

Sustainability Report

2022



About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details



About this report

CLASSIC NAVIGATION

This sustainability report can be navigated in the classic way like a non-interactive PDF. You can use the arrow keys on your keyboard or your mouse cursor for this.

INTERACTIVE NAVIGATION

You can also navigate this sustainability report using the interactive elements. If you would like to jump directly to a specific topic in the document, then use the menu on the left side. Simply click on the respective topic. If you would like to move back and forth page by page, you can use the two round menu arrows on the left side of the page:



LINKS

Internal and external links are marked in this report with the following graphics:

External link

Internal link

SDGs

You have the opportunity to find out more about the respective SDG by clicking on the SDG icons. With the click you will be redirected to an external website.



THIS REPORT

The Sustainability Report of VTG GmbH maps the company's sustainability performance for the year 2022. The report has been prepared in accordance with the GRI standards for the reporting period 01.01.2022 to 31.12.2022 and corresponds to the reporting period of the company's annual financial statements. Since the reporting year 2021, VTG has reported annually on the company's sustainability performance.

An external audit was performed by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, which also performed the financial audit of VTG for the reporting period. The audits of the financial and sustainability reports were commissioned to the same auditing firm in order to exploit synergies and to prepare for the integrated reporting system that will become mandatory for VTG from 2025 as a result of the Corporate Social Responsibility Directive (CSRD).

The following VTG companies were considered in the preparation of this Sustainability Report:

- Ateliers de Joigny
- Retrack Czech s.r.o.
- Retrack Germany GmbH
- Retrack Hungaria Kft.
- Retrack Slovakia s.r.o.
- SEMA GmbH
- UAB VTG Rail Logistics Baltics
- VTG GmbH
- VTG Deutschland GmbH
- VTG Nakliyat Lojistik Kiralama Limited Sirketi
- VTG Rail Europe GmbH
- VTG Rail Logistics Austria GmbH
- VTG Rail Logistics Belgium N.V.
- VTG Rail Logistics Bulgaria EOOD
- VTG Rail Logistics Deutschland GmbH
- VTG Rail Logistics France S.A.S.
- VTG Rail Logistics Hellas EPE
- VTG Rail Logistics Hungária Kft.
- VTG Rail Logistics GmbH
- VTG Rail Logistics Polska SP z.o.o.
- VTG Rail UK Ltd.
- VTG Tanktainer GmbH
- VTG Tanktainer Asia Pte. Ltd.
- VTG Tanktainer Finland OY
- VTG Vereinigte Tanklager und Transportmittel GmbH
- Waggonbau Graaff GmbH
- Waggonwerk Brühl GmbH
- Wagon & Warehousing Service GmbH
- Zelos spol. s.r.o.

About this report

The consolidation of the data of the companies taken into account is carried out centrally by the Management Systems & Safety department through an intensive exchange and queries via e-mail as well as telephone interviews with key companies, business units and departments. Uniform conversion factors, which are specified centrally, are decisive for the consolidation of consumption data and different units when recording the main emitters and consumers. Minority interests and companies sold during the reporting year have not been included in the consolidation. With regard to the recording of consumption data and the conversion into Scope 1 and 2 emissions, the focus was placed on the main locations. These include the railway undertaiking (RUs), the plant landscape, and locations that are consolidated in VTG's energy management system in accordance with ISO 50001. Where coverage limits for certain disclosures differ, this is broken down and made clear in the GRI Index.

Compared to the previous year's Sustainability Report, there were various relevant changes for the reporting period.

The Sustainability Report 2022 reports in accordance with the new GRI Standards 2021 and, compared to the Sustainability Report 2021, which is based on the old GRI Standard 2016, contains new disclosures, changes in disclosures or summaries of disclosures. In addition, the carbon footprint in this report has been expanded to include Scope 3 emissions for the first time, whereas the 2021 Sustainability Report only included Scope 1 and 2. This more detailed survey has the corresponding effect that the total emissions in 2023 are considerably higher.

Another change compared with the previous year's report lies in the form of the company. At the end of the reporting year 2022, VTG changed its name from a stock corporation to a limited liability company (GmbH). Furthermore, in the wake of the war of aggression on Ukraine and the subsequent sanctions imposed on Russia, VTG decided to discontinue its Russian business activities before the end of 2022 and to sell the companies concerned. This relates to the business activities of both Wagon Hire and Project Logistics. The divestment has no impact on the company's further operating business or overall strategic direction.

The Sustainability Report was prepared by the Corporate Communication and Management Systems & Safety business unit. Overall responsibility for the Sustainability Report lies with the Management Board. It is responsible for the identified material topics, the report content, and for the publication of sustainability key figures, and as the final decision-making authority it is responsible for reviewing and approving the sustainability reporting.



The contact for questions about the report or sustainability at VTG is Corporate Sustainability Manager Eike Christian Furkert. The contact for press inquiries is the Head of Corporate Communications Dr. René Abel.

Contact:

Sustainability contact:

Eike Christian Furkert
E-mail: eike.furkert@vtg.com
Phone: +49 40 2354-1380

Corporate communication contact:

Dr. René Abel
E-mail: presse@vtg.com
Phone: +49 40 2354-0

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Dear Reader,

2022 was another eventful year. Russia's war of aggression on Ukraine in violation of international law, which we condemn in the strongest possible terms, not only deeply shook each and every individual, but the resulting geopolitical developments are also clearly felt economically: in the prevailing energy crisis, distortions in global supply chains and significantly increased costs. Against this background, we decided to discontinue our activities in Russia in 2022.

In times of multiple global crises, however, it is also clear that clear sustainability goals are needed right now, because global crises dynamically drive transformative and structural change. They strengthen necessary climate debates, such as the implementation of the energy transition, as well as demands for greater social justice. This development shows us that we are on the right track with VTG's integrated sustainability strategy drawn up in 2021.

Particularly in times of crisis, rail freight traffic underlines its elementary importance for maintaining reliable and resilient supply chains. It also makes a significant contribution to the urgently needed change in transport. This is precisely where VTG comes in with its tailor-made logistics solutions. As an internationally active wagon hire and rail logistics company, we are also developing innovative transport solutions for alternative energy sources such as liquefied natural gas, hydrogen and CO₂, and, thus, support the achievement of EU climate protection targets.

In this context, we are also pleased about the external appreciation of our commitment to sustainability. In 2022, the Pro-Rail Alliance awarded VTG the "German Transport Turnaround Prize" for its innovative 'roadrailLink' (r2L) handling and transport technology: an innovative loading technology that allows non-craneable semi-trailers to be transported by rail. The increase in our GRESB sustainability rating from 96 to 99 out of a possible 100 points also underlines the success of our sustainability strategy. This result enabled us to improve to 12th place out of 649 participating companies in the infrastructure sector in 2022.

For us, sustainability means future viability. This is also reflected in our Purpose with "REAL. GREEN. TRANSPORT FOR LIFE." Every company has something that drives it and holds it together. Something that makes it special and defines the core of the company.


As a market leader and responsible employer, we are aware of our role model function. Through our sustainable actions, we are paving a path that will safeguard the habitats of future generations. Our overarching goal in this: to be a climate-neutral company by 2040. With the publication of our first sustainability report last year, we laid an important foundation for this. This year and in the years to come, we will continue to report transparently and responsibly on how we are achieving our sustainable goals step by step. At the top of our agenda is increasing the share of renewable energies at all our sites and implementing the requirements of the Supply Chain Sourcing Obligations Act to strengthen human rights in supply chains (LkSG).

We understand our responsibility as a privilege, and our affinity with rail provides us with effective leverage to actively help shape the transport revolution. We look forward to the future that lies ahead of us.

Sincerely




Mark Stevenson
Chief Financial Officer

Sven Wellbrock
Chief Operating Officer Europe &
Chief Safety Officer

About VTG

[About this report](#)
[Editorial](#)
[About VTG](#)
[Strategy](#)
[Environment](#)
[Social](#)
[Governance](#)
[Key figures](#)
[GRI Index](#)
[Review note](#)
[Publisher's details](#)


VTG GmbH (hereinafter referred to as VTG), headquartered in Hamburg, is a leading international wagon hire and rail logistics company with currently more than 88,500 rail freight cars: the largest private wagon fleet in Europe.

From wagon construction to wagon hire and maintenance to traction and logistics solutions, VTG offers all rail-related services - as a complete package or as a modular solution. Wagon Hire is complemented by some 5,000 multimodal tank containers. In addition, VTG is constantly working to make rail the backbone of intelligent and sustainable logistics with the help of digitalization services. This provides customers with an efficient platform for international freight transport with individual logistics solutions and special expertise in the safety-sensitive transport of liquids and hazardous goods.

VTG is active in a total of 28 countries, with a focus on Europe, and is an established player in national and international transport.

VTG's services, concepts and products are used by a large number of renowned companies from a wide range of industries. Examples include the chemical and mineral oil industries, the automotive industry (including suppliers) and the paper industry.

ABOUT
2.072
EMPLOYEES

ACTIVE IN
28
COUNTRIES

ABOUT
1.305,8
MIO. EURO IN REVENUES IN 2022

MORE THAN
88.500
RAIL FREIGHT CARS

Status of the figures is 31.12.2022.

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details



Strategy

Sustainability strategy
Transparency and dialog

Re:think Rail. Re:think Future.

As an international company with a focus on mobile infrastructure, VTG GmbH is very aware of the major economic and social challenges that go hand in hand with living sustainability. In doing so, we want to take responsibility for our daily actions by setting ourselves clear and ambitious sustainability targets in the three fields of action of environment, social commitment and responsible corporate governance. In line with the principle of "bundle, structure and diversify," we specifically allocate individual initiatives to the corresponding areas of impact in order to achieve the overarching goal of climate neutrality by 2040. Among other things, we want to contribute to combating climate change, improving air purity, reducing noise pollution, driving forward sustainable mobility concepts and respecting human rights along our value chains. In this way, we ensure our corporate responsibility is holistic: economic, ecological and social.

VTG supports the implementation of the UN's Sustainable Development Goals (SDGs) and is committed to the Paris Agreement on Climate Protection, the European Green Deal and international human rights agreements such as the UN Guiding Principles on Business and Human Rights and the ILO Core Labor Standards.

In our declarations of commitment, policies and our political positions adopted by the Executive Board, we describe our values, principles, due diligence obligations and management approaches for responsible corporate action. The declarations of commitment apply to all VTG locations unless otherwise stated. They are available to employees on the intranet and also publicly on the VTG website:

- VTG sustainability management
- Code of Conduct of the VTG Group
- Code of Conduct for Suppliers
- UK Modern Slavery Act
- Unsere political position

A human rights declaration is to be drawn up as part of the preparations for the Supply Chain Duty of Care Act in 2023.

New employees are informed about policies, codes of conduct and declarations of principles by their respective supervisors. To ensure effective integration into internal procedures and processes, some of the declarations of commitment are set out in concrete terms in guidelines and process instructions. These are sent to employees by e-mail with a request for confirmation that they have read them. The respective supervisors are responsible for checking them, and random samples are checked during internal audits of the integrated management system.



About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

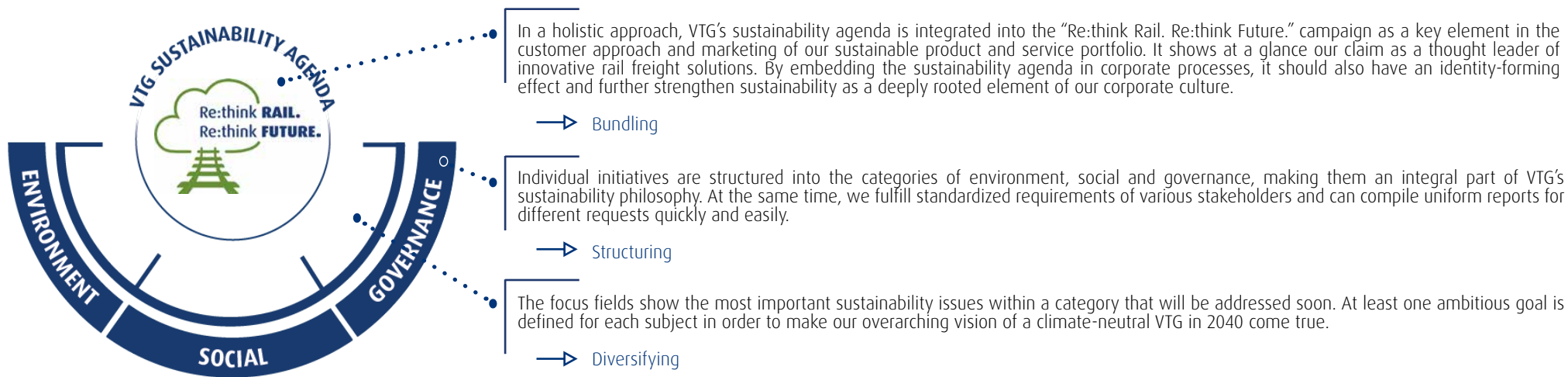
Publisher's details

Re:think Rail. Re:think Future.

- About this report
- Editorial
- About VTG
- Strategy**
- Environment
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details

SUSTAINABILITY AS A PART OF OUR CORPORATE ALIGNMENT

Bundling – Structuring – Diversifying



Management and values

CORPORATE MANAGEMENT

VTG is represented in numerous countries by a total of four business units through various subsidiaries and associated companies. The management structure within VTG is anchored at different levels.

