supply-chain oversight, or product responsibility. Through these exclusions, the portfolio is directed toward more responsible companies and institutions.

Alongside these measures, we also engage directly with selected investee organizations. These exchanges often touch on social topics such as workplace wellbeing, diversity and inclusion, access to essential services, and community relations. While the issuers with which we engage have not faced major social controversies so far, ongoing dialogue encourages good practices and helps strengthen internal processes for managing social risks.

Overall, the social impact associated with our investments emerges from the combination of targeted social investments, substantial support for public-sector institutions, careful avoidance of unethical issuers, and active engagement with companies. It is a steady, system-level contribution that supports the foundations of societal wellbeing from local infrastructure and public services to fair labor conditions and inclusive economic development.

The social impact associated with our investments emerges from the combination of targeted social investments, substantial support for public-sector institutions, careful avoidance of unethical issuers, and active engagement with companies.

# CHAPTER 10

## Third-party Assessments

# 10

## Second-Party Opinion (SPO)

EUROFIMA obtains independent external reviews for its sustainable finance instruments to ensure transparency, credibility, and alignment with internationally recognized market standards. External reviews are standard practice across the sustainable finance market and provide investors with assurance that the Green Bond Framework (the Framework) is robust, transparent, and aligned with environmental and sustainability objectives. These assessments have become increasingly comprehensive, encompassing not only the structure of the Framework but also the environmental strategy, sustainability practices and governance.

For the 2025 update of the Framework, EUROFIMA selected S&P Global through a competitive Request for Proposal process. The selection reflected methodological rigor, strong market recognition, expertise in EU Taxonomy-related assessments, and S&P Global's ability to provide a graded evaluation through its "Shades of Green" methodology. This offers greater analytical depth than a binary "aligned/not aligned" conclusion. S&P Global assigned EUROFIMA the highest possible rating – "Dark Green" – reflecting both the strong climate mitigation profile of the eligible asset category and the robustness of the Framework's governance, processes, and reporting commitments.

- **Use of proceeds** and the climate alignment of eligible rolling stock.
- Processes for **project evaluation and selection**, including ESG screening and DNSH considerations.
- **Management of proceeds**, including allocation oversight.
- **Reporting** commitments, including impact measurement methodologies.

Beyond these core elements, the external review also considers:

- **Strategic alignment** of EUROFIMA's financing activities with long-term climate objectives.
- **Governance** structures, transparency practices, and sustainability-related policies.
- **Forward-looking** reporting commitments and continuous improvement efforts.

To support a rigorous assessment, EUROFIMA provided the reviewer with **loan-level data** for its eligible assets, enabling detailed scrutiny of environmental performance, project classification, screening processes, and impact calculation methodologies. This reflects EUROFIMA's commitment to best practices in transparency and data quality.

External review findings contribute to EUROFIMA's internal governance and continuous improvement processes. Ahead of the review, EUROFIMA conducts its own evaluation of policies, screening methodologies, and reporting practices to ensure alignment with best-market expectations. Feedback from the reviewer is incorporated either immediately – where operationally feasible – or earmarked for future improvements. In this way, external reviews reinforce internal accountability and complement other assurance mechanisms, including ESG ratings, Impact & Allocation Reports, sustainability disclosures, and external audits.

The full external review report is published on EUROFIMA's website and referenced in green bond marketing, investor materials, and annual sustainability disclosures.

S&P Global assigned EUROFIMA the highest possible rating – "Dark Green" – reflecting both the strong climate mitigation profile of the eligible asset category and the robustness of the Framework's governance, processes, and reporting commitments.

# UN Global Compact

EUROFIMA became a signatory to the United Nations Global Compact (UNGC) in 2021, committing to support and implement the Ten Principles in the areas of human rights, labor, environment, and anti-corruption. This decision was motivated by EUROFIMA's long-standing institutional commitment to ethical conduct and its strategic vision of contributing to sustainable development through responsible finance. As a public international institution serving the public transport sector, EUROFIMA's mission incorporates economic resilience, environmental responsibility, and social value creation, objectives that closely mirror the core principles of the UN Global Compact.

Joining the UN Global Compact reinforces EUROFIMA's public mission to support the development of sustainable, low-carbon passenger rail transport and infrastructure vehicles by aligning our governance and operational practices with internationally recognized principles. For employees, it strengthens organizational values around integrity, equity, and respect. For borrowers and partners, it signals that sustainability considerations are embedded in engagement, financing, and risk management. For investors and external stakeholders, it confirms transparent and principle-based reporting that complements frameworks such as the **Global Reporting Initiative (GRI) Standards, the Sustainable Development Goals (SDGs), and market practices such as the Green Bond Principles**. Taken together, these frameworks provide a structured lens through which we evaluate performance, disclose impacts, and strengthen our governance practices.

