



TIP Trailer Services
UN Global Compact
Communication on Progress
2019

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Letter of Continued Support

Date: 18 February 2020

**H.E. António Guterres Secretary-General United Nations
New York, NY 10017 USA
Communication on Progress 2019**

Dear Mr. Secretary-General

I am pleased to confirm that TIP Trailer Services continues to support the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption.

With this communication, we express our progress in advancing those principles within our sphere of influence. We have made the UN Global Compact principles an integral part of our business strategy, day-to-day operations and organizational culture of our company. We have incorporated them in decision-making processes at the highest levels.

In this report, we will describe the practical actions that we undertook in 2019 to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, and anti-corruption). We will do this by disclosing any relevant policies, procedures and activities that we have undertaken.

We will then disclose the outcomes of these policies, procedures and activities which helped us meet our targets and which indicate our performance.

We support public accountability and transparency, and therefore we provide this report on our progress.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'RAF', is written over a faint, illegible printed name.

Mr. Robert Alain Fast
President and Chief Executive Officer



We are TIP Trailer Services

TIP Trailer Services is one of Europe and Canada's leading equipment service providers. We specialise in trailer leasing, rental, maintenance and repair, as well as other value-added services, and provide these to transportation and logistics customers across Europe and Canada. Headquartered in Amsterdam, we service our customers from 102 locations spread over 18 countries in Europe and Canada.

With approximately 113,000 units in our fleet, TIP Trailer Services is considered an industry leader with one of the largest and most diverse trailer fleets in Europe and Canada. In addition to maintaining our own fleet, we also provide maintenance and repair and other value-added services for circa 61,000 equivalent units.

With more than 50 years of experience, we are experts in providing all services that a customer will require during the life cycle of a trailer, making us a one-stop shop for all our customers' equipment needs. This strengthens our belief of being the trusted advisor and provider of choice for companies active in the transportation and logistics industry.



Our Values



Experts

...in our industry and profession

Using our proven industry knowledge and professionalism, we are committed to applying our expertise to further develop the most economical solutions for our customers.



Committed to delivering

...excellence as standard

We deliver what we promise and add value that goes beyond what is expected. We achieve excellence through thinking ahead and shaping our future.



Innovation and change

...drive us shaping our future

We see the bigger picture, employing people with vision, who embrace new ideas and have a clear picture of the future. By challenging the norm we can anticipate our customers' changing needs with new innovative products and services.



Passionate

...about our company and what we do

We are practical and committed to making things happen. We drive progress with pride, high energy and tenacity, together with a sense of urgency.



Respectful and open

...towards each other and in our approach to business

We embrace different cultures, communities and points of view with humility; building open and long term relationships externally and within our company, through clear communication.



Accountable

...for our decisions, actions and results

In all our dealings we are focused on delivering what we promise to our shareholders, customers, suppliers and colleagues. We take full responsibility for our decisions, actions and results.



Environmentally and socially responsible

...towards people and our planet

We are committed to minimising the impact of our operations on the environment and to promoting social responsibility that benefits the communities in which we live and work. We care about people and our planet.



Integrity

...underpins the way we do business

Integrity, honesty and ethical behaviour are at the core of our business. Being trustworthy and honourable is the basis of the way we do business.



Corporate Social Responsibility

Our Culture

At TIP we believe our people are what drives our success and that they perform at their best in a culture that embraces expertise, customer excellence and passion. We believe in empowering our leaders and encouraging entrepreneurship, allowing them to address local needs. Our company values define who we are as a business and what really matters to us. These values are core to the way we conduct business on a daily basis. It is our people that bring them to life every day. To help our people achieve this, we translate our values into behaviours, and these behaviours are central in our annual review process and reward strategy.

We believe diversity drives innovation. We have a very broad network throughout Europe and Canada. This results in a highly diversified workforce across 18 countries, on two continents, with multiple cultures. The variety of nationalities, cultures and religious and ethnic backgrounds enriches our workforce by bringing together new ideas, innovations and thinking styles that lead to business success. We use best practices from other countries and by using them we improve our company and sometimes even evolve our industry.

