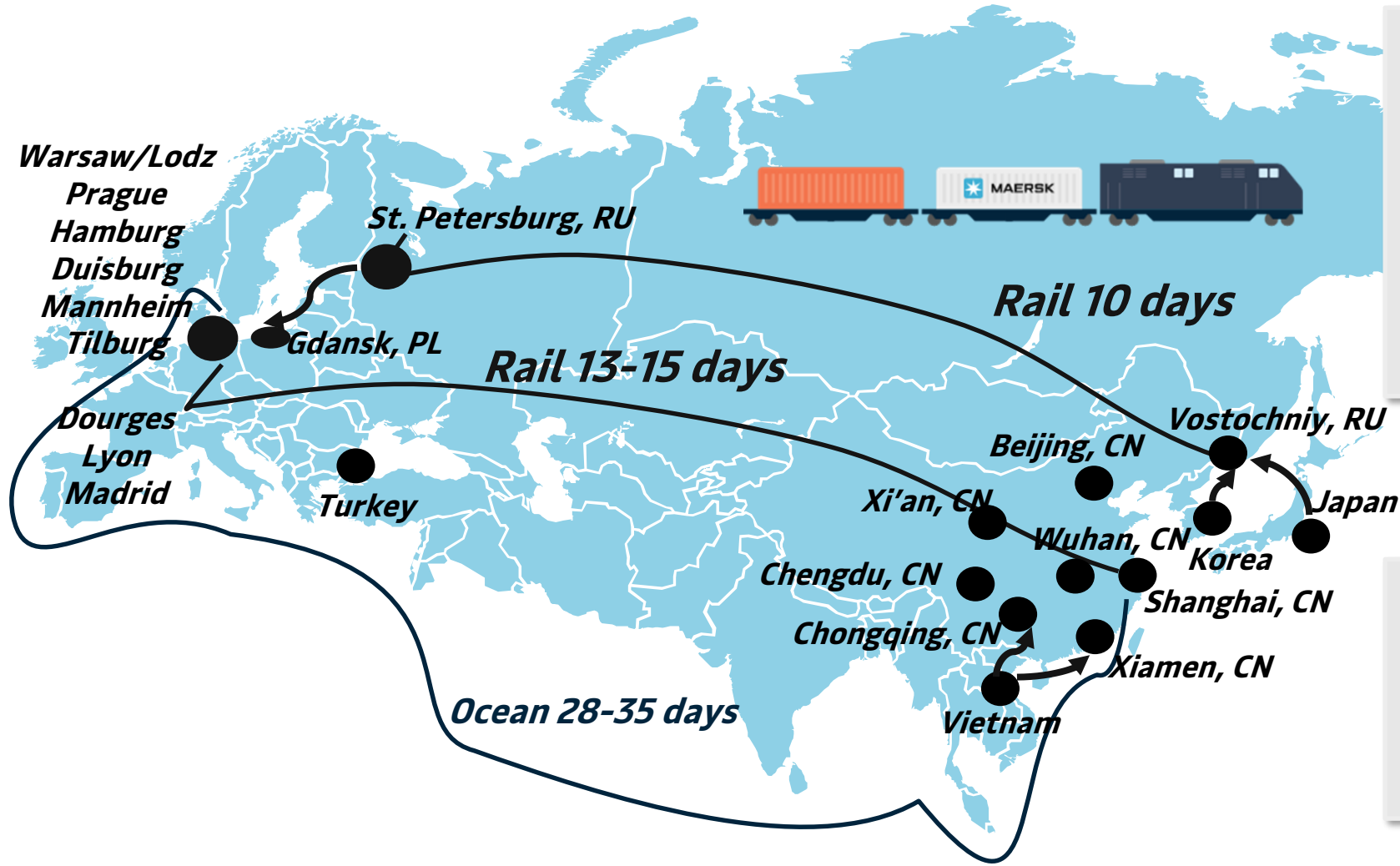





Maersk Intercontinental Rail

“Keeping our customers business on track during Covid-19”

by Kasper Krog, Global Head of Intercontinental Rail

Maersk Intercontinental Rail multimodal door to door solution – Reliable, costs efficient and fast transit time at a fraction of the CO₂ emissions of air freight



-  Transit time reduced to **13-15 days** vs. **28-35** days for ocean moves
-  **60-70 %** less costly than air transport
-  **On-time, in-time** and no rolling policy. **Multiple weekly departures**

-  **Flexibility:** Usage of **Maersk containers** with multiple empty/drop-off locations across Europe & China.
-  **24/7 GPS tracking**



Shoebox case; Cost, lead time and CO2 comparison from Shanghai to North Europe



Transit Time
34 days

Cost
\$0,37 per box

CO2
1336,00 KGS

Transit Time
5 days

Cost
\$ 4,04 per box

CO2
54128,00 KGS

Transit Time
23 days

Cost
\$ 1,11 per box

CO2
1640,00 KGS

COVID-19 Case story - Delivering garden furnitures on-time, in-time via Intercontinental Rail solution helping our customer keeping the supply chain on track



What customer pain point did we solve

- Customer is facing serious cargo delayed due to the **outbreak of COVID-19**
- Limited ocean capacity, China traffic restrictions across cities and provinces. Air freight not an option
- Garden furnitures needed to be available in the stores in Europe by early **April**



Maersk solution to help our customer

- We organized **3 block** trains from China to Europe using **Xi'an - Hamburg service with total 12 days' transit time** meeting the deadline of the customer
- Close corporation with Xi'an China Rail platform companies making this possible and a success



Matching Customers' Needs to drive real value

- Arrival on-time and in-time
- Rail offering an agile solution
- Rail resilient and reliable transport mode from China to Europe
- A satisfied customer

Made possible by



CUSTOMER ORIENTATION AGILITY COLLABORATION

COVID-19 has taught us that **rail** serves as a necessary additional mode of transport at times when trucking and ocean shipping might be impacted, **air** capacity too scarce and very expensive

Why **The New silk road** will remain a permanent (**Rail**) multimodal solution and relevant to the customers



Costs of Air transport became **astronomically** due to significant capacity constraint during COVID-19

Shanghai to Amsterdam air costs increased **5x times**

Rail offers the crucial advantage **over air** that it comes at a much lower price point, in particular during COVID-19



Transit time reduced to **13-15 days** vs. **28-35 days** for ocean moves



60-70 % less costly than air transport



On-time, in-time connecting China with Europe inland locations

- **The lesson from China** is that the insistence of the government to keep all critical **infrastructure** running while maintaining a very high safety/health/hygiene level has been crucial ensuring critically supplies (**PPE**) have been able to reach destinations





谢谢
THANK YOU