We embed the Ten Principles of the UN Global Compact into both policy and practice across governance, operations, and financing activities.

## Human Rights:

EUROFIMA respects and promotes human rights through internal policies such as the Code of Conduct, Staff Regulations, and Supplier Code of Conduct. These documents articulate commitments to non-discrimination, health and safety, and ethical treatment of employees and counterparties. They are informed by the Universal Declaration of Human Rights and relevant ILO conventions, and ensure expected standards are upheld across relationships.

## Labor Standards:

Fair working conditions and labor standards are assured by human resources policies that govern recruitment, compensation, equality, and employee wellbeing. Broad organizational commitment to diversity and inclusion, regular staff engagement, and compliance with labor laws reflect adherence to UNGC labor principles.

## Environment:

EUROFIMA's environmental commitments are integrated into its lending and financing practices through policies that promote sustainable lending criteria, ESG risk assessments, and efforts to support low-carbon transport. The Environmental and Social Policy and related processes reflect environmental stewardship throughout decision-making.

### Anti-Corruption:

Robust governance mechanisms, including internal controls, compliance processes, and mandatory training, ensure integrity, transparency, and accountability. Anti-corruption policies aligned with international standards require adherence across the organization, supported by regular audits and risk monitoring.

These principles guide both our day-to-day decision-making and our long-term strategic planning, reinforcing the public service nature of our mission and aligning our work with globally accepted standards.

Responsibility for overseeing UNGC implementation and progress tracking is integrated into EUROFIMA's governance structure. The Sustainability Committee, with representation from key operational units, coordinates implementation of UNGC-aligned practices, supports internal policy integration, and prepares recommendations for senior management. The Management Committee ensures operational commitments translate into action, while ultimate oversight rests with the Board of Directors, which reviews sustainability performance and ensures alignment with institutional strategy and obligations as a UNGC signatory.

The principles are integrated into internal policies such as the Code of Conduct, procurement practices, lending criteria, and human resources guidelines. Compliance is monitored through internal controls, periodic reviews, and training programs designed to maintain awareness and performance of UNGC commitments.

In line with UNGC requirements, EUROFIMA publishes an [annual Communication on Progress \(CoP\)](#) to report transparently on its progress in implementing the Ten Principles. The CoP includes a **Statement of Continued Support** signed by the Chief Executive Officer reaffirming commitment to the UNGC framework, as well as descriptions of actions and policies across human rights, labor, environment, and anti-corruption domains.

The CoP is a mandatory accountability mechanism for UNGC participants and is publicly available on the UNGC platform, ensuring broad accessibility to stakeholders. Through this process, EUROFIMA demonstrates how it integrates sustainability principles with the Sustainable Development Goals.

The UN Global Compact principles support EUROFIMA's mission to finance sustainable, inclusive, and low-carbon public transport. They directly reinforce progress towards several Sustainable Development Goals, particularly:

- SDG 9 (Industry, Innovation, and Infrastructure).
- SDG 11 (Sustainable Cities and Communities).
- SDG 13 (Climate Action).
- SDG 16 (Peace, Justice, and Strong Institutions).

By embedding human rights, fair labor practices, environmental responsibility, and anti-corruption safeguards into our operations, we contribute not only to sustainable transport infrastructure but also to broader social and governance goals.

UNGC membership complements EUROFIMA's sustainability reporting and governance frameworks. By aligning with the Ten Principles, EUROFIMA strengthens consistency with the GRI Standards and supports enhanced coherence across disclosures, including climate-related and impact reporting. The CoP narrative and supporting evidence feed directly into the Sustainability Report, facilitating integrated reporting that meets stakeholder expectations and international best practices.

Looking forward, EUROFIMA is committed to enhancing the implementation of the UNGC principles by strengthening climate-related disclosure and scenario analysis, enhancing human rights due diligence across financing portfolios, expanding stakeholder engagement, and further integrating UNGC expectations into strategic planning. We will continue to monitor and communicate progress annually through our sustainability reporting cycle, ensuring that our commitments remain meaningful, measurable, and aligned with emerging global best practices.

