Deutsche Bahn
2023 Integrated Report

ABOUT THIS REPORT

We have added a few helpful features to make this report simpler to read:

We have used the following symbol to refer to further information in a certain section within the report: xxx.

With our environmental brand “This is green.” (Das ist grün.), we make our green transformation visible both externally and internally – including on our Web site nachhaltigkeit.deutschebahn.com/en.

This Integrated Report was prepared in accordance with the international standards of the Global Reporting Initiative (GRI). The symbol shows the chapters and sub-chapters in which the relevant content is located.

In this Integrated Report, we publish content recommended by the Task Force on Climate-related Financial Disclosures (TCFD) at various points. The symbol shows the chapters and sub-chapters in which the relevant content is located.

The download icon indicates that the corresponding content can be downloaded online as an Excel file.

Further information can be found on our link page at db.de/links-ir23 or on the specified Web site.

Passages of text that do not fall within the scope of the statutory audit of the management report with reasonable assurance are marked with arrows at the beginning and end and are highlighted with gray font color. These sections have been audited by an auditing firm as part of a limited assurance engagement.

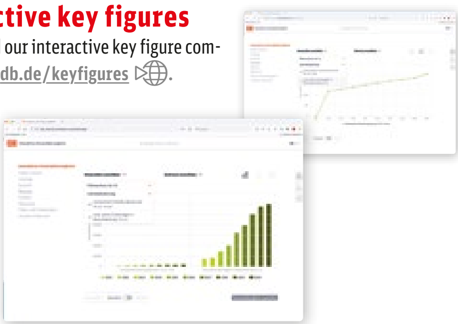
Online report

An online version and a PDF version of this Integrated Report are available online: db.de/ib-e.

ONLINE ADDITIONS

Interactive key figures

You can find our interactive key figure comparison at: db.de/keyfigures.



CONTENTS

Zum interaktiven Kennzahlenvergleich

AT A GLANCE

SELECTED KEY FIGURES	2023	2022	Change absolute	Change %
KEY FINANCIAL FIGURES (€ MILLION)				
Revenues [1]	45,191	52,085	- 6,894	- 13.2
Profit / loss before taxes on income [1]	- 1,959	1,090	- 3,049	–
Net loss for the year [1]	- 2,351	- 227	- 2,124	–
EBITDA adjusted [1]	2,877	4,783	- 1,906	- 39.8
EBIT adjusted [1]	- 964	1,225	- 2,189	–
Equity as of Dec 31	12,126	14,679	- 2,553	- 17.4
Net financial debt as of Dec 31	33,953	28,827	+ 5,126	+ 17.8
Total assets as of Dec 31	77,472	76,303	+ 1,169	+ 1.5
Capital employed as of Dec 31	48,300	45,289	+ 3,011	+ 6.6
Return on capital employed (ROCE) [1] (%)	- 2.0	2.7	- 4.7	–
Debt coverage [1] (%)	5.2	11.8	- 6.6	–
Gross capital expenditures [1]	16,867	15,098	+ 1,769	+ 11.7
Net capital expenditures [1]	7,578	6,524	+ 1,054	+ 16.2
Cash flow from operating activities	3,044	5,644	- 2,600	- 46.1
KEY PERFORMANCE FIGURES				
Passengers [1] (million)	2,385	2,205	+ 180	+ 8.2
RAIL PASSENGER TRANSPORT				
Punctuality DB passenger transport (rail) in Germany (%)	90.3	91.0	- 0.7	–
Punctuality DB Long-Distance (%)	64.0	65.2	- 1.2	–
Passengers [1] (million)	1,837	1,737	+ 100	+ 5.8
thereof DB Long-Distance	140.3	132.0	+ 8.3	+ 6.3
Volume sold [1] (million pkm)	82,943	76,475	+ 6,468	+ 8.5
Volume produced [1] (million train-path km)	578.0	592.7	- 14.7	- 2.5
RAIL FREIGHT TRANSPORT				
Freight carried (million t)	197.6	222.3	- 24.7	- 11.1
thereof German companies	163.7	185.6	- 21.9	- 11.8
Volume sold (million tkm)	74,458	84,468	- 10,010	- 11.9
thereof German companies	51,905	59,607	- 7,702	- 12.9
TRACK INFRASTRUCTURE				
Punctuality (rail) in Germany [2] (%)	88.9	89.7	- 0.8	–
Punctuality DB Group (rail) in Germany (%)	90.1	90.9	- 0.8	–
Train kilometers on track infrastructure (million train-path km)	1,118	1,133	- 15	- 1.3
thereof non-Group railways	437.8	419.8	+ 18.0	+ 4.3
Share of non-Group railways (%)	39.2	37.1	+ 2.1	–
Station stops (million)	159.6	159.8	- 0.2	- 0.1
thereof non-Group railways	47.8	45.1	+ 2.7	+ 6.0
BUS TRANSPORT				
Passengers [1] (million)	547.8	468.2	+ 79.6	+ 17.0
Volume sold (million pkm)	6,024	5,062	+ 962	+ 19.0
Volume produced [1] (million bus km)	530.8	503.8	+ 27.0	+ 5.4
FREIGHT FORWARDING AND LOGISTICS				
Land transport shipments (million)	100.8	102.8	- 2.0	- 1.9
Air freight volume (export) (thousand t)	1,148	1,326	- 178	- 13.4
Ocean freight volume (export) (thousand TEU)	1,783	1,909	- 126	- 6.6
Warehouse space contract logistics (million m²)	8.5	8.6	- 0.1	- 1.2
ADDITIONAL KEY FIGURES				
Order book in passenger transport as of Dec 31 [1] (€ billion)	89.0	83.1	+ 5.9	+ 7.1
Length of line operated as of Dec 31 (km)	33,464	33,469	- 5	–
Passenger stations as of Dec 31	5,697	5,699	- 2	–
Rating Moody's / S&P Global Ratings	Aa1 / AA-	Aa1 / AA-	–	–
Employees as of Dec 31 (FTE)	292,423	286,077	+ 6,346	+ 2.2
Share of women as of Dec 31 (%)	25.3	25.0	+ 0.3	–
Employee satisfaction (SI)	–	3.9	–	–
Specific greenhouse gas emissions compared to 2006 [3] (%)	- 40.1	- 42.1	+ 2.0	–
Share of renewable energies in the DB traction current mix [4] (%)	68	65.4	–	–
Track kilometers noise-remediated in total as of Dec 31 (km)	2,255	2,202	+ 53	+ 2.4