In the reporting year 2022, the highest performance and decision-making body of VTG GmbH is the Executive Board with the three managing directors Oksana Jannsen, Mark Stevenson, and Sven Wellbrock. They jointly manage and represent the company with equal voting weights, although strategic responsibilities are divided between different topics and business areas. As Chief Operating Officer Eurasia & Far East, Oksana Jansen is responsible for the business areas Silk Road and Project Logistics as well as Tanktainer. As Chief Financial Officer, Mark Stevenson is responsible for finance. As Chief Operating Officer Europe & Chief Safety Officer, Sven Wellbrock is responsible for the Rail Europe and Rail Logistics business units as well as central safety functions such as occupational safety, data protection and environmental management. The Management Board is supported by an Advisory Board, which has an advisory function and monitors activities within the framework of a defined approval catalog. The advisory board consists of six members and a chairman.

The management board is selected on the basis of relevant professional and technical experience and the best possible complementarity of skills between the members of the management board. (GRI 2-10) For example, all three managing directors bring many years of experience as members of the Executive Board of the former VTG Aktiengesellschaft and were appointed to the Executive Board when the company was renamed a GmbH in December 2022. With their in part international backgrounds and relevant professional careers, the managing directors bring a wide range of management expertise from the areas of finance, controlling, transportation and logistics, as well as occupational safety, data protection and environmental management. In ad-

dition, knowledge of sustainability issues is deepened and kept up to date through regular exchanges with the experts on the Sustainability Committee.

Other Executive Positions and Commitments:

Sven Wellbrock (Management):

- Vice Chairman, Advisory Board Member and Member of the Executive Committee of the Association of Freight Car Owners in Germany (VPI)
- Mitglied im Program Board des European DAC Delivery Program (EDDP)
- Member of the Program Board of the European DAC Delivery Program (EDDP)
- Member of the Round Table "Implementation of the Rail Freight Master Plan"

Each business area is subject to a business area management, which bears responsibility for the subordinate companies. Within the individual companies, the decision-making and information structures are top-down in orientation, ranging from the management board to the business unit and departmental management boards to the team management boards and team coordinators. Regular exchanges between management, business unit management and division management are used to discuss objectives and critical concerns that arise.

The issue of sustainability is firmly anchored at all management levels at VTG. To ensure optimum coordination within the Group, the position of Corporate Sustainability Manager has been appointed to coordinate and communicate sustainability issues closely with the Corporate Communications unit.

In addition, the Sustainability Committee is appointed by the Executive

Board and consists of the responsible managing director and employees from the Management Systems & Safety and Corporate Communications departments. The unit heads and VTG's Corporate Sustainability Manager are responsible for this. Experts from individual units are called in for advice as needed and support the development and implementation of policy statements and guidelines in the respective units. The Sustainability Committee reports directly to the Executive Board and presents a Sustainability Report once a year. It is responsible for managing sustainability measures at Group level within VTG and supports the external communication of sustainability issues.

Since lived sustainability can only be realized with the support of all employees, creating awareness across all levels is key, which is why we regularly share information on strategy and targets as well as target achievement through various communication channels such as information events, our social intranet or the employee magazine.

All national and international sustainability activities are the final responsibility of the members of the Executive Board. The topics are specifically assigned to the Chief Operating Officer Europe & Chief Safety Officer. At the same time, all members of the Executive Board play a key role in reviewing, monitoring and continuously developing the sustainability strategy and its objectives as well as the corporate policies. For example, the company's sustainability performance is evaluated by the Executive Board on the basis of the Sustainability Committee's annual progress report and adjusted if necessary. The results of stakeholder processes such as surveys, discussions, results from the internal suggestion scheme and information measures are regularly taken into account. All guidelines, codes of conduct, policies and the sustainability strategy with its objectives and measures are finally approved by the management.

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Management and values

VALUES AND PRINCIPLES

In order to achieve success together, we rely on values that are binding throughout the company. Our Code of Conduct provides the framework for this and a guideline on how all employees must behave in principle and act lawfully. Our corporate values and principles thus form the basis for our dealings with employees, business partners and society, and are also the foundation of the company's success. The Code of Conduct reflects VTG's attitude towards legal regulations as well as its ethical awareness and applies equally to all employees - whether employees in the plants or office locations, management positions or the Executive Board. It is available in German, French and English.

Responsibility for the values and principles of the Group and their further development lies with the management. The Code of Conduct is handed out to new employees and explained in detail by the management positions, so that regular training courses and signing of the Code by employees have been dispensed with to date.

The top priority is to comply with legal requirements and to compete fairly while respecting competition and antitrust law. Respectful dealings with one another are a fundamental part of the corporate culture. Appreciative and transparent dialog creates trust and ensures satisfaction. For VTG, this also includes offering fair working conditions, promoting equal opportunities and rejecting any form of discrimination. Responsible handling of confidential information and protection of personal and sensitive data is binding for all employees. As a globally active company with a large number of employees and business partners, the safety of employees and products as well as the protection of the environment play a particularly important role. Compliance with all occupational health and safety, environmental protection and safety regulations is a matter of course for the company.

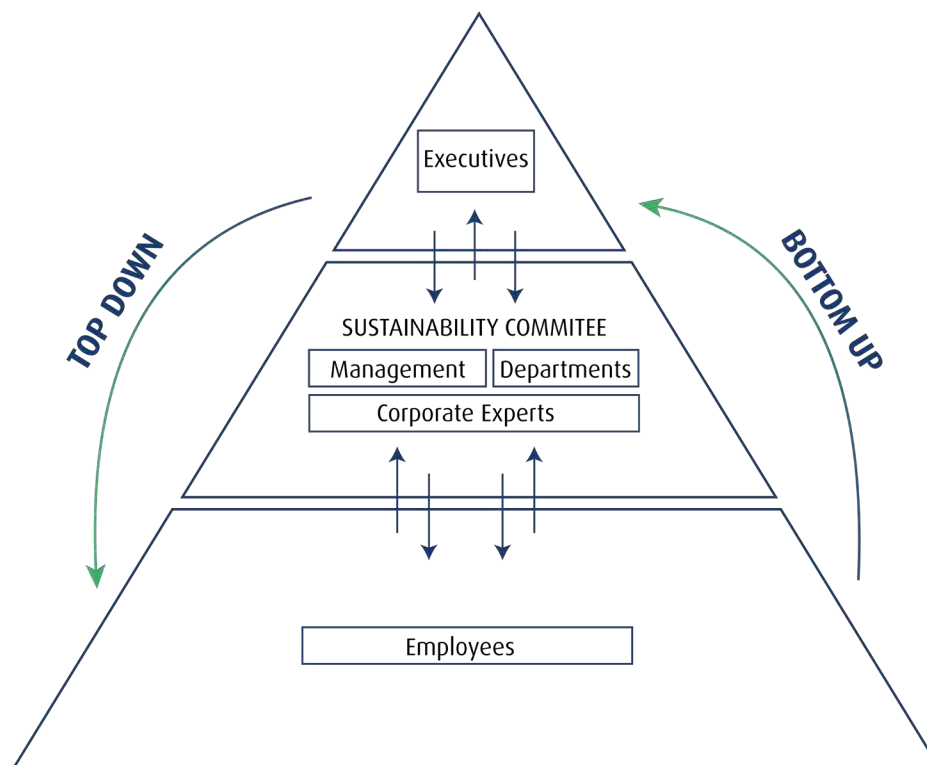
The document "Sustainability Management - Management Systems and ESG Issues" comprises fundamental principles that apply to all our actions to safeguard our products, services, processes and occupational health and safety. These policies serve as effective tools to demonstrate our commitment to environmental protection, occupational health and safety, data and information, and the operational safety of our facilities and vehicles.

Conflicts of interest between the interests of the company and personal or professional interests may arise in everyday work, e.g. in the context of financial benefits, through cooperation with competitors or stakeholders. Conflicts of interest are to be avoided as far as possible, and a transparent and open approach to such conflicts is obligatory for all employees as well as the management. The management orients its actions and decisions to the interests of the company and fulfills the corresponding statutory duties of care in this respect. The handling of conflicts of interest is anchored in the Code of Conduct. The protected reporting system "VTG Integrity Line" makes it possible to report suspected violations of statutory regulations and of VTG's internal guidelines.

Management by the Sustainability Council

DEVELOPING SUSTAINABILITY THINKING AND CULTURE

Organizational approach across all hierarchy levels



Decision-Makers as Shapers

Set a clear context for translating the vision into action. They serve as role models and drivers of cultural change by integrating the concept of sustainability into processes that are important to the company.

Sustainability Council as Coordinator

Steers and coordinates measures and the suggestion scheme and reports directly to the responsible Managing Directors. Experts support the implementation at business unit and department level. It also gives support in marketing and argumentation to the outside world.

Employees as Active Participants

Are involved in the sustainability process as active idea contributors. Through various tools such as continuous surveys and participation in local initiatives, sustainability becomes an experience.

The goal is a form of organization in which the framework is given by a top-down approach and the employees participate in individual measures or share own sustainability ideas via a suggestion scheme.

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Relevant topics

VTG's Sustainability Report provides information about the Group's sustainability activities. Our aim is to create transparency for interested parties and to regularly present our goals, projects, and successes. This is VTG's second report on the subject of sustainability. It provides an overview of the development of sustainability performance by showing key figures and an exemplary selection of measures.

Our reporting is based on the principle of comparability and has been prepared and analyzed in accordance with the GRI standards for the year 2022 and in line with the GRI reporting principles.

The identification of material topics took place in 2021 in a multi-stage process. Following a benchmark analysis to provide orientation on the state of the industry, the second step was to develop and evaluate the company's impact on the seventeen Sustainable Development Goals (SDGs). Using the results of the previous analyses, an initial list of sustainability topics relevant to the company was agreed. For each of these topics, the next step was an assessment of the significance of VTG's impact on the topics. In addition, a stakeholder survey was conducted.

The results of the internal and stakeholder assessments were compiled in a materiality matrix, which ultimately shows the final prioritization of the topics according to their materiality and can be seen as the basis for our sustainability efforts.

Both the SDG analysis and the coordination of the list of topics and the assessments of VTG's impact on the topics were carried out in internal workshops in which members of the Sustainability Committee for the entire VTG sites participated and contributed their expert opinions.

The materiality matrix shows that 12 of VTG's total of 21 sustainability topics are classified as very material.

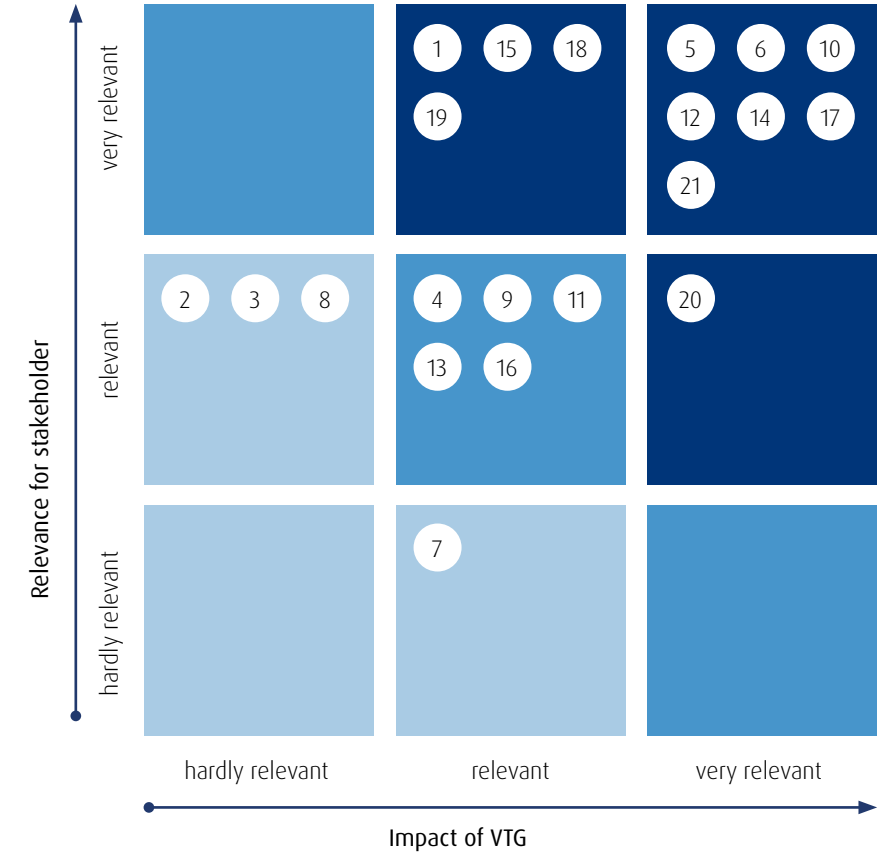
The materiality matrix is to be slightly adjusted again in 2023 due to changes in the general conditions and analyzed for completeness and accuracy in 2024. Due to the German Supply Chain Compliance Act (Lieferkettensorgfaltspflichtengesetz - LkSG), which will become mandatory for VTG from 2024, the importance of the topic of human rights is already expected to increase significantly. VTG has been intensively addressing the issue of human rights and preparing for the LkSG since the reporting year 2022.