# UN PRI Transparency Report

EUROFIMA continues to strengthen its commitment to responsible investment through its annual participation in the UN Principles for Responsible Investment (UN PRI) reporting process. Each year, the PRI Transparency Report invites signatories to open the inner workings of their investment approach, i.e., how policies are written, how decisions are governed, and how sustainability considerations influence strategy. Alongside this disclosure, the PRI Assessment Report provides an external evaluation of the maturity of those practices. In the latest 2025 cycle, EUROFIMA received the **highest possible score in the Confidence Building Measures Module**, a recognition that reflects our institution's credibility, transparency, and consistency in implementing responsible investment principles.

Within the Transparency Report, the **Policy, Governance & Strategy (PGS) Module** is especially important. It examines whether an institution's responsible investment practices are structurally embedded rather than simply aspirational. In EUROFIMA's case, the PGS results illustrate an organization that has built a firm foundation for integrating ESG considerations into daily operations, while also revealing areas where formalization and external communication are still evolving.

A defining strength is the comprehensiveness of our stewardship framework. The Scorecard of the Assessment Report shows full marks across several stewardship indicators, notably PGS 5, which confirms that EUROFIMA's stewardship policies clearly articulate objectives, escalation pathways, collaboration principles, and internal communication processes.

This is particularly notable in a fixed income context, where stewardship is often more complex than in the equities space. Our approach, i.e., combining engagement, clear exclusion rules, and a willingness to adjust exposure, demonstrates a maturing understanding of how bondholders can influence corporate behavior (as reflected also in PGS 37's use of reduction or non-investment as escalation tools).

**Governance** is another area where the Scorecard underscores strong internal alignment. The Chief Executive Officer, Chief Financial Officer, Sustainability Committee, and Head of Capital Markets, Treasury & Asset Management all hold formal oversight for responsible investment objectives, earning maximum scores for PGS 11 and PGS 12. This wide distribution of accountability shows that responsible investment is not confined to a single function but is treated as a cross-organizational responsibility. Even more notably, EUROFIMA ties responsible investment KPIs directly to senior management compensation (PGS 14), a practice still uncommon among PRI signatories and an indication that ESG considerations are embedded into leadership performance expectations.

When it comes to climate integration, we tried to keep the narrative equally clear. EUROFIMA systematically incorporates climate-related insights into investment decisions through third-party ESG risk assessments, earning maximum scores for PGS 41, PGS 41.1, and PGS 44. We identify both transition and physical risks not as standalone analyses but as integral components of broader ESG risk evaluation. The practical consequences of this framework are that high-risk issuers may be excluded or divested, and a significant portion of the long-term portfolio is allocated to ESG-labelled bonds. Such measures speak to an ESG approach rooted in concrete investment actions rather than symbolic commitments.

The PGS results also highlight areas where EUROFIMA's practices are still maturing. The responsible investment policy does not yet contain specific guidelines for systemic sustainability topics such as climate change or human rights, resulting in lower scores in PGS 1 and particularly PGS 2.

Similarly, while climate considerations are fully integrated into investment processes, we have not yet worked on the TCFD-aligned disclosures or conducted climate scenario analysis (PGS 17 and PGS 43). These are areas where many fixed income-oriented institutions are only beginning to advance,

and our current trajectory suggests these topics may become future priorities. Another area requiring further development concerns public disclosure of policy engagement. EUROFIMA does participate in policy consultations and industry working groups (PGS 39 and PGS 39.1), but due to a more passive approach we do not publicly report details of these activities. This is reflected in the low score for PGS 39.2.

Taken together, the **UN PRI Transparency Report** and **Assessment Report** illustrate a clear narrative of our responsible investment journey. The top score in the Confidence-Building Measures Module affirms that we have developed sound systems, stable processes, and transparent reporting practices. The PGS results provide deeper insight: EUROFIMA has built strong foundations in stewardship, governance, ESG integration, and climate-related risk management, while also identifying opportunities to further formalize our responsible investment policies and enhance our external disclosures.

For transparency reasons, the full [UN PRI Assessment Report](#) can be found on our website. In the meantime, the Summary Scorecard is duplicated below:

## SUMMARY SCORECARD



# ESG Ratings

EUROFIMA is assessed by several independent ESG rating agencies as part of standard market practice in the sustainable finance space. These external assessments provide an independent view of EUROFIMA's environmental, social, and governance performance and support transparency for investors and other stakeholders.

ESG ratings play a significant role in enabling comparability and informed decision-making across capital markets. Many investors and counterparties rely on these assessments as an initial ESG screening tool or benchmarking reference. As such, ESG ratings contribute to market confidence by providing structured, third-party perspectives based on publicly available information.

EUROFIMA is currently covered by **Sustainalytics, MSCI, ISS ESG, and Inrate**. Coverage has developed progressively over time, and ratings are reviewed and updated regularly in line with each provider's methodology. These assessments typically consider a broad range of factors, including governance practices, environmental performance, human capital management, transparency, and the sustainability characteristics of EUROFIMA's activities.