We have an informal, down-to-earth culture that fits with our industry. We keep the organisation as flat as possible with typically 4 to 5 layers of hierarchy and an average span of control of 6. We operate an open-door policy where people are supported in giving their opinion. We are fact-based and solution-oriented. Change is a constant way of life for us. Our people and our leaders embrace change and work to ensure our strategy is successfully executed. In our view, being economically successful and internationally competitive generates value for our shareholder, customers and society at large.

We apply high environmental and social standards to our business to support a sustainable future. We recognise that we have a duty to our stakeholders to be a reliable partner with the highest integrity and ethics. We engage with and learn from others through open dialogue on mutual interests.



UN Global Compact

TIP Trailer Services aims to be a leader in responsible business practices. We support the United Nations Global Compact ten principles promoting human rights, labour standard, environmental responsibility and anti-corruption.

We are committed to making the UN Global Compact principles part of our strategy, culture value and the day-to-day operations of our company. Robust management processes drive our corporate responsibility and we apply high environmental and social standards to support a sustainable future. We recognise our duty to our stakeholders including our shareholder, management, employees, lenders and citizens of all the countries where we operate and do business.





Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights and;

Principle 2: make sure that they are not complicit in human rights abuses.

Assessment, Policy and Goals

TIP Trailer Services respects the protection of internationally proclaimed human rights and is dedicated to making sure that the company is not complicit in human rights abuses. Respect for human rights is embedded in our Code of Conduct. Every business transaction we make must therefore be grounded in a foundation of ethical behaviour.

Our approach is informed by the Universal Declaration of Human Rights, the core conventions of the International Labour Organization and the United Nations' Guiding Principles on Business and Human Rights.

We are committed to being a responsible corporate citizen, which requires our employees, suppliers, contractors and consultants to conduct themselves with integrity and to be accountable to the highest standards of business conduct and ethics.

Implementation

- Our employees are required to comply with all applicable laws and regulations. This legal environment is reflected in our policies which all our employees are expected to read and understand.
- We have implemented the TIP Respectful Workplace Conduct Policy laying down the rules employees must follow to prevent discrimination and harassment from occurring in our workplace.
- We require our suppliers, contractor and consultants to adhere to the same high standards of business conduct and ethics. They must therefore understand and comply with the TIP Integrity Guide for Suppliers, Contractors and Consultants ("*Supplier Guide*").
- We have established three channels for our employees to report concerns about incidents that have occurred in the workplace. They can raise a formal complaint with Human Resources or Compliance. The third channel consists of an informal network of Ombudspersons who are trained in remaining impartial and in keeping confidentiality.
- We have implemented a new incident reporting mechanism that is expected to be launched in Q1 2020. This platform is independent from TIP's management and



enables our employees to reach out to the familiar three channels by phone or by filling out an online report form (anonymously if allowed by local law).

Measurement of Outcomes

- We publish an annual Modern Slavery Statement that details our continuous efforts to ensuring that modern slavery or human trafficking is not taking place within our business or supply chain.
- The TIP Respectful Workplace Conduct Policy demonstrates our commitment to eliminating discrimination and harassment and to compliance with human rights legislation.
- We have received no red flags in our due diligence checks for human rights violations.
- We have organized or participated in a number of charity initiatives in 2019 including;
 - A 3-day charity ride from Faro to Lisbon in Portugal raising ~€75,000 for Christies' hospital in Manchester and the Donna Louise trust in Stoke on Trent;
 - The Superhero Day hosted by Cash for Kids to raise funds for CLIC Sargeant, the UK's leading cancer charity for children;
 - The Rüssel Truck Show which raised more than €50,000 for the child cancer support organisation Kinderkrebshilfe in Kassel, Germany; and
 - The Warm Winter Weeks organized by NL Cares to keep elderly people company in a residential care center in Amsterdam during December.



Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining and;

Principle 4: the elimination of all forms of forced and compulsory labour and;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals

TIP provides everyone with fair treatment and equal access to opportunities. We prohibit all forms of illegal discrimination. Hence, we are committed to following the applicable employment laws wherever we operate. That includes observing applicable laws in the relevant jurisdictions in which we operate that relate to: freedom of association; privacy; labour relations; the prohibition of forced, compulsory and child labour; immigration; working time and other wage-hour laws; and employment discrimination.