[About this report](#)[Editorial](#)[About VTG](#)[Strategy](#)[Environment](#)[Social](#)[Governance](#)[Key figures](#)[GRI Index](#)[Review note](#)[Publisher's details](#)

Relevant topics

- About this report
- Editorial
- About VTG
- Strategy**
- Environment
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details

Environment	Social	Governance
1. Energy	8. Human rights	15. Sustainability strategy
2. Material and resource efficiency	9. Corporate citizenship	16. Transparency and dialog
3. Water and waste water	10. Occupational health and safety	17. Data protection and IT security
4. Waste management	11. Diversity and equality	18. Anti corruption
5. Noise reduction	12. Employee development	19. Compliance
6. Climate change mitigation	13. Work-life balance	20. Supply chain management
7. Biodiversity	14. Customer security	21. Customer satisfaction



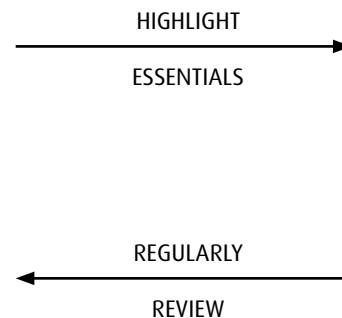
Sustainable Development Goals

As requirements and environmental influences are in constant flux, we will review our materiality matrix at regular intervals to assess whether adjustments need to be made to our strategy.

In our sustainability engagement, the intensity of our impact on the 17 United Nations goals was also assessed as part of the materiality review. The Sustainable Development Goals (SDGs) adopted in September 2015 highlight the key areas of action that contribute to the sustainable development of our society within the framework of the United Nations' "Agenda 2030" and to which VTG is fully committed.














Within the framework of the sustainability strategy, VTG can have a particularly effective influence on achieving the goals of health and well-being (SDG 3), high-quality education (SDG 4), decent work and economic growth (SDG 8). Similarly, VTG can particularly influence industry, innovation and infrastructure (SDG 9), sustainable cities and communities (SDG 11), and climate action (SDG 13). Using the SDG icons, we also draw attention to the impact of our measures in the individual chapters.

- About this report
- Editorial
- About VTG
- Strategy**
- Environment
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details














Strategic objectives: environment

The materiality matrix and the effects on the SDGs form the basis for VTG's strategic objectives in the sustainability strategy. Based on the results, the following goals were defined for the field of action "environment":

Goals	Relevant aspects	Impact on SDG
Climate neutrality by 2040	Climate change mitigation	
Halve emissions in Scope 1 and 2 by 2030 (base year: 2021)	Energy, Climate change mitigation	 
Formulate target for reduction of Scope 3 emissions by 2023	Climate change mitigation	
Convert workshops to electricity from 100% renewable energy sources by 2026	Energy, Climate change mitigation	 
30% of our transports are climate-neutral by 2030	Climate change mitigation	
Install whisper brakes for the entire VTG fleet	Noise reduction	
Water treatment in cleaning processes and optimization in the workshops	Water and waste water	 
Design workshop premises that are close to biodiversity	Biodiversity	
Permanent maintenance of recycling rate of 93%	Waste management	
Optimize the use of materials and resources at the workshops	Materials and resource efficiency	

Strategic objectives: social






The materiality matrix and the effects on the SDGs form the basis for VTG's strategic objectives in the sustainability strategy. Based on the results, the following goals were defined for the field of action "social":

Goals	Relevant aspects	Impact on SDG
Realize corporate volunteering projects at all locations	Social commitment	
Develop a diversity target	Diversity und equal opportunities	
Reduce the number of accidents by 20% per year to the LTIFR* by 2024 (base year 2020)	Occupational health and safety	
Expand the VTG Family & Care program, considering the needs of employees	Employee promotion and development, work-life balance	
25% women in management positions at first and second management level and 30% women across all other management levels by 2030	Diversity und equal opportunities	 
15% women in management positions at first and second management levels and 25% women across all other management levels by 2025	Diversity und equal opportunities	 
Ongoing development and adaptation of qualification formats	Employee promotion and development	
Ensure market-oriented salaries	Occupational health and safety	
Establish a health management system	Occupational health and safety	

*LTIFR: Lost Time Injury Frequency Rate: the number of lost time injuries occurring per 1 million hours worked.

Strategic objectives: governance

The materiality matrix and the effects on the SDGs form the basis for VTG's strategic objectives in the sustainability strategy. Based on the results, the following goals were defined for the field of action "governance":

Goals	Relevant aspects	Impact on SDG
Strategic anchoring of sustainability	Sustainability strategy	
Develop a communication strategy on sustainability performance	Transparency and dialog	
Establish a regular stakeholder dialog	Transparency and dialog	
Sign a Code of Conduct with all suppliers by 2025	Supply chain management	
Raise awareness among employees in line with sustainability strategy	Sustainability strategy	

[About this report](#)
[Editorial](#)
[About VTG](#)
[Strategy](#)
[Environment](#)
[Social](#)
[Governance](#)
[Key figures](#)
[GRI Index](#)
[Review note](#)
[Publisher's details](#)

Relevant stakeholders

[About this report](#)
[Editorial](#)
[About VTG](#)
[Strategy](#)
[Environment](#)
[Social](#)
[Governance](#)
[Key figures](#)
[GRI Index](#)
[Review note](#)
[Publisher's details](#)


The issue of sustainability is complex and requires a high level of exchange and cooperation at various levels. Through transparency about VTG's activities and open and constant dialog, the contribution to people, nature, and society can be continuously improved in the business processes. The inclusion of different perspectives and interests of stakeholders provides valuable impetus for further development and decision-making processes. Trust and credibility play a central role in taking into account the various interests of stakeholders and entering into effective cooperation.

VTG's stakeholders were identified in internal workshops by the Sustainability Committee and assessed in terms of their relevance. For this purpose, a matrix was used to compare how much influence each stakeholder group has on VTG and, in turn, how much impact VTG has on each stakeholder group.

The following VTG stakeholder groups were identified:

- Employees/Works Council
- Executives
- Investors/Supervisory Board
- Banks/insurance companies
- Customers
- Suppliers/service providers
- Competitors
- Administrations/politics/authorities
- associations
- Media/press/public

In developing VTG's key sustainability issues, the various perspectives of our stakeholders were brought into play. In particular, the stakeholder groups "Employees/ Works Council", "Customers", "Suppliers/Service providers" and "Competitors" provided important input, which was taken into account accordingly in the development of the sustainability strategy.

Stakeholder involvement

VTG stakeholders are continuously informed about VTG's activities and engaged in dialog through various instruments and channels:

Stakeholder	Phases of participation	Types of participation
Employees/Works Council	Throughout employment; in developments/projects, company initiatives	Intranet (ongoing), employee magazine (published twice a year), e-mail information, townhall meetings, employee surveys, annual performance development reviews
Managers	Throughout employment; in developments/projects, company initiatives	Management conferences/meetings (three per year), advance executive board briefings, employee magazine (published twice a year), intranet (ongoing), e-mail information, townhall meetings, employee surveys annual performance development reviews
Investors/supervisory board	Ongoing	Supervisory board meetings, annual general meeting, investor meetings
Banks/insurance companies	When initiating major investment projects; during loan negotiations and ongoing credit relationships	Bank meetings, contract negotiations
Customers	Throughout the contractual relationship; in the context of new customer acquisition	Customer meetings, trade shows/events, customer newsletters, mailings, sales materials (flyers, videos, presentations), annual meetings, customer surveys, VTG website, posts on social media
Suppliers/service providers	Throughout the contractual period; during renegotiations; at annual supplier meetings	Discussions, negotiations, performance discussions, VTG website, posts on social media
Competitors	Throughout the competitive phase	Continuous market monitoring, benchmarks
Administrations/politics/authorities	Depending on the topic and situation	Annual meetings, project work, individual and background discussions, policy briefing, social media posts
Associations	During existing memberships, during negotiations to establish new partnerships	Annual meetings, workshops, project groups
Media/press/public	Throughout the year, but also depending on the topic and situation	Press releases, technical articles, newsletters, individual and background discussions, interviews, policy briefings, contributions to social media

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Memberships and ratings

INITIATIVES AND MEMBERSHIPS

In addition to taking stakeholder interests into account when making corporate decisions, the use of synergies through cooperation and networks is of crucial importance for sustainable corporate development. VTG is a member of various national and international associations and initiatives. These include, for example, the multi-stakeholder association "Allianz pro Schiene" (Pro-Rail Alliance), in which VTG works together with numerous non-profit organizations and companies for better and more environmentally friendly rail transport in Germany. VTG also supports the KlimaWirtschaft foundation, in which companies in Germany are actively involved in implementing climate targets and complying with the 2-degree target.

Other industry associations and initiatives of which VTG is a member are the Association of Freight Car Owners in Germany (VPI), the Technical Information Group for Rail Freight (TIS), The European Petrochemical Association (EPCA), the European DAC Delivery Program (EDDP), the International Tank Container Organization (ITCO), the Verein für Normierung und Weiterentwicklung des Bahnwesens e.V. (NWB), the European Rail Freight Association (EFRA), the European Chemical Transport Association (ECTA) and the International Union of Wagon Keepers (UIP). In the last four of these, VTG plays relevant roles, e.g., through positions in supervisory bodies.

Through the European Chemical Transport Association, the subsidiary VTG Tanktainer GmbH is also involved in the Responsible Care Initiative, a Europe-wide initiative of the chemical industry to improve environmental and safety standards in the sector.

RATINGS

In addition to the analyses carried out internally and the development of VTG's sustainability strategy, VTG also took part once again in the sustainability ranking of the American-Dutch GRESB Institute in the reporting year 2022. Of some 649 participating companies worldwide in the infrastructure sector, VTG landed in 12th place with 99 out of 100 (2021: 96) achievable points (2021: 22nd place), placing it among the 2% of investments rated most sustainable by GRESB.

GRESB (Global Real Estate Sustainability Benchmark) is the world's leading rating system for measuring the sustainability performance of companies and funds in the real estate and infrastructure sectors in particular. The participating companies were analyzed and evaluated in 2022 in the seven categories of corporate governance, corporate principles and their implementation, risk and opportunity management, monitoring and environmental management system, certifications, stakeholder management and performance indicators. VTG is currently aiming to participate in the GRESB ranking on an annual basis.

We are making a contribution to supporting the following SDGs:



About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details



Environment

Energy

Climate change mitigation

Noise reduction

Waste management

Water and waste water

Biodiversity

- About this report
- Editorial
- About VTG
- Strategy
- Environment**
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details

Group-wide energy management system

Climate change is one of the greatest challenges of our time and rail transport is a key factor in reducing the impact on the climate and the environment in the transport sector. At the same time, VTG also consumes energy through its own business activities. To date, this has largely come from non-renewable energy sources, consuming non-renewable resources, releasing greenhouse gas emissions and thus contributing to climate change.

VTG believes it has a responsibility to reduce negative impacts, to expand the environmental and climate friendliness of rail and to further consolidate the mode of transport as a sustainable and attractive means of transport. This includes not only compliance with laws and environmental regulations but also, in particular, efforts to reduce greenhouse gas consumption and deal with waste and noise pollution. In its policy letters, VTG addresses current developments in the rail freight sector. In the year under review, the topics included energy security and the contribution that rail can make. VTG is also a member of various initiatives and associations on the subject of the environment and climate protection. Examples include the Klima-Wirtschaft Foundation, the Hamburg Environmental Partnership, the Responsible Care Initiative, and the Climate Bonds Initiative. Some of VTG's certifications that underscore its activities are the SQAS safety and quality assessment system of the German Chemical Industry Association and the award as a specialist waste management company.

Energy consumption is one of the most important levers for greater climate protection. Increasing energy efficiency is therefore a key issue for VTG and is set out in both the Environment & Energy policy

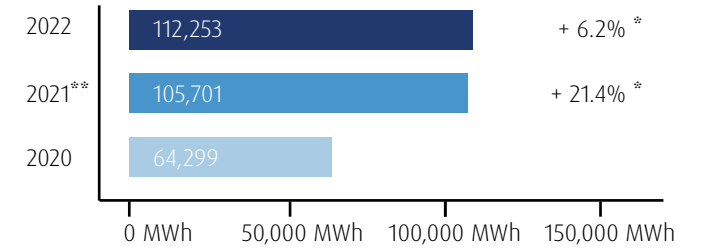
and the sustainability strategy. A comprehensive energy management system in accordance with ISO 50001 and the annual preparation of a carbon footprint are designed to ensure that both the energy performance and the emissions impact of VTG's locations, particularly the plants and railway undertakings, are continuously reviewed and improved where possible.

In addition to switching to renewable energies, the more efficient use of energy in particular is a lever for limiting greenhouse gas emissions. Despite the strategic focus of the business units on growth, the increase in total energy consumption was kept as low as possible. The drivers for the increase in energy consumption compared with the previous year were increased activities by our rail transport companies.

Various savings measures have already been implemented. For example, the conversion of the lighting from HQL spotlights to LED spotlights at the VTG plants Ateliers de Joigny, Waggonwerk Brühl, and Waggonbau Graaff resulted in electricity savings totaling almost 337 MWh per year. The replacement of old welding equipment at Waggonbau Graaff achieves further savings of up to 142 MWh of electricity per year compared to 2021.

Further energy efficiency measures were successfully implemented by modernizing the data center in Hamburg, for example by optimizing the cooling aisles. This, together with the elimination of a second VTG location in Hamburg and other individual measures, resulted in savings of around 61 MWh per year.

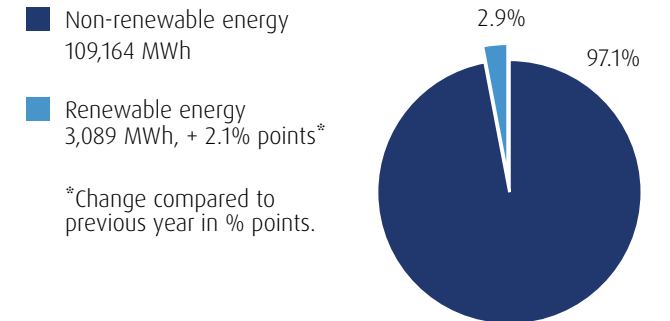
Energy consumption (in MWh)



* Change compared to previous year in %

** This year, another railroad company and workshop has been added.

Total energy consumption from electricity, heat and other fossil fuels in 2022 (in MWh)



*Change compared to previous year in % points.