EUROFIMA engages openly with ESG rating agencies through their formal feedback and data-verification platforms. Information used in these assessments is drawn exclusively from EUROFIMA's public disclosures, including the Annual Report, Sustainability Report, Green Bond Framework, as well as other

related disclosures and policies. EUROFIMA does not seek to influence methodologies or outcomes but aims to ensure the accuracy and completeness of publicly available information.

Information used in these assessments is drawn exclusively from EUROFIMA's public disclosures, including the Annual Report, Sustainability Report, Green Bond Framework, as well as other related disclosures and policies.

Insights from ESG ratings complement EUROFIMA's internal sustainability management, reporting, and governance processes. Methodological developments and assessment outcomes help inform continuous improvement and support Board-level oversight of sustainability matters.

A summary of EUROFIMA's most recent ESG ratings is presented below. Up-to-date information is [available on our website](#):

ESG rating agency*	Rating/score	Scale	Update	Relevant badges
<b>Sustainalytics</b>	4.6 (Negligible risk)	Negligible / Low / Medium / High / Severe (0 to 40+)	Full update: October 2024 Last update: September 2025	
<b>MSCI ESG Ratings</b>	AAA	AAA to CCC	April 2025	
<b>ISS ESG</b>	B- (Prime)	Prime / Non-Prime (A+ to D-)	November 2022	
<b>Inrate</b>	B-	A+ to D-	February 2025	
<b>Moody's ESG Credit Impact Score</b>	CIS-2 (neutral-to-low)	CIS-1 to CIS-5 (positive to very highly negative impact/exposure)	September 2025	not applicable

\*See Notes on ESG Rating Agencies for clarifications

## Notes on ESG Rating Agencies

**Morningstar Sustainalytics' ESG Risk Ratings** assess the degree of a company's exposure to material environmental, social, and governance risks and how effectively these risks are managed. The rating reflects the amount of unmanaged ESG risk that could impact a company's economic value, expressed on an absolute scale and categorized from negligible to severe. Third parties typically use these ratings as an independent indicator of potential ESG-related financial risk rather than as value judgment, making them a widely recognized reference point in investment analysis, risk management, and sustainability reporting.

**MSCI ESG Ratings** evaluate a company's resilience to long-term, industry-specific environmental, social, and governance risks. Using a relative, industry-normalized approach, MSCI rates companies from AAA (leader) to CCC (laggard) based on their exposure to material ESG issues and the effectiveness of their risk management practices compared with global peers. Third parties typically interpret these ratings as a benchmarked indication of how well a company manages financially relevant ESG risks and opportunities within its industry, making them a widely used input for investment decisions, portfolio screening, and sustainability reporting.

**ISS ESG Corporate Ratings** assess a company's performance on material environmental, social, and governance topics based on a comprehensive set of sector-specific criteria. Companies are rated on a 12-point scale from D- to A+, where higher scores reflect stronger ESG performance and more effective management of sector-relevant risks and opportunities. Third parties typically view ISS ESG ratings as an independent evaluation of both a company's sustainability practices and its preparedness for long-term ESG challenges, making them a common reference point for investors, lenders, and other stakeholders in due-diligence and reporting processes.

**Inrate's ESG ratings** evaluate a company's overall sustainability impact and its management of material environmental, social, and governance issues, using an impact-based methodology rather than a purely risk-focused one. Companies are assessed on how their activities and products affect society and the environment, i.e., positively or negatively, alongside how effectively they manage ESG-related risks. Third parties generally interpret Inrate ratings as an independent measurement of both ESG performance and real-world impact, making them a valuable reference for responsible investment processes, stewardship activities, and sustainability reporting.

**Moody's ESG Credit Impact Scores and ESG Risk Ratings** assess how environmental, social, and governance factors influence an entity's credit profile and exposure to long-term sustainability-related risks. The ratings evaluate both a company's inherent ESG exposures and its capacity to manage them, indicating whether ESG factors have a negative, neutral, or positive effect on creditworthiness. Third parties typically view Moody's ESG assessments as financially oriented indicators that complement traditional credit analysis, providing an independent perspective on how ESG considerations may affect long-term resilience and risk.

# Great Place to Work (GPTW)

EUROFIMA is constantly working to enhance employee involvement and satisfaction, as it is one of the key objectives for EUROFIMA. Frequent and consistent staff surveys, like the Great Place to Work survey, are used as a mechanism to examine the experiences and expectations of all employees and serve as a tool to further shape our practices.