[1] Continuing operations 231 f. Figures for 2022 adjusted due to reclassification of DB Arriva 106.
[2] Non-Group and DB Group train operating companies.
[3] Excluding USA Truck 171.
[4] The data for 2023 represents a forecast as of February 2024. The data for 2022 corresponds to the status of the statutory electricity labeling (November 2023) pursuant to the German Energy Industry Act (Energiewirtschaftsgesetz; EnWG) and may therefore deviate from the preliminary disclosures in the Integrated Report 2022.

We are building for the railway of the future

Germany needs a high-performance infrastructure

A modern infrastructure is the basis for economic growth. A modern infrastructure is also the foundation for attractive and efficient rail transport. This is the only way to convince more people to switch to the most climate-friendly motorized means of transport and to shift more goods to rail. And only in this way can the implementation of transport policy objectives be successful. Together with the Federal Government, we are therefore working to give Germany the modern rail infrastructure it needs. This requires comprehensive renovation, modernization and digitalization, as well as targeted expansion and new construction.

Our path to a high-performance network

New maintenance concept
We are changing our construction and maintenance concept in order to reduce operational impact during the renovation and modernization of our infrastructure, thus stabilizing punctuality and reliability.

General modernizations
Our new modernization concept begins in 2024 and we will renew highly utilized lines and stations, which are of central importance for reliability and future transport growth.

Stations of the future and service facilities
We are increasing the attractiveness of rail transport by targeted development and making access easier for people and goods.