Beyond legal compliance, we strive to create an environment considerate of all employees where TIP business is being conducted.

We are strongly committed to developing diversity among our leadership. In nominating candidates for our Boards, we support the trend towards higher participation of women. However, we do so without compromising the company's commitment to hiring the best individuals without discrimination.

Implementation

- We protect the rights of our employees by adopting suitable employment practises.
- We have a zero tolerance approach to modern slavery and human trafficking and therefore conduct due diligence on all suppliers before allowing them to become an approved supplier.
- We continue to push gender equality through growing and developing our female workforce.
- We have implemented the TIP Respectful Workplace Conduct Policy in order to provide our employees with guidelines on how to foster and maintain a respectful workplace that is in compliance with all applicable laws and aligned with TIP's core values.
- In 2019, we spent ~ €200k on course development and training and our people attended ~500 courses.



- We have a rigorous environmental, health and safety (“EHS”) programme with well-defined guidelines to effectively manage EHS risks, workplace and employee safety.
- We have launched [“TIP Top Healthy”](#) which is a comprehensive program designed to improve our employee’s health and well-being. Part of this program is a help desk where employees can discuss anonymously with local counsellors and experts any issues regarding emotional well-being, family, legal, financial or other personal matters.
- Our “*Van Dijk*” internship programme is a first-class undergraduate internship whereby we provide students with real learning experience and the opportunity to develop their skills in a multicultural, international and challenging environment.

Measurement of Outcomes

- We employ over 59 nationalities and have a stable 6% of females in a predominantly male-driven industry.
- We are proud to have met a female board participation ratio of 30% ratio.
- During 2019, 17% of all promotions and lateral moves were made by our female staff
- Over 283 students from over 50 nationalities have successfully completed our “*Van Dijk*” internship programme since its inception in 2006. We currently have 14 van Dijk intern positions in our corporate functions.



Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges and;

Principle 8: undertake initiatives to promote greater environmental responsibility and;

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Assessment, Policy and Goals Implementation

TIP is committed to protecting the health and safety of our employees in all countries in which we operate. This means complying with all applicable environmental, health and safety laws and working to conduct our operations in a safe manner that minimizes the environmental impact.

We seek to keep improving the environmental performance of our operations through the efficient use of resources and by applying the most environment-friendly technologies.

Implementation

- Our strict EHS Policy aims to protect the environment by preventing pollution, recycling materials and conserving water and energy in our operations.
- Compliance with the EHS policy is a responsibility of management and employees in all functions and is reinforced by regular training, monitoring and periodical audits.
- Internal and external audits are conducted to identify and remedy areas of deficiency with regards to hazard analysis, product handling, ergonomics and hygiene.
- We have reduced the environmental impact of our fleet by introducing ‘silent’ refrigerated trailers and low emission tractor units.
- We have partnered up with Dearman to deploy their liquid nitrogen powered transport refrigeration units in our trailers to deliver zero emission power and cooling.
- We also organised a number of regional projects across Europe to improve recycling and reduce light and water consumption.
- We are the founder and lead member of the European Transport Board (“ETB”), a group of leading European transport and logistics providers, which together represent a significant



European Transport Board
frontline expertise connecting the EU



part of the industry with almost 300,000 trailers in their combined fleets. The ETB specifically aims to: reduce environmental impact; reduce congestion from road transport; increase road safety; improve the effectiveness and efficiency of the industry.

Measurement of Outcomes

- The ETB met twice in 2019; in Mallorca and Florence.
- In 2019, we have received awards from the British Safety Council and Alcumus SafeContractor for our outstanding contribution to health and safety.
- We gained approval by the Danish ISO group in 2019, which confirmed and approved our training program for Reefer engine repair and servicing.





Anti-Corruption

Principle 10: Businesses should work against corruption in all forms, including extortion and bribery.

Assessment, Policy and Goals

The company works against corruption in all its forms, including extortion, bribery and insider trading. We are also committed to fair and free competition and complying with applicable competition laws in all its activities.