**Great Place to Work** (GPTW) is a leading independent organization and a global authority on workplace culture and has been in this business for 30 years. Companies around the world trust them to conduct this standardized survey, which provides a useful benchmark for comparing organizations at the industry and regional levels.

The **Trust Index™** of Great Place to Work is an anonymous survey of all employees including executives/management. It gives an objective view of the current state of employee satisfaction with the crucial factors in the workplace culture, enabling companies to identify and develop strengths and potential areas of improvement. Thanks to the high response rate achieved in the past years, it provided a clear and accurate picture of the workplace culture in our organization.

The questions of the Trust Index™ employee survey are divided into five dimensions: credibility, respect, fairness, camaraderie and pride. The survey consists of 73 questions, including 63 statements on the experienced workplace culture, 2 multiple-choice questions on leadership effectiveness and innovation, 6 demographic questions (e.g., age, gender, years of service etc.), 2 open questions on the strengths and possible areas of improvement of the employer. The combination of this survey with other transparency measures such as the whistleblowing process provides early indication of any misconduct and prevents any violations of the Code of Conduct from going undetected.

At the same time, we also rely on the GPTW **Pulse Checks**, which are short, periodic employee surveys used to assess workplace sentiment and track developments in organizational culture between full certification surveys. A Pulse Check focuses on key dimensions of trust, fairness, respect, and engagement, providing timely insights that support data-driven management decisions. Results help organizations monitor cultural trends, identify emerging issues, and evaluate the impact of ongoing initiatives.

**TABLE 28: Great Place To Work survey results**

	Trust Index	Overall satisfaction	Response rate
Trust Index survey 2021	83%	83%	86%
Trust Index survey 2023	92%	91%	92%
Pulse Check 2024	90%	92%	96%
Survey 2025	86%	89%	96%



Certification April 2025



Best Workplaces™ Caring  
2024

Rank 18



Best Workplaces™  
Switzerland 2024

Rank 6



Certification June 2023

Being certified and rated by Great Place to Work demonstrates that EUROFIMA's employees consistently experience a high-trust workplace characterized by fair treatment, credible leadership, pride in their work, and strong teamwork. It is an independent validation, based on employees' anonymous feedback, that our D-A-R-E values are lived in practice and recognized by staff. This external recognition confirms that internal policies translate into positive day-to-day experiences.

Among the reasons EUROFIMA decided to participate in this Great Place to Work assessment were:

1. To obtain an independent, employee-centered assessment of the workplace culture.
2. To benchmark EUROFIMA against national and international peers.
3. To identify strengths to reinforce and concrete improvement areas.
4. To provide transparent evidence of our people-oriented approach for stakeholders (employees, shareholders, and the public).

The assessment aligns with our commitment to continuous improvement and our inward-outward sustainability perspective.

# CHAPTER 11

## Outlook



# Our Sustainability Goals for 2026-2027

2026 will be another year in which we will continue to strengthen sustainability integration into our institution's daily work and our long-term orientation. Defining clear sustainability goals for the year ahead ensures that our commitments are not only stated but consistently practiced, i.e., we continue to "walk the talk." A structured strategy allows us to stay focused on ongoing initiatives, maintain transparency toward our stakeholders, and demonstrate that sustainability is embedded both in our mission and in the way we conduct business across all operations.

Our approach to setting these goals is grounded in continuous dialogue with the people and organizations who shape our environment: shareholders, clients, business partners, and the wider community. Through this ongoing exchange, we stay attentive to evolving market expectations and emerging ideas in the sustainability space. This external perspective, combined with our internal expertise, informs us where our business model, long-term ambitions, and institutional values align with current developments.

In 2025, we had a major achievement that has helped steer this process: We completed our first Double Materiality Assessment, an important milestone in understanding which topics matter most both from an impact perspective and from the standpoint of financial relevance. The assessment also revealed where perceptions differ between internal and external stakeholders, especially on environmental topics and aspects of our organizational identity. These insights directly shape our 2026 strategy, pointing to areas that require enhanced engagement, clearer communication, and more targeted action.

In developing our annual goals, we also reflect on the commitments we have already made. As a signatory to the **UN Global Compact** and the **UN Principles for Responsible Investment**, we strive to uphold the principles and expectations associated with both initiatives. Although we do not fall under EU regulatory frameworks, many of our partners operate within that environment and expect alignment with key regulatory elements from us. We also keep in mind that our activities support the UN Sustainable Development Goals, particularly through our core role in financing public transport development. For transparency and comparability, we also strive to continue reporting following internationally recognized standards such as the **GRI**.