Group-wide energy management system

- About this report
- Editorial
- About VTG
- Strategy
- Environment**
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details



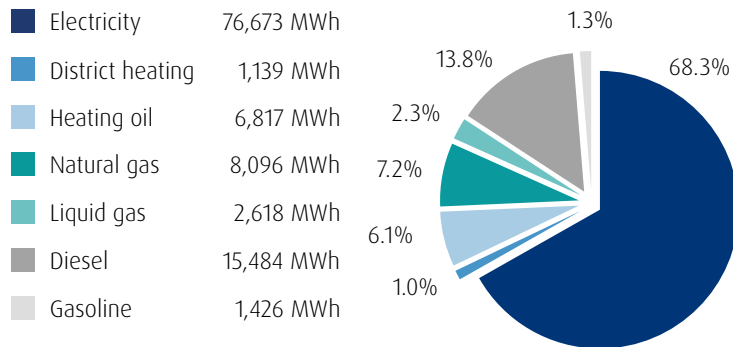
The successive replacement of single-user printers with energy-saving floor printers has led to savings of around 6 MWh of electricity. This illustrates how even smaller measures can have an impact.

VTG is aware that the measures outlined make small contributions to saving energy and thus using it more efficiently. The main drivers of energy consumption are the rail undertakings, whose locomotives are operated by electricity and diesel and, with 83.4 million kWh, account for around 74.3% of VTG's total energy consumption. An initial measure here is to procure 30% electricity from renewable energies for 2023, which is to be successively increased to 100% over the next few years. Although this will not reduce energy consumption, it will save a lot of emissions.

However, increases in energy efficiency cannot only be achieved through technical improvements. The daily behavior of employees also plays a key role. For example, the train drivers of VTG's own railway undertaking receive targeted training in energy-saving driving techniques through simulation and control runs. The issue of flyers on energy-conscious driving and articles in our online version of the employee magazine ON TRACK also bring the issue of conscious use of energy and electricity to the attention of employees.

As the most relevant stakeholders, the responsible areas were informed about the measures through information events and the presentation of the sustainability strategy. A central task is assigned to the managers of the railway undertaking and the plant management with the conversion of the sites to electricity from renewable energies.

Energy consumption in 2022 by energy type (in MWh)



We are making a contribution to supporting the following SDGs:

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

- About this report
- Editorial
- About VTG
- Strategy
- Environment**
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details

With renewable energy to climate neutrality

VTG's business activities directly and indirectly consume fuels, electricity, and heat from predominantly non-renewable energy sources, which continuously leads to emissions of greenhouse gases into the atmosphere.

An effective contribution to climate protection can only succeed if both the origin and the extent of greenhouse gas emissions generated in the course of business activities are transparent and clearly identified. VTG determines the direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions for the entire Group since 2019.

In the reporting year 2022, full accounting was finally carried out for the first time according to Scope 1 to 3, so that emissions generated in the supply chain are also taken into account. An evaluation of the results in the 2023 business year will determine which emission savings the company can still achieve and then establish corresponding measures and processes.

The aim is to achieve climate neutrality for the entire VTG Group by 2040. By 2026, all VTG plants are to switch to electricity from 100% renewable energy sources and energy consumption is to be further reduced through various savings measures. VTG's headquarters in Hamburg and a major site in Duisburg were already converted to purchasing electricity from renewable sources in 2021. In the year under review, 2022, the locations Sema near Celle and Waggonbau Graaff near Elze also switched to electricity from renewable energy sources. This means that by the end of 2022, two of the five plants in Germany will be sourcing electricity from renewable sources. Finally, from 2023, the power supply of Waggonwerk Brühl in Wesseling, the last German plant location, as well as part of the traction current mix of the railway undertaking Retrack Germany, will also be from renewable energies. As a result of the conversions, the electricity for the German plant locations and the Retrack railway undertaking is to be procured jointly from a uniform supplier from 2023 in order to make purchasing efficient and secure price advantages. The conversion of the plant locations in Slovakia and France was considered secondarily

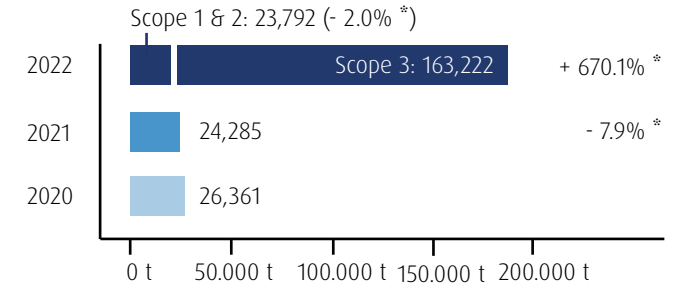
in the past due to the lower greenhouse gas emissions. Conversion options are to be explored in 2023 and a plan defined for conversion by 2026. VTG is thus an important step closer to its goal of converting all its plants to electricity from renewable sources by 2026.

In the year under review, VTG also decided for the first time not to send Christmas cards and Advent gifts to customers and to donate the money saved as a result. In 2022, for example, half of the sum was donated to the German Nature and Biodiversity Conservation Union (NABU) to help protect the moors in the area around Hamburg, which, as CO₂ sinks, bind large quantities of greenhouse gases and thus make an important contribution to climate protection. In the coming years, the company intends to take further necessary measures to achieve its climate protection targets.

Demonstrating a clear position and informing people on the subject of climate protection is another important aspect at VTG. For this reason, VTG informs political decision-makers and other interested stakeholders about current developments in the field of rail freight traffic in regular policy letters. In 2022, the focus of the policy letters was on energy and climate. As a member and sponsor of the Climate Economy Foundation, which is dedicated to the transformation of industry and the economy towards climate neutrality, VTG also supports all the position papers published by the foundation in the year under review and before.

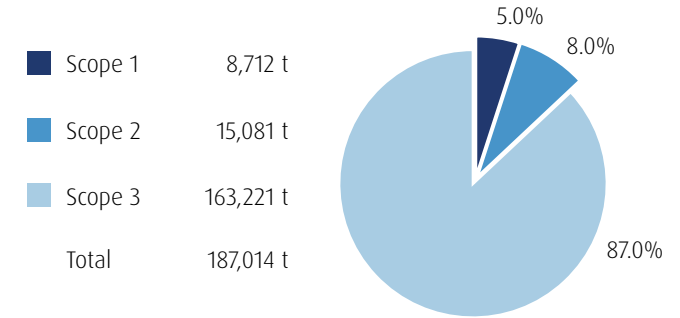
The issue of climate protection is a central part of VTG's sustainability strategy and is set out both in VTG's "Energy & Environment" policy and in the "Sustainability Management- Management Systems and ESG Issues" policy. The carbon footprint according to Scope 1 to 3 is to be carried out annually in order to track the effectiveness of the measures.

Total CO₂e-emissions (in metric tons – t)



* Change compared to previous year in %
Note: From 2022, Scope 3 is also included.

CO₂e-emissions in Scopes in 2022 (in % and metric tons – t)



We are making a contribution to supporting the following SDG:



Whisper brakes reduce noise by half

The acceptance of rail transport can only be secured in the long term if negative effects on people and the environment are reduced to a minimum. Particularly on busy rail routes and within built-up areas, the noise pollution caused by rail traffic can be considerable. Noise abatement is therefore a key issue for VTG as the owner of wagon fleets and logistics service provider in rail transport, and its commitment to social well-being is consolidated in VTG's "Environment & Energy" policy.

VTG's solution here lies in innovative technologies in the contact between wheel and rail. The use of composite brake blocks, known as whisper brakes, can reduce noise by up to ten decibels. This corresponds to a halving of the noise compared with conventional brake blocks made of gray cast iron. At least 90% of all cars in a train must be equipped with whisper brakes so that the noise reduction can be perceived acoustically accordingly.

In the year under review, VTG has already installed whisper brakes on 88.4% of wagons in Europe (excluding England). VTG has thus completed the statutory requirements of the Rail Noise Protection Act for mandatory retrofitting. The remaining wagons are continuously being fitted with new noise-reduced braking systems as new models are purchased and older models are retired.

The conversion to noise-reduced brake blocks was financially supported by the European Climate Infrastructure and Environment Executive Agency (CINEA) of the European Commission as part of the Connecting Europe Facility (CEF) initiative.



Co-financed by the Connecting Europe Facility of the European Union

We are making a contribution to supporting the following SDGs:



Waste separation and recycling

- About this report
- Editorial
- About VTG
- Strategy
- Environment**
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details



The long-term stability of our ecosystems is essential for a future worth living. The basis for this is the conservation of the environment and resources through efficient recycling management. Since resources are also consumed and waste is produced in VTG's maintenance and logistics operations and in administration, effective use of resources and professional waste management are crucial for VTG.

Systematic waste management makes an important contribution on the way to an economic system based on the principle of a circular economy. The motto is: avoid waste as far as possible and recycle unavoidable waste in the best possible way. In this way, raw materials are to be used carefully and a valuable contribution made to climate protection.

Durable products and the recycling of resources are key to effective waste management. VTG wagons are made almost exclusively of recyclable materials and, as durable assets, can last more than 40 years. In addition, wheelsets are repeatedly reconditioned before they re-enter the materials cycle as steel scrap.

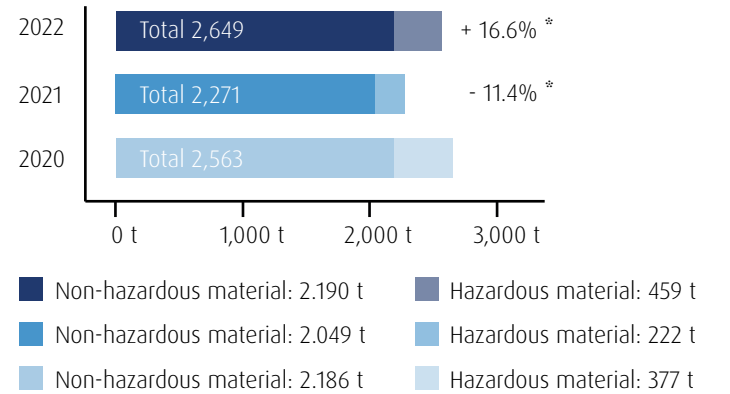
Where waste cannot be avoided, strict waste separation and proper recycling and disposal in accordance with statutory regulations are a matter of course for VTG. This includes both waste separation in the individual plants, for example according to "hazardous goods" and "non-hazardous goods", and the separation of paper and commercial waste at the office locations.

A large proportion of the waste produced in the VTG plants is in the form of scrap metal, which is sold and recycled by appropriate recycling companies and thus returned to the circular economy. As a result, VTG achieves a recycling rate of over 90% in accordance with the European Waste Regulation. VTG would like to increase this already very high level to 93% and maintain it in the long term. The waste officers at the individual plants are responsible for optimizing and implementing the quota, selecting the disposal companies and informing employees of any innovations. The differences in the quantities of waste disposed compared to the previous year were due to an increased volume of scrap within the workshops.

At the office sites, the focus continues to be on paper-reduced processes. For example, wagon and tank container files are now managed digitally. Digital filing of freight documents in the logistics areas also plays its part.

The basics of waste management are set out in our "Environment & Energy" policy and the "Sustainability Management Management Systems and ESG Issues" policy. In addition, the topic is part of VTG's sustainability strategy.

Waste quantity - workshops (in metric tons - t)



* Change compared to previous year in %

We are making a contribution to supporting the following SDG:



Optimization of water management

- About this report
- Editorial
- About VTG
- Strategy
- Environment**
- Social
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details

Water scarcity is already a threat to people and nature in many regions of the world. Longer dry periods and droughts due to climate change, as well as excessive extraction of groundwater and the rising population, are further exacerbating this problem. Water is therefore a precious resource that is also indispensable in corporate processes. VTG regularly consumes water for cleaning and maintaining its wagon fleets and produces wastewater, some of which contains pollutants. In regions where water is scarce, this can jeopardize production and water supplies in the region. With this in mind, VTG always ensures that water consumption is minimized in all areas of the company and that the volume of wastewater is kept as low as possible while complying with environmental standards. Our principles are incorporated in the "Energy & Environment" policy, the "Sustainability Management - Management Systems and ESG Issues" policy, and VTG's sustainability strategy.

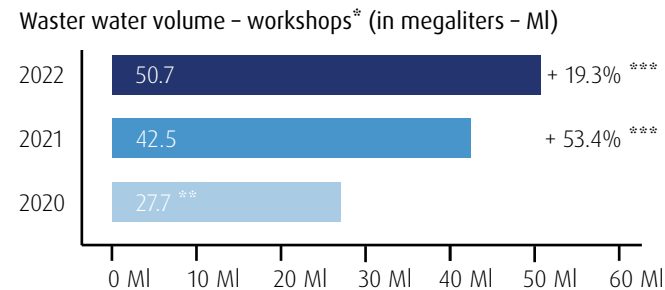
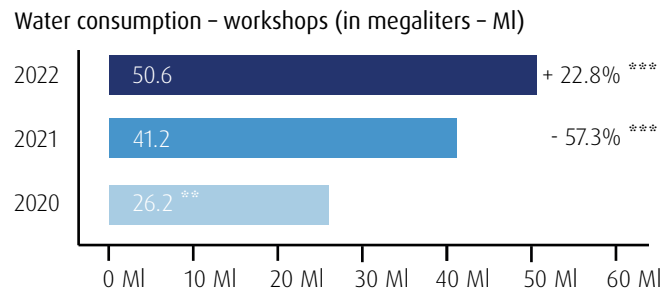
To find out whether VTG operates in regions where water stress levels are high and how this is changing, VTG carries out water risk as-

sessments of its production sites at regular intervals with the support of insurers. This assessment helps to take a full view of the increasing challenge of dealing with water scarcity. This includes, in particular, water treatment for reuse, whereby used water is to be reused several times for different processes such as cleaning operations or pressure tests. The focus is on the idea of securing the water supply in our processes as well as the local supply.