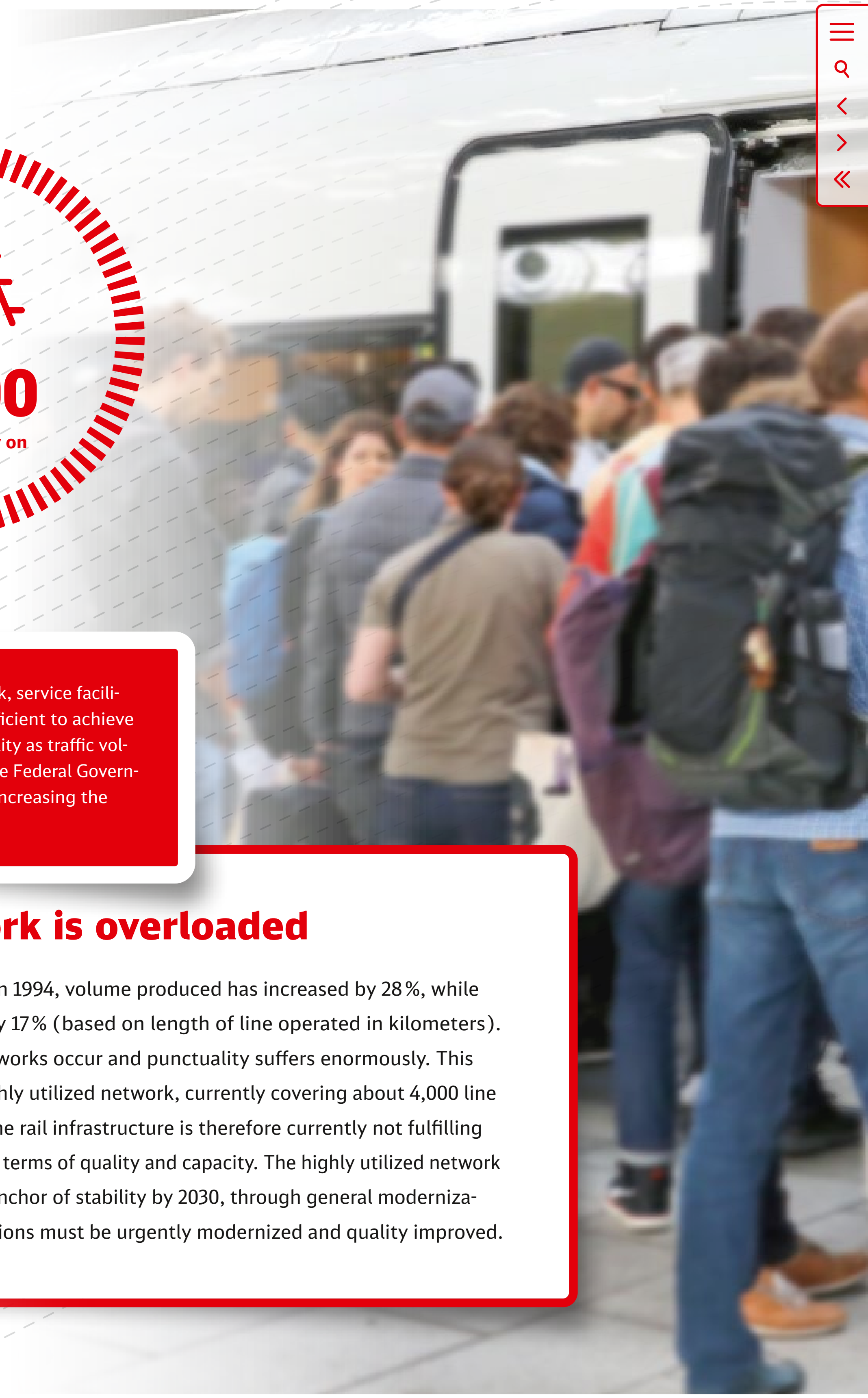
Digitalization
We are digitalizing rail operations with AI-supported rail network utilization and by expanding digital rail in Germany and digitally upgrading and refitting vehicle fleets.

Our goal is a sustainable shift in the mode of transport

With our Strong Rail strategy, we are pursuing the goal of bringing more traffic to rail – for the climate, for the people, for the economy and for Europe. We are consistently implementing this ambitious growth strategy in line with the Federal Government's transport and climate policy objectives. In doing so, we are supporting the necessary climate policy transformation in Germany.

Together with the Federal Government, we are setting the course for a shift in the mode of transport and improving product quality, creating additional capacity and thus improving customer satisfaction.


68 %
share of renewable energies in the DB traction current mix in 2023
CO_2
~80 %
lower CO_2 emissions compared to road freight transport
~13 million
fewer truck journeys per year on German roads



About
41,500
trains every day on the network

In the past, funds for the rail network, service facilities and stations have not been sufficient to achieve a high level of performance and quality as traffic volume has increased. Together with the Federal Government, we will now be significantly increasing the funds for renewal and maintenance.

The rail network is overloaded

Since the German rail reform in 1994, volume produced has increased by 28 %, while the rail network has shrunk by 17 % (based on length of line operated in kilometers). Disruptions and construction works occur and punctuality suffers enormously. This applies in particular to the highly utilized network, currently covering about 4,000 line kilometers. The condition of the rail infrastructure is therefore currently not fulfilling our customers' requirements in terms of quality and capacity. The highly utilized network is now set to develop into an anchor of stability by 2030, through general modernization. The rail network and stations must be urgently modernized and quality improved.