Given our lean staffing model, i.e., each colleague carries significant responsibility and is required to balance multiple priorities concurrently, combined with our broad ambitions, especially our mission to contribute to the improvement of passenger mobility across Europe, we set goals that are **practical, measurable, and firmly integrated** into everyday operations. This ensures that sustainability remains a natural part of our workflow rather than isolated exercise often demanding extra capacity. Each target is designed so that progress can be meaningfully tracked, communicated, and acted upon throughout the year.

Responsibility for developing annual sustainability goals lies with the Lead Sustainability Integration role and with the leads of the Sustainability Committee Working Streams. Together, they prepare the proposal for the sustainability

strategy, which is then reviewed by the Management Committee and ultimately approved by the Board of Directors. This process ensures that the strategy is shaped collaboratively and aligned with EUROFIMA's broader priorities.

For 2026, the sustainability strategy is built around three interconnected pillars, each responding to insights from the Double Materiality Assessment and reinforcing our long-term strategic direction.

## Focus I: Strengthening Core Integrity

The five most material topics identified during the materiality assessment require focused and sustained attention. This pillar aims to reinforce these topics across our culture, governance, and operational practices. Strengthening core integrity ensures that our highest-priority issues continue to be embedded institution-wide rather than addressed selectively.

## Focus II: Closing the Environmental Perception Gap

The materiality assessment process highlighted differences in how internal and external stakeholders view our environmental impact. This strategy pillar focuses on understanding the reasons behind those divergences, improving communication about our environmental actions, and demonstrating the tangible impact of both our core railway and semi-core investment activities. It supports clearer visibility of the environmental value we create and the mission we continue to pursue.

## Focus III: Enhanced Identity & Value Communication

This pillar responds to gaps in how EUROFIMA's identity and positive contributions are perceived. It aims to strengthen communication around who we are, what we enable, and how our business model is evolving. With the planned expansion into public service light rail, it becomes even more important to articulate how our activities benefit the communities we serve and how this expanded scope aligns with our long-term mission.

Each pillar will be supported by a set of key initiatives monitored by the Sustainability Committee throughout the year. The Committee, as usual, will meet every two months to assess progress, address challenges, and adjust measures where needed. Progress reports will also be periodically provided to senior governance bodies and disclosed publicly in the next Sustainability Report.

The table below outlines the action areas, strategic goals, and key planned initiatives associated with each of the focus domains mentioned above. While the action areas and strategic goals have been internally agreed upon and confirmed, the listed key initiatives may be further refined or revised over the course of 2026-2027 to ensure they accurately reflect EUROFIMA's evolving priorities and the institution's strategic development.

**TABLE 29: Sustainability Goals 2026-2027**

Focus I: Strengthening Core Integrity		
Action Area	Strategic Goal	Key Planned Initiatives
Integrity-driven corporate culture	Foster a transparent, accountable, and ethical work environment where integrity is the primary driver for all decisions.	<ol style="list-style-type: none"> <li><b>Ethics &amp; compliance</b> <ul style="list-style-type: none"> <li>Strengthen the ethics and compliance framework to reinforce zero tolerance for corruption, bribery, and unethical conduct.</li> <li>Enhance speak-up mechanisms and protections to foster a safe environment for raising ethical concerns.</li> <li>Continuously monitor and improve compliance with applicable laws, regulations, and internal policies.</li> </ul> </li> <li><b>Leadership &amp; governance</b> <ul style="list-style-type: none"> <li>Promote ethical leadership by embedding integrity and role-model behavior into leadership expectations and evaluations.</li> <li>Reinforce management accountability for ethical conduct through clear responsibilities and oversight mechanisms.</li> </ul> </li> <li><b>Employee awareness &amp; behavior:</b> <ul style="list-style-type: none"> <li>Expand training and communication initiatives to increase employee awareness and understanding of ethical standards.</li> <li>Empower employees with practical guidance and tools to support integrity-based decision-making in daily operations.</li> </ul> </li> <li><b>Transparency &amp; trust:</b> <ul style="list-style-type: none"> <li>Strengthen trust through open, consistent, and responsible engagement with employees, customers, suppliers, and other stakeholders.</li> </ul> </li> </ol>
Stakeholders' access to quality information	Enhance transparency and clarity in reporting to build trust and enable informed decision-making by stakeholders	<ol style="list-style-type: none"> <li>Create a dedicated <b>stakeholder feedback mechanism</b> to gather input on information quality.</li> <li>Ensure the periodic reporting (e.g., Annual Report, Sustainability Report, Impact Report, UN PRI Report, UN Global Compact, Annual Investee Engagement Report. etc.) are closely aligned with the highest international standards and frameworks. All data presented is accurate and of the highest quality.</li> </ol>
Sustainable and responsible investment practices	Systematically integrate all six UN PRI principles into core investment governance, analysis, and ownership practices via the ESG Integration Framework	<p>Follow EUROFIMA's UN PRI 2025-2027 Commitments:</p> <ol style="list-style-type: none"> <li>Publication of the Amendments to the Responsible Investment Guidelines.</li> <li>ESG-data quality improvement.</li> <li>Carrying out the active investee engagements.</li> <li>Divesting due to failed direct investee engagements.</li> <li>Evaluating and opportunistically adding new sustainable instruments into investment portfolios.</li> <li>Measuring the investment portfolio financed emissions.</li> <li>Validating and assessing the financed emissions target.</li> <li>Holding active public policy consultations.</li> </ol>
Business ethics	Ensure all business practices meet the highest ethical standards and comply with relevant regulations, especially anti-corruption, and anti-competitive laws	<ol style="list-style-type: none"> <li>Conduct a comprehensive <b>ethics and compliance audit</b> across all high-risk business functions.</li> <li>Formalize and roll out a revised <b>Guidelines for Supplier Assessment and Monitoring</b> (i.e., publication of a second version of the Guidelines).</li> </ol>