Appropriate water management in the company will become even more important in the future. This is particularly true since water is indispensable within production processes, such as leakage tests and cleaning activities. Consequently, water is only replaced when the degree of contamination is too high for a pressure test. In the case of black steel tankers, the amount of water is reused up to ten times. A similar result is achieved with stainless steel tankers. Here, the water can be reused up to five times. The same system is also used for cleaning wagons. Care is taken not to waste water unnecessarily and only to compensate for losses. However, there are limits to how

much water can be reused and, as a result of our higher number of cleaning activities and leak tests, water consumption has increased compared with the previous year.

To optimize water management, VTG also continuously takes into account smaller modernization measures, for example in the area of sanitary facilities or in targeted consumption measurement in the production process. The implementation of measures is carried out by the responsible persons within the plants. Involved employees are informed of any innovations by their superiors. No further involvement of stakeholders takes place.



* The differences result from the fact that some rainwater enters the water storage tanks and is disposed of via the city's drainage system.
 ** Lower documented amount of water retrieved and discharged due to a late discovered water pipe break at Waggonbau Graaff.
 *** Change compared to previous year in %

We are making a contribution to supporting the following SDG:

6 CLEAN WATER AND SANITATION

Bees as promoters of biodiversity

As a land-conserving mode of transport, rail has a more environmentally and climate-friendly impact on its surroundings than other modes of transport. Nevertheless, VTG's plant sites and facilities use land that is no longer available to nature, which can have a negative impact on the preservation of biodiversity. VTG wants to counteract this and contribute to the protection of biodiversity.

For example, since the end of 2019, Honigwerk Hamburg in the Hamburg district of Othmarschen has been sponsoring four honey bee colonies, which are located in an orchard next to a railroad line. Unlike other bee sponsorships, Honigwerk takes a multi-layered approach and focuses primarily on maintaining the health and vitality of the bees. The honey produced by the bees is therefore largely used to overwinter the colonies, so no feed syrup is used. This not only prevents mite infestation, but also promotes the pollination performance of the bees and thus strengthens regional biodiversity. Only the honey that is not needed for overwintering is removed and used by VTG, for example, for customer and employee gifts. Wintering on the company's own honey also reduces the CO₂ impact through a streamlined harvesting process and lower consumption of jars, lids, and labels. It was also important to VTG to promote bee sponsorship, which takes a micro-regional and climate-friendly approach through stand beekeeping, which is less stressful for bees, and short travel distances for supplying the colonies.



We are making a contribution to supporting the following SDG:


[About this report](#)
[Editorial](#)
[About VTG](#)
[Strategy](#)
[Environment](#)
[Social](#)
[Governance](#)
[Key figures](#)
[GRI Index](#)
[Review note](#)
[Publisher's details](#)

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details



Social

Occupational health and safety

Customer safety

Employee promotion and development

Diversity and equal opportunities

Work-life balance

Social commitment

Human rights

Safety is priority



Whether for VTG employees, customers, or the wider community, safe and satisfactory business operations are at the heart of corporate responsibility in day-to-day activities.

The health of employees is a high priority at VTG. Whether it is maintenance and repair work, transport, loading, or inspection work, working on the railways and with the wagon fleets involves risks for our employees in terms of accidents and their health. It is our strategic goal to minimize these risks, to reduce the number of occupational accidents to zero, and to avoid work-related physical and mental stress.

Our policy "Sustainability Management - Management Systems and ESG Issues" brings together the principles and commitments for actions in the area of occupational health and safety and, together with the Code of Conduct, applies equally to all employees. Worldwide, the company is committed to various legal requirements on occupational health and safety, which form the basis for strict safety measures. The topic of occupational health and safety is also firmly anchored in our sustainability strategy.

In order to promote the continuous improvement of occupational safety and compliance with legal requirements, VTG has set up an occupational safety management system based on the requirements of ISO 45001 and supplemented by internal instructions in the form of guidelines and standard operating procedures (SOP). A central occupational safety specialist coordinates and directs the overall direction of occupational safety measures within the VTG Group. The chief safety officers of the individual plants report to this officer. In addition, each plant has several subordinate safety officers, who

place issues within the plant and implement measures that have been initiated. Annual internal audits at the plants also check compliance with all occupational health and safety requirements and the internal forwarding of information on the subject. These audits are based on the principles of ISO 9001, 45001, 50001 as well as the requirements on data protection and information security.

In order to keep knowledge on the subject of occupational health and safety up to date and to track and improve the effectiveness of measures, incidents, findings and developments on the subject are discussed in various exchange formats. These include regular Global Townhall Meetings at Group level, the twice-yearly safety meeting, morning stand-up meetings at the plants, and information on accidents and incidents in Safety Alerts. In this way, accident events are summarized in brief form and passed on to all plants in order to follow the best-practice approach and share experiences. Employees as a key stakeholder group are informed about the latest developments via supervisors, safety officers, occupational safety specialists and information systems, such as monitors in hall buildings and the intranet.

[About this report](#)
[Editorial](#)
[About VTG](#)
[Strategy](#)
[Environment](#)
[Social](#)
[Governance](#)
[Key figures](#)
[GRI Index](#)
[Review note](#)
[Publisher's details](#)

Safety is priority

All occupational safety and health protection measures are aimed at the entire workforce in plants and offices in which VTG holds a majority stake. No distinction is made between salaried employees and temporary workers.

An introduction to occupational safety is mandatory for all employees as part of their induction. Staff in office buildings receive standardized e-learning that familiarizes them with the most important features of occupational safety and health protection. In the plants, appropriate

training is also carried out on the basis of a workplace risk assessment. With its "CERO" occupational safety campaign, VTG is also pursuing the goal of strengthening behavior-based occupational safety in the plants and reducing accident figures. Since the program was introduced, the frequency of accidents has been significantly reduced. Using the internationally recognized Lost Time Injury Frequency Rate (LTIFR), we record the accident frequency per million hours worked and thus all occupational accidents that result in at least one day lost. In the reporting year 2022, VTG recorded an LTIFR of 10.8, a decrease of 22.7% in

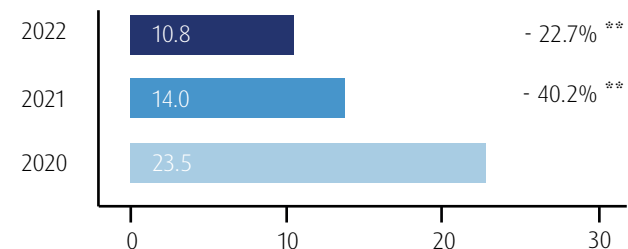
accident frequency compared with the previous year.

In addition, work has begun on rolling out a Near Miss program in the plants to report unsafe conditions, unsafe acts, and near misses. In the long term, this should lead to further preventive measures being taken and to an incident or accident not occurring in the first place. Full implementation across all plants is scheduled to take place in 2023.

- About this report
- Editorial
- About VTG
- Strategy
- Environment
- Social**
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details



LTIFR* (accident frequencies per 1 million working hours)



* LTIFR: Lost Time Injury Frequency Rate: the number of lost time injuries occurring per 1 million hours worked.

** Change compared to previous year in %.

We are making a contribution to supporting the following SDG:

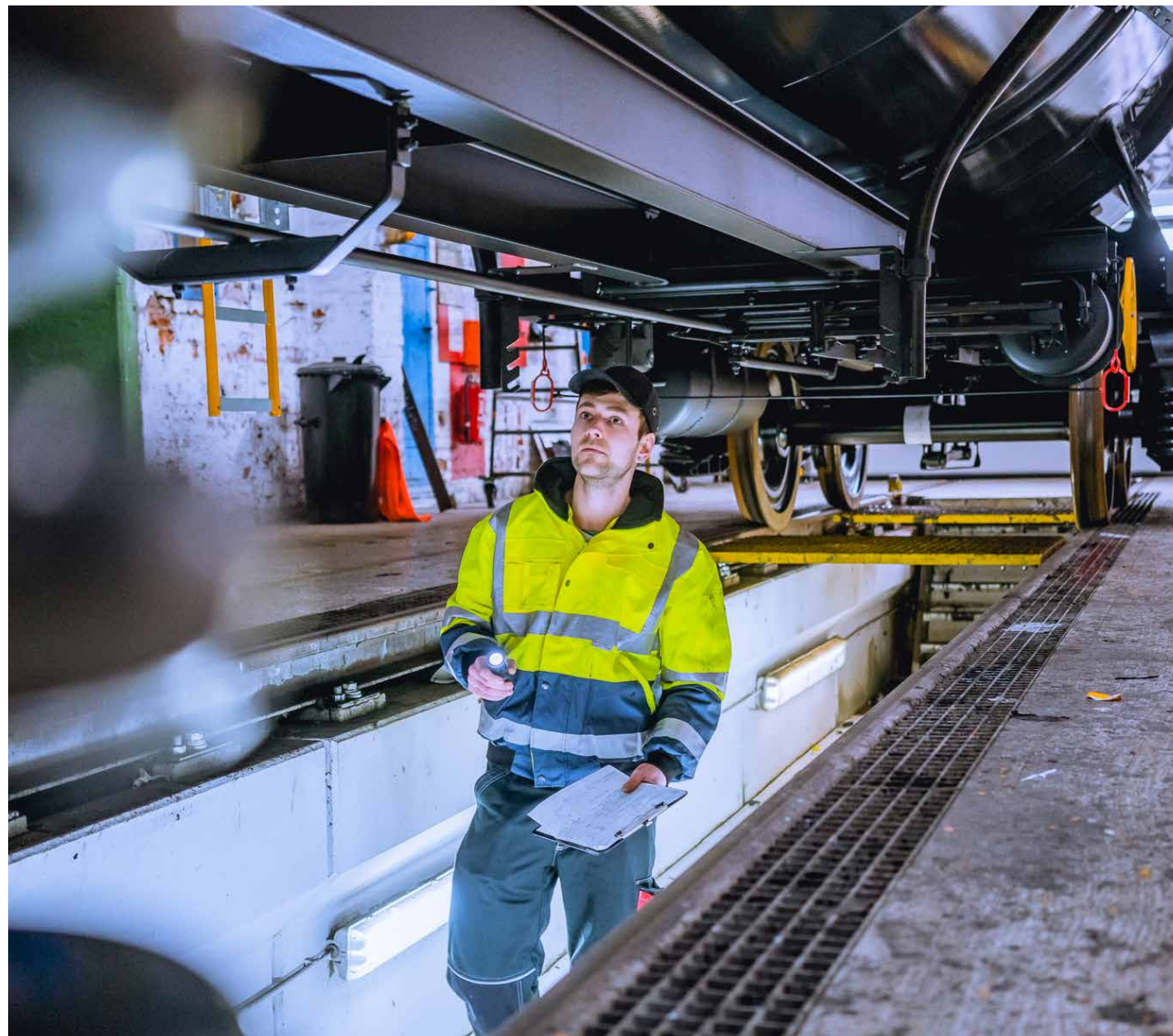


Customer safety

As a leading wagon hire and rail logistics company, the protection of customers is a particularly high priority for VTG, because accident hazards in the handling of wagon fleets extend beyond the boundaries of VTG's plants and also affect VTG's services and business relationships. Safety regulations for equipment and installations as well as the requirements of dangerous goods legislation are constantly monitored and coordinated via the integrated management system to enable the operational safety of the rail freight wagons, tank containers and workshop facilities. Before leaving the plant, 100% of the wagons are subjected to a rigorous quality inspection, in which any defects are identified and rework defined. VTG also uses its own expertise to train and advise customers and suppliers on the subject of dangerous goods and to carry out internal audits. Networking between the dangerous goods management, sales, and operations departments is essential in order to share experience and knowledge and thus continuously improve processes. Customer surveys, visit reports and regular exchanges with stakeholders are also used to evaluate the success of measures and constantly seek further potential for optimization.

The topic of customer safety is anchored in our "Sustainability Management - Management Systems and ESG Issues" policy as well as in our Code of Conduct and our sustainability strategy.

We are making a contribution to supporting the following SDG:



Employee promotion and development

[About this report](#)
[Editorial](#)
[About VTG](#)
[Strategy](#)
[Environment](#)
[Social](#)
[Governance](#)
[Key figures](#)
[GRI Index](#)
[Review note](#)
[Publisher's details](#)


The qualifications and motivation of employees determine VTG's success and future in the market. Professional and personal development increases the skills and satisfaction of employees and thus the quality of VTG's services and, not least, fulfills the right to education. All employees are therefore given the opportunity to participate in

training and development programs. The VTG Academy's offerings and measures include vocational training, in-house training through the e-learning system that has been introduced, seminars with external trainers, and specific training and development programs. The issue of employee promotion and development is part of VTG's sustainability strategy.

