

Press Release

New VTG maintenance concept to revolutionize the market

- **Transition from time-based to mileage-based maintenance will start in 2022**
- **Innovative concept leads to flexible revision intervals and improves wagon availability**

Hamburg, June 1, 2021. VTG is ushering in a new era in freight wagon maintenance. Starting in 2022, the Hamburg-based company will migrate from the time-based maintenance regime applied to date to a mileage-based approach. Using real-time data gathered and analyzed via VTG Connect, VTG will in future be able to exploit the full mileage potential of freight wagons by performing maintenance only when it is needed. “We always want to give our customers the optimal combination of safety, flexibility and availability across wagon hire and related services,” says Sven Wellbrock, Chief Operating Officer Europe & Chief Safety Officer of VTG AG. “Our entire European fleet is fitted with telematics systems that are fundamental to the development of and transition to this new maintenance regime. As a result, customers’ will enjoy even greater wagon availability to accommodate their wishes.”

A revolution in freight wagon maintenance

Amendments to Germany’s Railway Construction and Operation (EBO) regulations in 2018 paved the way to this innovative approach, which VTG will now be the first European wagon owner to implement across its fleet. Mileage-based maintenance makes revision intervals more flexible and increases wagon availability, as greater use can be made of mobile revision and needs-based revision intervals based on actual performance. All revision work will nevertheless still be performed in compliance with the VPI European Maintenance Guide (VPI-EMG). “We will obviously keep to the proven technical rulebook,” says Frank Sadowski, Head of Technical Support & Safety at VTG Rail Europe. “But at the same time, the underlying change of mindset will sow the seeds of a new maintenance culture. We are not altering the maintenance guidelines: We are simply applying real-time information to systems that already work.”

Safer and better monitoring, plannable revisions

Once again, fleetwide deployment of VTG Connect is the pivotal success factor for this innovative concept. Because mileage can be tracked reliably only if the VTG fleet is digitalized. “The real-time data we get from VTG Connect facilitates end-to-end monitoring,” says Stefan Franke, Head of Technology at VTG Rail Europe. “So we can predict and plan maintenance intervals much more accurately.”

Safety always commands top priority, of course, and the development of a mileage-based maintenance model is no exception to this rule: “Now that we know the actual mileage,” Sadowski adds, “we can further enhance safety by performing revisions precisely when they are needed.” The whole concept was mapped out on the basis of strict safety parameters and validated by experts in light of relevant safety considerations. Right now, VTG is examining the entire European fleet to verify its suitability for mileage-based maintenance. In principle, practically every wagon that clocks up lower-than-average

annual mileage could qualify for more flexible revision intervals. While some wagons constitute exceptions on account of specific technical fittings, experts are currently examining this issue down to the level of individual components. To begin with, two thirds of the VTG fleet already qualify and will be transitioned to the new mileage-dependent maintenance regime at the start of the coming year.

About VTG:

Headquartered in Hamburg, VTG Aktiengesellschaft is a global asset owner and logistics company with a strong focus on rail. Besides hiring out rail freight wagons and tank containers, it also provides multimodal logistical services and integrated digital solutions. The company's fleet includes around 94,000 rail freight wagons – mostly tank wagons, intermodal wagons, standard freight wagons and sliding-wall wagons – as well as about 9,000 tank containers.

This diversified service portfolio gives VTG's customers a robust platform for international freight transportation, based on which the company develops made-to-measure logistical solutions for any and every industry. Over many years, VTG has accumulated granular expertise across the entire transport chain – expertise that is now flanked by smart technology. The Group likewise combines a wealth of experience with a specialized knowledge of the transportation of liquid and sensitive goods in particular. Its customers include a plethora of leading companies representing the chemicals, petroleum, automotive and paper industries, agriculture and virtually every other sector besides.

VTG posted revenue of EUR 1,218 million and an operating profit (EBITDA) of EUR 492 million in the 2020 financial year. The Hamburg-based company's subsidiaries and affiliates give it a sizable footprint in Europe, North America, Russia and Asia. Effective December 31, 2020, VTG employed around 2,100 people worldwide.

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