Action Area	Strategic Goal	Key Planned Initiatives
Responsible marketing practices	Ensure all marketing, communications, and product information is truthful, non-misleading, and avoids “greenwashing” or “social washing”	<ol style="list-style-type: none"> <li>1. Conducting new investor roadshows “<b>Invest in Sustainable Mobility v. 2.0</b>” to communicate the latest changes to the EUROFIMA strategy, Green Bond Framework update and the latest SPO Assessment, targeting existing as well as new investors.</li> <li>2. Introducing a <b>targeted sustainability review</b> to be performed by Lead Sustainability Integration, Head of Front Office and/or Management Committee, whenever marketing materials/contents include any ESG-related issues/matters (e.g., scope 1-3 figures/data, SDG contribution claims, impact claims, third-party ESG assessments/ratings, sustainability reporting (e.g., UN GC, UN PRI, Impact Reporting), and other.</li> </ol>
<b>Focus II: Closing the Environmental Perception Gap</b>		
Internally: Education & awareness	Shift internal perspective by linking environmental issues directly to financial and operational risks	<ol style="list-style-type: none"> <li>1. Roll out a <b>climate risk &amp; opportunity briefing</b> for senior management and the Board members, emphasizing the external stakeholder view.</li> <li>2. Establish a cross-functional <b>Environmental Working Group (EWG)</b> with a broad group of representatives. The EWG’s task will be to assess external stakeholders’ expectations regarding EUROFIMA’s existing and potential environmental commitments and proposing next steps for the relevant Sustainability Committee’s Working Streams.</li> </ol>
Externally: Targeted engagement	Actively seek out and respond to the concerns of environmentally focused stakeholders	Host (a) focused <b>environmental stakeholder dialogue</b> session(s) with relevant external stakeholders, to gain a better understanding of the expectations around EUROFIMA’s sustainability role and targets.
<b>Focus III: Enhanced Identity &amp; Value Communication</b>		
New clients/borrowers	Significantly enhance external stakeholders’ understanding and appreciation of EUROFIMA’s unique identity, public value contributions, and the alignment of our evolving business model, especially with the integration of public service light rail	Develop and roll out a new client and borrower outreach campaign that showcases the advantages of our updated business model and reinforces how it aligns with the evolving expectations of our customer base.
Communication strategy & channels		<p>Enhancing marketing outreach, including outsourcing some public relation initiatives to an external agency, as well as:</p> <ol style="list-style-type: none"> <li>1. Developing core narrative pillars (i.e., “who we are,” “what we enable,” and “how are we evolving”).</li> <li>2. Digital visibility and storytelling with the aim of explaining the business model and its benefits.</li> </ol>
Stakeholder engagement		Targeted outreach to execute a proactive engagement plan with relevant business partners (e.g., clients, peers, industry experts) with the aim of increasing our visibility, strengthen relationships, showcase the expertise, gather insights and feedback, drive new business, and create networking opportunities.

The Sustainability Strategy 2026 builds on the foundations established in previous years while advancing our ambition to integrate sustainability more deeply and transparently into everything we do. It reflects a year of learning, engagement, and collaboration, and sets a clear direction for the work ahead.