As part of the Performance & Development Dialogues (PDD), key performance areas and development opportunities are defined in annual discussions between the workforce and managers and, if necessary, extraordinary training courses or seminars are agreed to build up know-how and know-why. The basic exchange takes place directly between employees and their supervisors. Depending on the transfer of responsibilities, the HR department can also be involved in the implementation of training courses. To ensure that PDDs are carried out in a targeted and transparent manner, employees are provided with a guide for preparation.

In addition, regular exchange formats such as Lunch & Learn give employees the opportunity to discuss current topics from different areas of the company informally and to learn from each other.

Promoting young talent is particularly important in times of demographic change and a shortage of skilled workers. For this reason, VTG trains its own junior staff in a total of twelve professions. The PEP! program is also designed to develop and strengthen the potential of junior staff.

For managers, support is provided through the Leadership Excellence Program (LEX) and Upper Management Program (UMP). VTG does not currently offer any specific programs for employee transition phases, such as career endings due to retirement, resignation, or maintaining employability.

The implementation of defined training measures is checked by internal audits or internal audits as part of the integrated management

system. For example, the implementation of measures defined in the PDD is reviewed in the PDD of the following year and, if necessary, supported by further measures. The respective persons responsible are in turn responsible for checking the implementation rate of mandatory e-learning (for example, data protection e-learning by the data protection officer). Finally, the effectiveness of the training measures is monitored by the respective supervisors in their day-to-day work.

VTG's leading target indicator is the value of training expenditure per employee per year. The target value should be at least € 600. In the year under review, expenditure on training and development totaled € 1,188,321.72, an average of € 574 per employee. The minimal shortfall in the target value is attributable to final effects from Corona and a reorganization of logistics and rental activities. In addition, e-learning was used to teach the topics of data privacy, information security and compliance, which are not included in these statistics. However, expenses of at least € 600 per employee are expected again in 2023.

We are making a contribution to supporting the following SDG:



Diversity as the foundation for corporate success

VTG attaches importance to promoting diversity and offering all employees equal opportunities for professional and personal development. Among other things, this includes striving for a gender balance in management positions. Only with a diversity of backgrounds, ways of thinking and ways of working can perspectives be broadened and the company be successfully aligned in the long term through a satisfied and motivated workforce. The issue of diversity and equal opportunities is therefore set out in the Code of Conduct and the policy "Sustainability Management - Management Systems and ESG Issues" and anchored in VTG's sustainability strategy.

For VTG, it is a matter of course to select employees regardless of aspects such as age, gender, sexual orientation, religion, skin color, or nationality. Vacancies at VTG are to be advertised and filled in accordance with the General Equal Treatment Act.

Language consciously and unconsciously shapes thoughts and influences opinions and role models in society. In order not to exclude anyone communicatively, it is crucial to choose wording that is inclusive of all people. With this in mind, VTG has issued an internal recommendation to the workforce offering suggestions and ideas for gender-neutral language.

[About this report](#)[Editorial](#)[About VTG](#)[Strategy](#)[Environment](#)[Social](#)[Governance](#)[Key figures](#)[GRI Index](#)[Review note](#)[Publisher's details](#)

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Diversity as the foundation for corporate success

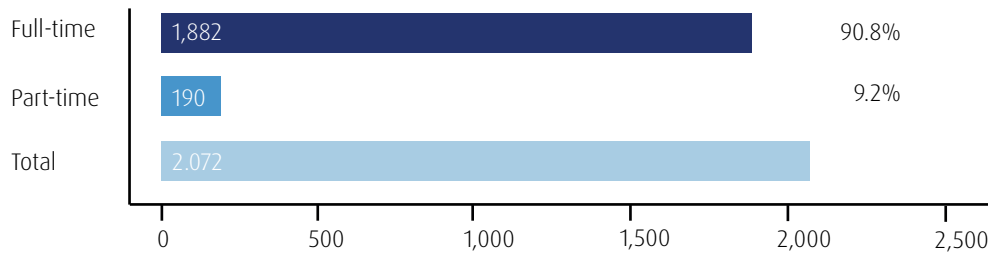
In addition, VTG would like to give more support to women in particular, as balancing family and professional life is often a major challenge for women in particular, which is why many of them take a career break. The aim is to have 25% women in management positions at first and second level below the Executive Board and 30% across all management levels by 2030. In 2023, a detailed action plan is to be developed to achieve the targets set and make progress measurable.

As of December 31, 2022, 25.2% of employees throughout the VTG Group were female and 74.8% male.

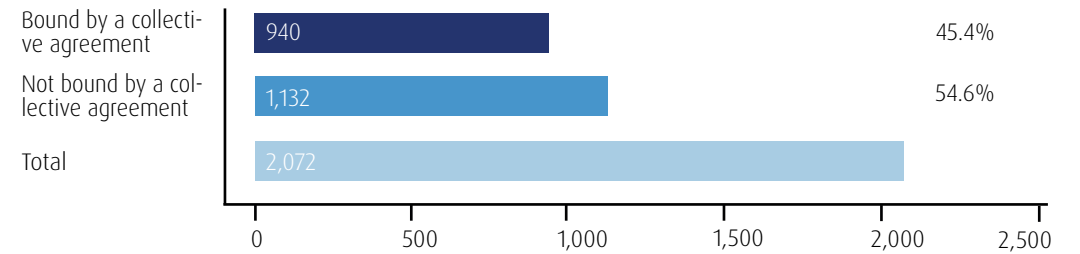
The Executive Board consists of one woman and two men. A total of 71.9% of VTG's employees were based in Germany. At 90.8%, the vast majority of employees are employed full-time. 45.4% are paid according to collective agreements.

All persons with a contractual employment relationship with VTG were counted as employees, including all permanent and temporary employees, interns, trainees, and temporary workers. Freelancers are excluded.

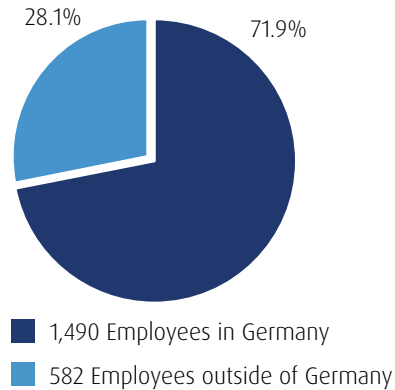
Employees (per capita) by working hours model



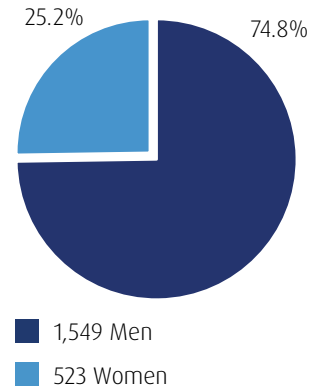
Employees (per capita) by employment status



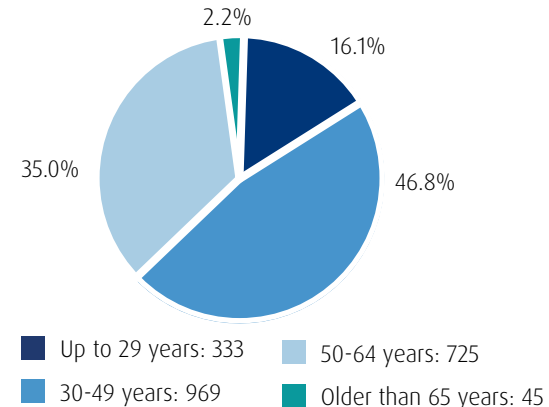
Employees (per capita) by region



Employees (per capita) by gender



Employees (per capita) by age



We are making a contribution to supporting the following SDGs:



VTG FAMILY & CARE



For employees, balancing private and professional challenges can be a burden. VTG aims to counter this and offer employees greater satisfaction, a wide range of career opportunities and security for the future through targeted measures to reconcile family and career.

As standard, employees at VTG are given the opportunity to take out basic benefits such as life insurance, medical care, disability insurance, pension provision and parental leave. The issue of fair working conditions is also addressed in our policy "Sustainability Management - Management Systems and ESG Issues".

With the VTG FAMILY & CARE program and the option of mobile working, the workforce is supported in achieving a better balance between career and family in different life situations. VTG FAMILY & CARE includes a package of various support and advisory services.

Via the intranet, employees are informed about the various offers as well as innovations:

- Advice and placement service for childcare
- Advice and referral service for caring for relatives
- Psychosocial counseling
- Group accident insurance

In addition, further offers are available within the FAMILY & CARE program on a site-specific basis:

- Emergency child care at home
- Parent-child office at the VTG Center in Hamburg
- Services provided by our company doctor
- Back therapy
- Company sports groups (sailing, soccer)
- Meal allowances

The above-mentioned offers are available to employees at the German locations, which as important operating sites account for around 60% of the workforce. Disability insurance is not offered. Share participation is not applicable due to the business form of the GmbH. The effects of the offerings are evaluated via individual and informal feedback from those participating in the programs. In case of dissatisfaction or lack of participants, programs would be adjusted.

We are making a contribution to supporting the following SDGs:



Perspectives for young people

As a company, VTG bears responsibility not only for its business-related stakeholders but also for the places and communities in which the company operates. VTG therefore supports, in particular, various social projects for children and young people and in the area of sports and has included the topic of "social commitment" in its sustainability strategy. In the year under review, expenditure on sponsorship and donations totaled EUR 35,300.

With its integrative training program VTG RailTrain, VTG aims to give disadvantaged young people and young adults a chance on the labor market. Up to 10 young people a year have the opportunity to receive sound training in a technical profession and supplementary support for general education, language skills and social skills.

Through corporate volunteering initiatives, it is important to VTG to also raise employees' awareness and enthusiasm for social commitment. For example, together with Oclean gGmbH from Hamburg 2022, VTG organized a garbage collection campaign at the Hamburg site for the first time and, in collaboration with Logistik-Initiative Hamburg Management GmbH, tree planting campaigns in the Klövensteen urban forest for the umpteenth time. In total, employees at the Hamburg site volunteered 76 hours in the year under review. For the first time in 2022, VTG also organized a tree-wishing campaign for children and young people from the "Stiftung Mittagskinder" foundation in Kirchdorf-Süd. Christmas wishes were granted to around 90 children. These campaigns are repeated annually and are to be extended to other locations in the coming years.

Since 2019, VTG has also been the main sponsor of Veolia Towers Hamburg e. V. as a Connecting Worlds partner. Since the start of the 2022/2023 season, VTG has been the exclusive partner of the association, which promotes a wide range of social work projects and sports activities both at schools and through the association Sport ohne Grenzen e. V.. In this way, professional sport and social interaction are combined by teaching children and young people important values such as teamwork, fairness, tolerance, respect and reliability through sport.

VTG also supports the "Zeit für Zukunft - Mentoren für Kinder e. V." association. The non-profit, voluntary association arranges sponsorships in Hamburg for the individual support of children between the ages of 6 and 16. Particularly disadvantaged children are helped to have a caregiver outside their home with whom they can share both worries and positive experiences.

As a reading sponsor, VTG also supports the "Lesepaten" initiative of the Hamburger Abendblatt newspaper and provides one school with subscriptions to the Hamburger Abendblatt newspaper. The aim of the initiative is to strengthen pupils' interest in current political, social and economic issues and to promote media skills.

In addition, in 2022 VTG made a donation of € 15,000 to Hamburger Tafel to provide food for needy people in Hamburg.

- About this report
- Editorial
- About VTG
- Strategy
- Environment
- Social**
- Governance
- Key figures
- GRI Index
- Review note
- Publisher's details

We are making a contribution to supporting the following SDGs:



Fair working conditions



Both as an employer and as a business partner, VTG's business activities have an impact on employees and people along the supply chain. The highly ramified and globalized economic structures can lead to gaps in the protection of human rights. VTG aims to counteract these gaps in a targeted manner.

With its subsidiaries and associated companies, VTG operates primarily in Europe - around 80% of revenue is generated in this region. VTG also offers global tank container leasing activities and tank container logistics in Europe and Asia. The site in Russia was sold in the course of the Ukraine war in the year under review.

VTG is committed to fair working conditions and equal opportunities and monitors this through an internal monitoring body comprising the Human Resources

department, the Works Council, or internal audits. All employees working worldwide are also required to comply with local laws and ethical standards. The rules of conduct are laid down in the Group's own Code of Conduct for the entire workforce.

As part of its supplier management, VTG carries out audits and monitoring of suppliers and partners with the aim of checking quality, (occupational) safety and compliance with basic labor standards. The majority of suppliers are based in the EU, where high social and labor standards apply.

VTG is currently preparing to implement the requirements of the German Supply Chain Safety Obligations Act (LkSG), which will apply to VTG from 01.01.2024. For the first time, the LkSG regulates corporate responsibility for compliance with human rights and

sets out clear due diligence requirements for companies. VTG plans to implement and apply all elements of the law on time. These include identifying and assessing risks in supply chains, developing measures to avoid or mitigate these risks and establishing grievance and redress mechanisms for affected persons, appointing a human rights officer, setting out a policy statement on respect for human rights and an annual report. With these measures, VTG would like to enable suppliers and business partners to also meet the relevant requirements and thus their responsibility with regard to human rights and environmental protection.

We are making a contribution to supporting the following SDG:



About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Governance

Compliance

Data protection and IT security

Anti-corruption

Supply chain management

Customer satisfaction



Acting in compliance with the law is firmly anchored



As a globally active company, VTG comes into contact with a large number of laws and regulations. Compliance with applicable law is an indispensable basis for a functioning global economic system and thus for every action of VTG and its business partners worldwide. Efficient compliance management appropriate to the risk profile is therefore essential and the topic is implemented in the policy "Sustainability Management - Management Systems and ESG Issues", our Code of Conduct and the sustainability strategy.