Condition grade high-performance network

3.1

(2023)

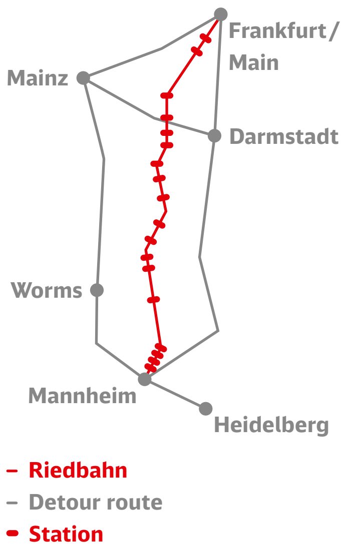
About

4,000 km

of the future high-performance network to be modernized by 2030

Our goal: from a highly utilized network to a high-performance network

First corridor (implementation in 2024)



The Riedbahn is one of the most used routes in Germany. Up to 300 trains run on the line every day.

In 2023, the Federal Government and DB Group laid down the largest and most comprehensive infrastructure program for the rail network and stations since the 1994 German rail reform, with the aim of making rail transport sustainably more punctual, reliable and efficient, and offering customers a better experience and predictability in passenger and freight transport. The central lever is the general modernization of about 40 corridors in the highly utilized network. This will involve the complete modernization of a corridor – from the extended platform to the superstructure to the digital signaling system. We are laying the foundation for this concept with the 70 km Riedbahn and the 20 stations between Frankfurt am Main and Mannheim. Further maintenance on other sections will build up a high-performance network that stretches over 9,000 km by 2030.

≤2.5
Condition grade high-performance network in 2030

~9,200
Scope of the high-performance network in track kilometers in 2030

More attractive offers for the mobility transition

Convenient travel throughout Germany with the Germany-Ticket

Since May 1, 2023, customers have been able to use the Germany-Ticket with all local and regional transport associations in Germany at a price of € 49 per month. An initial interim assessment, after eight months of the Germany-Ticket in 2023, shows high acceptance among customers and noticeable gains in passenger numbers.

10 million

users had a Germany-Ticket at the end of 2023

The advantages of the Germany-Ticket:

- Unlimited travel for only € 49 per month.
- Valid throughout Germany on all means of local public transport.
- Subscription service (automatic renewal) and can be canceled monthly.
- Available online, in the app and at DB Travel Centers.

Innovative ideas for the local transport of the future

In order to make local transport attractive for the future, together with our partners in the Federal states and municipalities, we plan to invest about € 12 billion in new and modernized trains and buses by 2030. From 2028, for example, the Munich S-Bahn (metro) will receive 90 new XXL vehicles. Together with partners, we are also developing new, innovative interior design concepts as part of our Ideas Train (Ideenzug) innovation platform.

Munich will receive
90
new vehicles, creating a state-of-the-art S-Bahn (metro) fleet

Fully walk-through with a length of
>200
meters

Space for
>1,800
passengers

Improved comfort for a better travel experience

New appearance

We're creating a new harmonious design, with modern materials such as wooden decor, and seat covers made from high-quality fabric with 85 % wool in subtle colors.

New functionality

Elements such as an integrated tablet holder, coat hooks in every backrest and power sockets at every seat make travel even more convenient. Window panes that allow mobile signals to pass through ensure a stable connection.

New seats

The completely new developed seats are designed as a personal retreat, offering better adjustment options and therefore even more comfort.

The first ICE 3neo with our new interior design went into operation at the end of 2023. It offers numerous innovations for improved comfort and features new seats, functions, materials and colors. By 2028, more than 70 additional ICE 3neo trains will follow, featuring the new interior design.

Digital innovations for a more attractive rail transport

Digitalization and technology are the key to the success of Strong Rail, as they provide increased capacity, efficiency and quality in rail transport. We are focusing on digital rail operations because it makes us more robust, thanks in part to automated timetables and scheduling. Digital maintenance also increases our effectiveness, for example, with predictive maintenance planning.