# CHAPTER 12

## Index



# 12

# Index

The complete GRI 2: General Disclosures 2021 index, including references to the relevant sections of the Sustainability Report and the Annual Report, is available on our website; for a comprehensive overview of EUROFIMA's performance in 2025, this Sustainability Report should be read in conjunction with the Annual Report.

GRI 3	3-1	Process to determine material topics	Materiality assessment methodology	pp. 21–23
GRI 3	3-2	List of material topics	Materiality results & matrix	pp. 23–27
GRI 3	3-3	Management of material topics	ESG chapters (E, S, G) Table 1: "Top material topics, boundaries and management approach" "Management approach"	pp. 22–92 pp. 25–26

## Material Topics

GRI Standard	Topic	Disclosure	Report reference	Page(s)
GRI 201	Economic performance	201-1, 201-2	Chapter 5: Responsible Funding & Lending	pp. 28–39
GRI 204	Procurement Practices	204-1	Chapter 8: Green Procurement & Supplier Assessment	pp. 62–63
GRI 205	Anti-Corruption	205-1, 205-2	Table 2: Business ethics, Chapter 7: Business Ethics Chapter 10: UN Global Compact	pp. 27, 60–61, 85
GRI 206	Anti-competitive behavior	206-1	Table 2: Business ethics, Chapter 7: Business Ethics Chapter 9: Public Mission	pp. 27, 60–61 pp. 77–78
GRI 302	Energy	302-1 to 302-4	Chapter 8: Resource Efficiency	pp. 73–74
GRI 304	Biodiversity	304-1, 304-2	Chapter 8: Biodiversity	p. 75
GRI 305	Emissions	305-1 to 305-5	Chapter 8: Climate & Environmental Impact	pp. 65–72
GRI 308	Supplier Environmental Assessment	308-1, 308-2	Chapter 8: Green Procurement & Supplier Assessment	pp. 62–63
GRI 401	Employment	401-1 to 401-3	Chapter 7: Employment	p.55
GRI 403	Occupational health & safety	403-1 to 403-10	Chapter 7: Occupational Health & Safety	pp. 58–59
GRI 404	Training & education	404-1 to 404-3	Chapter 7: Employment	p.56
GRI 405	Diversity and Equal Opportunity	405-1, 405-2	Chapter 7: Culture	pp.51–53
GRI 406	Non-discrimination	406-1	Chapter 7: Culture, Employment Chapter 9: Inclusivity	pp.52–55 pp. 79–80
GRI 417	Marketing and Labeling	417-1 to 417-3	Table 1: Responsible marketing practices Table 2: Responsible marketing practices Chapter 5: Green Bond Framework & Green Bond Portfolio	pp.26–27 pp. 34–35
GRI 418	Customer Privacy	418-1	Table 2: Responsible marketing practices	p. 27

## Sustainable Development Goals (SDG) Index

SDG	Focus	Impact category	EUROFIMA contribution	Page(s)
SDG 3	Good Health & Well-being	Risk Mitigation & Indirect Enabling of Impact	Chapter 6: Responsible Asset Ownership	pp. 41–49
		Operational Contribution	Chapter 7: Responsible Operations Chapter 9: Social Impact	pp. 51–59 pp. 81
SDG 4	Quality Education	Operational Contribution	Chapter 7: Employment	pp. 55–57
SDG 5	Gender Equality	Risk Mitigation	Chapter 6: Responsible Asset Ownership	pp. 41–49
		Operational Contribution	Chapter 7: Culture, Employment	pp. 51–55
SDG 7	Affordable & Clean Energy	Risk Mitigation	Chapter 6: Responsible Asset Ownership	pp. 41–49
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# About this report

## Notes to the Sustainability Report

This Sustainability Report covers EUROFIMA as a single legal entity. The reporting period corresponds to the calendar year, which EUROFIMA applies consistently for both financial and sustainability reporting purposes. The report is published on an annual basis and the present edition was released on 10 March 2026.

For any questions, comments, or further information regarding EUROFIMA's sustainability reporting, stakeholders may contact the organization at [front-office@eurofima.org](mailto:front-office@eurofima.org).

The Sustainability Report 2025 was not externally assured. Furthermore, during the reporting year, no incidents of non-compliance with applicable laws and regulations were identified.

EUROFIMA independently defines its terms and conditions of employment. As a result, employees are not covered by collective bargaining agreements.

## Membership associations

EUROFIMA maintains the following memberships:

- UN Global Compact
- UN Principles for Responsible Investment
- International Capital Market Association (ICMA)
- Rail Working Group
- The Swiss Sustainable Finance (SSF)
- Allianz pro Schiene
- CER (Community of European Railway and Infrastructure Companies)



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