Compliance management is made up of the Chief Compliance Officer, the Divisional Compliance Officers and the Compliance Committee and comprises the totality of all measures designed to ensure compliance with the applicable legal provisions and internal guidelines by the management bodies and employees of the companies of the VTG Group.

In order to uncover suspected violations of legal regulations and internal guidelines, VTG has set up the protected reporting system "VTG Integrity Line" on the company website. Whether employees, those affected, the local population, civil law organizations, or other individuals or stakeholders - this is where people can submit complaints or tips about non-compliance with legal regulations, either anonymously or by disclosing their identity. Employees can also seek advice from their supervisors or the compliance team on issues relating to ethical and responsible conduct. Only through transparency can any grievances be effectively addressed.

Compliance violations are consistently investigated within VTG and, if necessary, punished, including possible consequences under labor law. Regular exchanges between management and unit heads are used to discuss objectives and significant critical concerns. Significant cases are those where sanctions under labor law are required, financial or non-financial sanctions are imposed by public authorities, and there is a risk of damage to VTG's reputation or in economic terms.

In the reporting year 2022, there were no violations of laws and re-

gulations at VTG and thus no related fines or non-monetary penalties. As part of our compliance reporting process, no significant critical concerns were reported and communicated to management during the reporting period.

In order to raise awareness and train the workforce on the topic, guidelines on legally compliant behavior were adopted, which were integrated into the Code of Conduct and made available to all employees. The entire workforce, and especially persons in management positions, are required to keep themselves continuously informed about the legal provisions that apply to them. Various guidelines on topics such as compliance management, the awarding of donations, internal audits, procurement, and the performance of business trips provide employees with clear guidelines on processes and conduct. Since 2018, VTG has offered all employees with IT access a mandatory e-learning module on compliance.

VTG's compliance management system is reviewed for efficiency and appropriateness every three years by an external auditor. This Compliance Health Check was carried out for the last time in 2021.

We are making a contribution to supporting the following SDG:



Safe handling of data

It is hard to imagine today's technologized world without the collection and processing of data. As a result, the requirements for reliable data protection are also increasing all the time in order to effectively prevent data misuse and cyber risks. VTG also processes personal data in its daily work. Responsible and secure handling of this data in accordance with the DSGVO is a matter of course for the company.

Within the EU, VTG has implemented a comprehensive data protection management system that meets the requirements of the DSGVO. In addition, those branches located in non-EU member states are also bound by a binding internal data protection policy.

The secure and legally compliant handling of data applies to both the workforce and suppliers and is set out in the internal Code of Conduct and the Code of Conduct for Business Partners. In addition to appropriate technical and organizational measures, employee awareness is consolidated through training. For example, VTG office staff are trained on this topic via an e-learning module and awareness is raised through information on the intranet.

Um potenzielle und vorhandene Gefährdungen zu In order to identify potential and existing risks, VTG has established a risk management system in line with the requirements of ISO 27001. This is based on the IT baseline protection of the German Federal Office for Information Security (BSI), which is supplemented by findings from internal audits. Risks with a low risk level can be accepted or insured. For higher risk levels, measures must be initiated to reduce risks. All risks are reviewed on an ongoing basis and

reassessed at least annually. In addition, internal audits as well as externally conducted penetration tests and certification audits according to ISO 27001 should ensure compliance.

VTG's main aim is to further increase employee awareness and action in the area of IT security. For example, the participation rate in mandatory training courses is to be increased from 81.3% in 2022 to 95.0% by the end of June 2023. Furthermore, an Employee Security Index (ESI) of at least 70 is to be achieved as part of the regular phishing campaign. This target was exceeded in 2022 with an ESI of 88.7.

The effectiveness of the measures and progress against the targets are monitored on a monthly basis by the Data Privacy and Information Security Officer. VTG has set out its principles in a policy on data privacy and information security and has also included the topic in its sustainability strategy.

In the year under review, 2022, no complaints were received regarding breaches of data protection in the VTG Group. Furthermore, no data thefts or data losses occurred in connection with customer data.



We are making a contribution to supporting the following SDG:



Strict ban on corruption

As an international company with locations and sales networks in numerous countries, anti-corruption is an essential aspect of legally compliant, ethical and competitive business for VTG, both for VTG's own activities and in the context of business relationships. A strict ban on corruption therefore applies to staff, suppliers and business partners and is enshrined both in the internal Code of Conduct and in the Code of Conduct for Partner Companies.

Within the context of the reviews of the compliance management system that take place every three years, all VTG locations are checked for compliance risks. With the Compliance Health Check in 2017, potential corruption risks were systematically recorded and examined for all domestic and foreign operating sites (100% of VTG's operating sites) and for countries in which VTG is active. New companies are checked by the Legal department for possible risks and included in the following Compliance Health Check. Particular attention was paid to the topics of "Active and passive corruption", "Competition risks", "Fraud", and "Conflicts of interest". In 2021, the results for the topic "Active and passive corruption" were reviewed to ensure they were up to date and, as before, revealed a low to medium risk overall. No significant risk was identified.

Due to the closing of the locations in Russia and the nearly complete breakdown of traffic via the New Silk Road, VTG's corruption risk is further reduced, as high-risk countries such as Russia, China and other countries along the New Silk Road are no longer on the focus of VTG's activities. According to the international Corruption Perceptions Index of the organization Transparency International, the risk of

corruption in the public sector is rated as particularly high in these countries in which VTG does business. VTG has established various measures to mitigate the risks of corruption. For example, new employees are required to complete a compliance e-learning course, which also covers the topic of anti-corruption. VTG's aim remains for new employees to complete the training promptly after joining the company.

Another measure is the publicly accessible whistleblowing hotline "VTG Integrity Line". This protected reporting system makes it possible to report suspected violations of statutory regulations and VTG's internal guidelines. Reports are made anonymously, unless a conscious decision is made to disclose the identity.

As key stakeholders, employees are informed of any changes in policies, processes and other changes in the area of "Anti-Corruption".



We are making a contribution to supporting the following SDG:



Partnerships based on common values

The extraction of raw materials and the manufacture of VTG products are branched out worldwide. It is important to the company to work together with its business partners on a basis of shared values and to ensure safe and fair working conditions and promote environmentally friendly processes.

VTG operates primarily in Europe through its subsidiaries and associated companies. Around 90% of revenue is generated in this region. In addition, the company maintained a smaller wagon fleet in Russia until mid-2022. VTG also offers global tank container leasing activities and tank container logistics in Europe and Asia. All VTG employees operating

worldwide are required by the Code of Conduct, for example, to comply with local law and ethical standards. Conversely, VTG is committed to fair working conditions and equal opportunities, which should be ensured by internal control bodies (Human Resources, Works Council, Internal Audit, etc.). As part of supplier management, VTG's staff carry out audits and monitoring of suppliers and partners with the aim of checking quality, (occupational) safety and compliance with basic labor standards. However, there is no institutionalized monitoring of suppliers' compliance with human rights at Group level. The majority of VTG's suppliers are based in the EU, where high social and labor standards apply.

Supplier management at VTG is organized on a decentralized basis and is managed independently in the individual business units. Random audits are carried out in the business units, including audits on occupational safety and the environment.

In addition, the Tanktainer business unit defines basic values and behaviors in its "VTG Code of Conduct for Business Partners", which also includes social standards. These include, for example, the right to freedom of association, the prohibition of child and forced labor, occupational health and safety, and fair working conditions. The business partners of Tanktainer GmbH are informed about the code

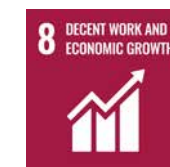
of conduct via the relevant contact persons.

The issue is also anchored in VTG's sustainability strategy.

VTG has not yet assessed new suppliers explicitly according to social criteria.



We are making a contribution to supporting the following SDG:



About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Customer-centricity



The requirements and wishes of VTG's customers are diverse and are at the heart of the company's activities, because only satisfied customers guarantee the company's long-term economic success. Particularly in these turbulent times, in which geopolitical developments as well as increased energy costs and not least the consequences of the pandemic are having an impact on the economy as a whole, our aim is to be a reliable partner to our customers and always offer the best possible solution. As general conditions are constantly changing, it is particularly important to deliver consistently high quality and to meet the expectations placed on VTG. To achieve this, VTG approaches customers through targeted communication, thus ensuring a constant exchange.

VTG's policy on "Quality" provides the basis for action with regard to customer satisfaction. Standardized, cross-location guidelines and processes aim to comply with customer requirements and wishes and to be able to respond quickly to changes. Customer satisfaction is continuously monitored and documented in bilateral discussions between sales and customers. Measures for improvement and other quality-related topics are discussed. In addition, the quality of our services is assessed by regular customer surveys, measures are derived from any potential for improvement uncovered, and the development of integrated products and services is optimized. This is intended to ensure and consolidate sustainable success in the long term. A high level of customer satisfaction also has an impact on all operational processes within the company.

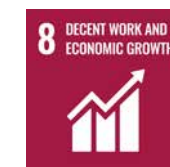
Targeted and constant communication also guarantees, among other things, an appropriate response time for answering inquiries and processing orders. Supporting functions such as rapid complaints management and a

high level of expertise in the field of hazardous goods increase the satisfaction of VTG customers.

The effectiveness of the measures is measured by various indicators, such as the complaints rate, availability of means of transport, key safety figures on various topics, and customer and employee satisfaction.

In 2022, around 150 customers from 19 countries were surveyed. Overall, 71% of those surveyed were satisfied with their general cooperation with VTG - still a good result, although slightly down on the previous year (2021: 81%). It is clear that VTG continues to be perceived as a competent and customer-oriented partner. The introduction of customer care management for VTG's target customers in 2022 should further strengthen this.

We are making a contribution to supporting the following SDG:



Key figures

The following overview shows the development of relevant key figures for the past three years, as well as the change in the reporting year 2021 compared to the previous year.

	Key figures	Unit	2020	2021	2022	Change 2022 compared to previous year
Environment	Energy consumption	MWh	64,299	105,701	112,253	+ 6,2%
	CO ₂ e in Scope 1 and 2	Metric ton	26,361	24,285	23,792	- 2.0%
	CO ₂ e in Scope 3	Metric ton	-	-	163,221	-
	Share of the wagon fleet equipped with whisper brakes	Percent	84.4	87.3	88.4	+ 1.4%
	Amount of waste	Metric ton	2,563	2,271	2,649	+ 16.6%
	Recycling rate	Percent	82	90	90	Unchanged
	Water consumption	Megaliter	26	41	50.6	+ 22.8%
Social	Number of employees	Quantity	2,120	2,156	2,072	- 3.9%
	Women	Percent	26.9	26	25.2	- 3.1%
	Accident frequency (LTIFR)	Per 1 Mio. working hour	23.5	14	10.8	- 22.7%
Governance	Revenues	Mio. Euro	1,218	1,220.9	1,305.8	+ 7.0%
	Reported compliance incidents	Quantity	0	1	0	- 1
	Complaints regarding the violation of data protection	Quantity	0	0	0	Unchanged

GRI Index

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

General Disclosures			
Source: GRI 2: General Disclosures 2021			
Indicators	Name of standard	Page	Explanation/omission
2-1	Organizational details	5	
2-2	Entities included in the organization's sustainability reporting	3	
2-3	Reporting period, frequency and contact point	2, 3, 5, 57	
2-4	Restatements of information	3	
2-5	External assurance	2	
2-6	Activities, value chain and other business relationships	5	A more detailed breakdown and description of supply chains will be carried out in 2023 as part of the preparation for the Supply Chain Sourcing Obligations Act.
2-7	Employees	35	Employees are currently recorded according to gender, region, working time model and employment relationship. A presentation by gender and region for the employment relationship and for the working time model will be developed in 2023. There were no significant fluctuations in the number of employees during the reporting period.
2-8	Workers who are not employees		A differentiated survey of people who work for the company and are controlled by the company does not take place at VTG. Temporary employees are only deployed to a small extent in the plants and are recorded statistically as the company's own employees. Due to the insignificant proportion of employees, an assessment will be made in 2023 as to whether a more in-depth survey of data will take place.
2-9	Governance structure and composition	9, 35	No person from VTG's Executive Board belongs to an underrepresented group.
2-10	Nomination and selection of the highest governance body	9	
2-11	Chair of the highest governance body	9	
2-12	Role of the highest governance body in overseeing the management of impacts	9	

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

General Disclosures			
Source: GRI 2: General Disclosures 2021			
Indicators	Name of standard	Page	Explanation/omission
2-13	Delegation of responsibility for managing impacts	9	
2-14	Role of the highest governance body in sustainability reporting	3	
2-15	Conflicts of interest	10	Conflicts of interest that arise for all managing directors are clarified internally by the Advisory Board. Disclosure to stakeholders does not take place.
2-16	Communication of critical concerns	9, 40	An expansion of the reporting option is being examined as part of the implementation of the requirements of the Supply Chain Sourcing Obligations Act.
2-17	Collective knowledge of the highest governance body	9	
2-18	Evaluation of the performance of the highest governance body		A process for evaluating management on its performance in overseeing the management of the organization's impacts on the environment and people does not exist.
2-19	Remuneration policies		The remuneration of the Executive Board is made up of a fixed and a variable rate. They are set and adjusted individually and, for other executives as well, have not been based on the company's sustainability performance to date.
2-20	Process to determine remuneration		A remuneration policy is defined by framework company agreements for the various VTG companies. Employees paid outside the pay scale also receive a variable component in addition to their fixed salary.
2-21	Annual total compensation ratio		VTG's human resources management systems do not currently offer the possibility of recording and presenting the required data in a comparable way across all locations.
2-22	Statement on sustainable development strategy	4	
2-23	Policy commitments	7, 9, 10, 14, 23-27, 30, 32-35, 37, 38, 40-44	The declarations of commitment contain principles and instructions for action which, although they do not specifically state the precautionary principle, aim to do so.