This commitment requires us to obtain the best possible information to enable us to assess threats and risks accurately. We conduct detailed assessments for all sites and activities, and implement appropriate risk mitigation measures to detect, deter and respond to corruption, extortion and bribery threats.

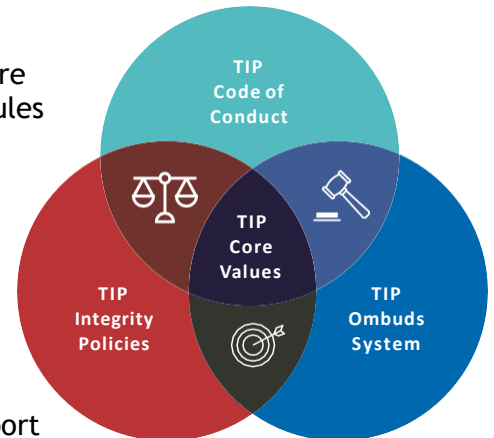
We endeavour to conduct business only with reputable customers and suppliers who are involved in legitimate business activities and whose funds are derived from legitimate sources. We therefore take all necessary steps to prevent the use of our products and services to facilitate money laundering and terrorist financing by fully complying with the applicable Anti-Money Laundering & Anti-Terrorism (“AMLAT”) laws in the countries where we do business.

Implementation

- We have combined a number of policies into the TIP Financial Integrity Policy which governs a variety of regulatory and compliance issues that our employees encounter on a daily basis. These issue-specific policies provide practical and specific guidance to our teams to ensure company-wide compliance with internal rules and external regulations.
- All new employees review and agree to abide by these policies and refresher courses are given regularly. Non-compliance will result in disciplinary measures
- We have established companywide standards relating to the giving and acceptance of gifts.
- We have created strict reporting procedures to create the right environment for the timely disclosure of reliable and accurate information to TIP shareholders, lenders and the public.
- Our customers and suppliers are screened by an automatic due diligence programme to identify potential money launderers and terrorists and to reveal if they are subject to sanctions regimes.



- Our Financial Integrity Policy lays down identification steps that must be followed to verify the identity of our customers.
- We continuously monitor compliance with our policies. Each employee is accountable for his or her actions and our integrity policies require employees to report any compliance concern or breach.
- The Ombuds system, which forms our third reporting channel, is designed to provide employees with a secure way to report possible non-compliance with internal rules and external regulations.
- We have a strong policy of non-retaliation and the Ombuds system reinforces this policy with an option to raise concerns anonymously to further encourage transparency.
- In Q1 2020 we expect to launch our incident reporting mechanism adding two new ways for employees to report concerns by either filling out an online report form or by calling a local hotline.



Measurement of Outcomes

- During 2019 TIP did not have any confirmed instances of corruption or bribery.
- We have discovered no red flags in our due diligence checks on new and existing suppliers regarding corruption or bribery.
- TIP has a strong track record with Consolidated Financial Statements being reviewed and signed off by external auditors without any major adjustments.



Our Shareholder and I Squared Capital Programs



I Squared Capital is an independent fund manager specializing in global infrastructure assets, with a focus on Europe, North America and select growth economies in Asia and Latin America. I Squared Capital has over \$13.6 billion in assets under management and targets high quality, resilient assets in the energy, utilities, telecom, transport and social infrastructure sectors. The firm has offices in Miami, New York, London, New Delhi, Hong Kong and Singapore managing infrastructure investments in 25 platform companies with over 7,000 employees in 36 countries.

I Squared Capital incorporates sustainability into each area (investing, operations, investor relations and legal) and every phase of its investment process, from diligence through asset management to exit. The firm believes that financial performance is inextricably linked to environmental and social sustainability. Put another way, being a good neighbour is vital for success in an interconnected world. This is especially evident as the global drive for food, water, and energy security accelerates demand for resources, adding pressure on governments and individuals to find sustainable solutions while embracing fair labour standards. To meet this challenge, I Squared Capital commits to identifying and managing the environmental, social and corporate governance aspects of our investments to enhance value in an environmentally and socially responsible manner.