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

General Disclosures			
Source: GRI 2: General Disclosures 2021			
Indicators	Name of standard	Page	Explanation/omission
2-24	Embedding policy commitments	7, 9, 10, 23-27 30-33 35, 38, 40, 42-44	
2-25	Processes to remediate negative impacts	9, 10, 38, 40, 50,	As no reporting was carried out in the reporting period, the effectiveness of the "VTG Integrity Line" complaints system cannot be specifically reviewed at present. A review is to be carried out as part of the preparations for the Supply Chain Due Diligence Act in 2023.
2-26	Mechanisms for seeking advice and raising concerns	40	
2-27	Compliance with laws and regulations	40	
2-28	Membership associations	9, 20	
2-29	Approach to stakeholder engagement	18, 19	
2-30	Collective bargaining agreements	35	VTG's remuneration system for employees not covered by collective agreements is based on the pay scale of the Mining, Chemical and Energy Industrial Union (IGBCE).

Wesentliche Themen			
Source: GRI 3: Material Topics 2021			
Indicators	Name of standard	Page	Explanation/omission
3-1	Process to determine material topics	12	
3-2	List of material topics	12	

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

Material Topics			
Environment - Energy - Source: GRI 302: Energy 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	23	
302-1	Energy consumption within the organization	23	<p>Where possible, emissions were determined using the market-based method. Where the data basis was not available, the location-based method was used. This is based on conversion factors from Ecolnvent, the German Federal Office of Economics and Export Control, the Intergovernmental Panel on Climate Change and the European Energy Agency. Invoices and information from electricity producers were used, and a calculation of work paths based on assumptions was performed. VTG does not consume cooling energy or steam. There are no energy sales at VTG.</p> <p>In collecting key figures, the focus was on the main consumers. These are primarily the railway undertakings of Retrack Germany GmbH and the companies of the Retrack Slovakia Group, the plant landscape of VTG Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o.. In addition, the survey also includes the most important office locations from the certified energy management system.</p>
302-4	Energy consumption outside of the organization	22, 23	<p>Where possible, emissions were determined using the market-based method. Where the data basis was not available, the location-based method was used. This is based on conversion factors from Ecolnvent, the German Federal Office of Economics and Export Control, the Intergovernmental Panel on Climate Change and the European Energy Agency. Invoices and information from electricity producers were used, and a calculation of work paths based on assumptions was performed. VTG does not consume cooling energy or steam. There are no energy sales at VTG.</p> <p>In collecting key figures, the focus was on the main consumers. These are primarily the railway undertakings of Retrack Germany GmbH and the companies of the Retrack Slovakia Group, the plant landscape of VTG Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o.. In addition, the survey also includes the most important office locations from the certified energy management system.</p>

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

Material Topics			
Environment - Climate change - Source: GRI 305: Emissions 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	24	
305-1	Direct (Scope 1) GHG emissions	24	The calculation is based on the Greenhouse Gas Protocol. The calculations for emissions are based on the location-based method. The emission factors are based on data from the German Federal Office of Economics and Export Control. The year 2021 was defined as the base year, as this was the first time that a balance sheet was recorded for all three Scopes. When collecting key figures, the focus was on the main emitters. These are primarily the railway undertakings of Retrack Germany GmbH and the companies of the Retrack Slovakia Group, the plant landscape of VTG Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o.. In addition, the survey also includes the most important office locations from the certified energy management system.
305-2	Energy indirect (Scope 2) GHG emissions	24	The calculation is based on the Greenhouse Gas Protocol. The calculations for emissions are based on the location-based method. The emission factors are based on data from the German Federal Office of Economics and Export Control. The year 2022 was defined as the base year, as this was the first time that a balance sheet was recorded for all three Scopes. When collecting key figures, the focus was on the main emitters. These are primarily the railway undertakings of Retrack Germany GmbH and the companies of the Retrack Slovakia Group, the plant landscape of VTG Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o.. In addition, the survey also includes the most important office locations from the certified energy management system.
305-3	Other indirect (Scope 3) GHG emissions	24	The calculation is based on the Greenhouse Gas Protocol. The calculations for emissions are based on the location-based method. The emission factors are based on data from the German Federal Office of Economics and Export Control. The year 2022 was defined as the base year, as this was the first time that a balance sheet was recorded for all three Scopes. When collecting key figures, the focus was on the main emitters. These are primarily the railway undertakings of Retrack Germany GmbH and the companies of the Retrack Slovakia Group, the plant landscape of VTG Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o.. In addition, the survey also includes the most important office locations from the certified energy management system.

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

Material Topics			
Environment - Noise protection - Source: own elaboration			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	25	

Environment - Waste management - Source: GRI 306: Waste water and waste 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	26	The collection of key figures focuses on the main producers. These are primarily the VTG plant landscape: Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o..
306-3	Waste generated	26	Waste can be allocated per site according to the European disposal procedure. Mainly metal and wood wastes are generated. The collection of key figures focuses on the main producers. These are primarily the VTG plant landscape: Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o..

Environment - Water and waste water - Source: GRI 3: Material topics 2021			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	27	The topic of "water and wastewater" is not a significant issue in VTG's materiality analysis. When collecting key figures, the focus is on the main consumers. These are primarily VTG's plant landscape: Waggonbau Graaff GmbH, Waggonwerk Brühl GmbH, SEMA GmbH, Ateliers de Joigny S.A.S. and Zelos spol.s.r.o..

Environment - Biodiversity - Source: GRI 3: Material topics 2021			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics		The topic of "biodiversity" is not a material issue in VTG's materiality analysis.

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

Material Topics			
Social - Occupational Health and Safety - Source: GRI 403: Safety and health in the workplace 2018			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	30, 31	
403-1	Occupational safety and health management system	31	The maintenance of occupational safety management is voluntary.
403-5	Worker training on occupational safety and health	31	

Social - Customer Safety - Source: GRI 416: Customer Health and Safety 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics		VTG has not set any specific targets or indicators for this topic, as optimization opportunities are continuously being surveyed.
416-1	Assessment of the health and safety impacts of product and service categories	32	

Social - Employee promotion and development - Source: GRI 404: Training and Education 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	33	
404-1	Average hours of training per year per employee	33	VTG's leading target indicator is the value of further training expenditure per employee per year. The average number of hours spent on training and development per employee per year is not recorded.
404-2	Programs for upgrading employee skills and transition assistance programs	33	

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

Material Topics			
Social - Diversity and Equal Opportunity - Source: GRI 405: Diversity and Equal Opportunity 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	34, 35	
405-1	Diversity of governance bodies and employees	35	

Social - Work-life balance - Source: GRI 401: Employment 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	36,37	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	36	

Social - Gesellschaftliches Engagement - Source: GRI 413: Lokale Gemeinschaften 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics		VTG does not measure the impact on the projects it supports, as it is merely a supporter or participant in the projects of external organizations.
413-1	Operations with local community engagement, impact assessments, and development programs	37, 40	A social impact assessment was not carried out in the reporting year 2022. Works councils in Germany participate specifically in the following bodies and committees: Economic Committee, Works Committee, Salaries Committee, IT Committee, Public Relations Committee, and in the VTG Railcar, VTG Rail Logistics, Corporate Center, and Occupational Safety working groups. Committees and procedures for consulting local communities do not exist at VTG. A stakeholder analysis took place in 2021. As part of this, the public and local residents were assigned observer status, without active involvement.

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

Material topics			
Social - Human Rights - Source: GRI 3: Material topics 2021			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	38	Information is partly incomplete, as the topic is not a material issue for VTG according to the current materiality analysis. However, it is becoming increasingly important as VTG will be subject to the German Supply Chain Sourcing Obligations Act (LkSG) from 01.01.2024. Currently, VTG is therefore on its way to prepare for the LkSG and to compile all incomplete information. The materiality analysis is to be updated in 2023.

Governance - Compliance - Source: GRI 2: General Disclosures 2021			
Indicators	Name of standard	Page	Explanation/omission
2-27	Compliance with laws and regulations	40	

Governance - Data protection and IT security - Source: GRI 418: Customer Privacy 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	41	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	41	

Governance - Anti-corruption - Source: GRI 205: Anti-corruption 2016			
Angaben-Nr.	Name of standard	Page	Explanation/omission
3-3	Management of material topics	42	
205-1	Operations assessed for risks related to corruption	43, 44	

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

In the following GRI Index, all GRI standards used are indicated. In addition, reference is made to the relevant pages in the report where the respective information can be found.

User declaration: VTG GmbH has reported in accordance with the GRI standards for the periodum 01.01.2022 to 31.12.2022.

GRI used: GRI 1: Foundation 2021

Applicable GRI industry standards: None

Material topics			
Governance - Lieferkettenmanagement - Source: GRI 414: Supplier Social Assessment 2016			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	43	Due to the Covid pandemic, the supplier audits were not developed further. Therefore, there are currently no targets or impact measurement. As part of the preparations for the LkSG, VTG will expand the collection of data on this topic by 2024.
414-1	New suppliers that were screened using social criteria		

Governance - Kundenzufriedenheit - Source: GRI 3: Material topics 2021			
Indicators	Name of standard	Page	Explanation/omission
3-3	Management of material topics	32, 44	

Review note

Independent auditor's report on a limited assurance engagement

To VTG GmbH, Hamburg

We have performed a limited assurance engagement on the Sustainability Report of VTG GmbH, Hamburg, (hereinafter the "Company"), for the period from January 1st to December 31st, 2022, (hereinafter the "Sustainability Report").

Not subject to our assurance engagement are other references to disclosures made outside the Sustainability Report as well as prior-year disclosures.

Responsibilities of the executive directors

The executive directors of the Company are responsible for the preparation of the Sustainability Report in accordance with the sustainability standards of the Global Reporting Initiative (GRI), Version 2021 (hereinafter the "GRI-Standards (2021)").

These responsibilities of the Company's executive directors include the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of a Sustainability Report that is free from material misstatement, whether due to fraud (manipulation of the Sustainability Report) or error.

Independence and quality assurance of the auditor's firm

We have complied with the German professional requirements on independence as well as other professional conduct requirements.

Our audit firm applies the national legal requirements and professional pronouncements - in particular the BS WP/vBP ["Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer": Professional Charter for German Public Accountants/German Sworn Auditors] in the exercise

of their Profession and the IDW Standard on Quality Management issued by the Institute of Public Auditors in Germany (IDW): Requirements for Quality Management in the Audit Firm (IDW QS 1) and accordingly maintains a comprehensive quality management system that includes documented policies and procedures with regard to compliance with professional ethical requirements, professional standards as well as relevant statutory and other legal requirements.

Responsibilities of the auditor

Our responsibility is to express a conclusion with limited assurance on the Sustainability Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Sustainability Report is not prepared, in all material respects, in accordance with the GRI Standards (2021). Not subject to our assurance engagement are other references to disclosures made outside the Sustainability Report as well as prior-year disclosures.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the auditor.

In the course of our assurance engagement we have, among other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the sustainability organization and stakeholder engagement,

- Inquiries of the executive directors and relevant employees involved in the preparation of the Sustainability Report, about the preparation process, about the process related internal controls, and about disclosures in the Sustainability Report.
- Inquiries of the employees regarding the selection of topics for the sustainability report, the risk assessment, and the policies of the Company for the topics identified as material,
- Inquiries of employees of the Company responsible for data capture and consolidation, about the data capture and compilation methods as well as internal controls to the extent relevant for the assurance of the disclosures in the sustainability report
- Identification of likely risks of material misstatement in the Sustainability Report.
- Analytical procedures on selected disclosures in the sustainability report at the level of the Company,
- Inquiries and inspection of documents relating to the collection and reporting of selected qualitative disclosures and data,
- Reconciliation of selected disclosures with the corresponding data in the annual financial statements and management report,
- Evaluation of the presentation of the Sustainability Report.

Assurance conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Report of the Company for the period from January 1st to December 31st, 2022, is not prepared, in all material respects, in accordance with the GRI-Standards (2021).

We do not express an assurance conclusion on the other references to disclosures made outside the Sustainability Report or prior-year disclosures.

Review note

Independent auditor's report on a limited assurance engagement

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

We make express reference to the fact that we will not update the report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this information is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Eschborn, July 31st, 2023

General Engagement Terms and Liability

The "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2017 are applicable to this engagement and also govern our relations with third parties in the context of this engagement (www.de.ey.com/general-engagement-terms). In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft

Yvonne Meyer

Wirtschaftsprüferin
[German Public Auditor]

Elisabeth Hauschildt

Wirtschaftsprüferin
[German Public Auditor]

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

Publisher's details

Publisher

Executive Board of VTG GmbH

Responsibility

Dr. René Abel, Head of Corporate Communications

Eike Christian Furkert, Corporate Sustainability Manager

Concept and editing

Sustaineration GmbH, Husum

Photos

VTG, Adobe Stock

Contact:

VTG GmbH

Nagelsweg 34

20097 Hamburg

Tel.: +49 40 2354-0

Fax: +49 40 2354-1199

info@vtg.com

www.vtg.com

© August, 2023 VTG

Reprint and other distribution, including excerpts, only with VTG's written permission.

About this report

Editorial

About VTG

Strategy

Environment

Social

Governance

Key figures

GRI Index

Review note

Publisher's details