In 2023, we were able to use intelligent capacity management to avoid over

100,000

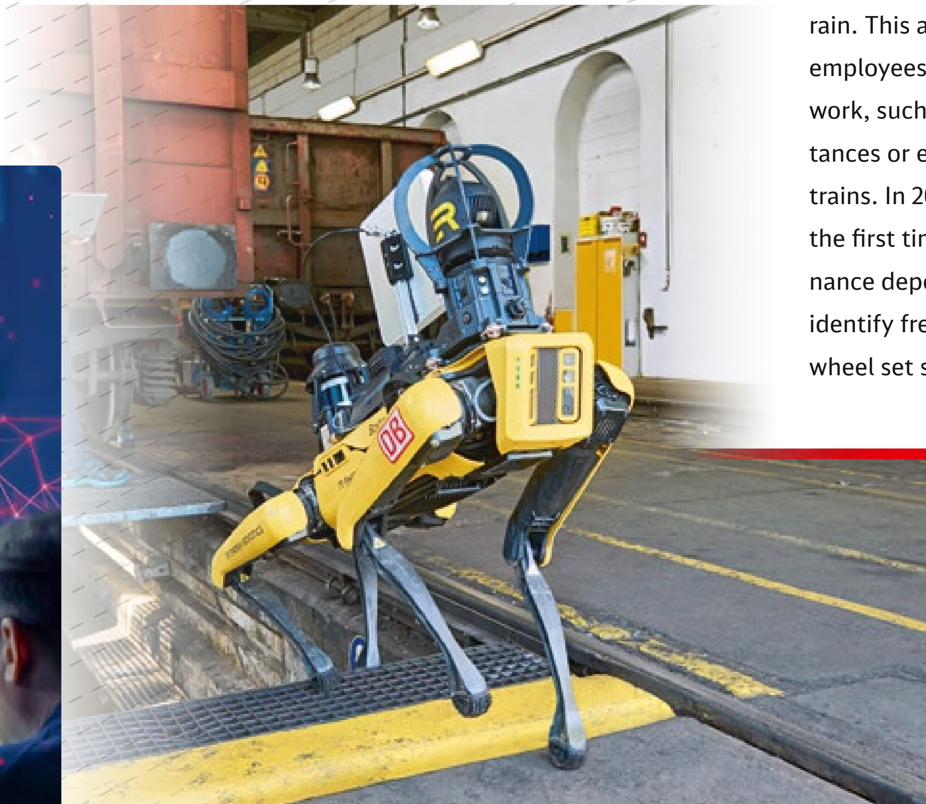
minutes of delays

Use of AI for more punctual trains

An in-house AI-based program currently in pilot operation is helping dispatchers at the control centers of the S-Bahn (metro) in Stuttgart, Rhine-Main and Munich to manage traffic more efficiently, especially in the event of a disruption, and to prevent or reduce delays. In 2024, the system will also be rolled out on other S-Bahn (metro) lines.

Digital support from Spot the robot dog

Spot the robot dog goes up stairs, climbs into maintenance pits and safely runs over difficult terrain. This allows it to relieve our employees of physically strenuous work, such as long walking distances or elaborate pit work under trains. In 2023, Spot was used for the first time at a DB Cargo maintenance depot to independently identify freight cars and to inspect wheel set shafts.



Digital maintenance gets trains back on track faster

Digital tools save up to **20** hours of routine maintenance work per S-Bahn (metro) facility every day

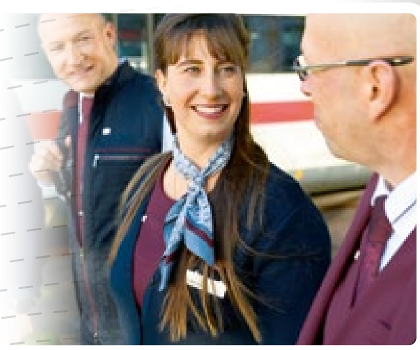
Currently in use in DB Group:

11 wheel set measuring systems

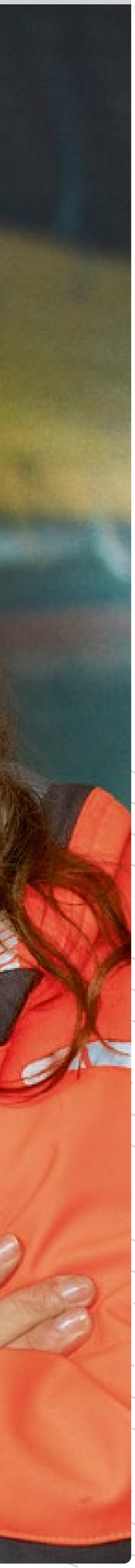
14 camera portals

Proactively combating the shortage of skilled labor

About 28,200 external new hires in 2023 (excluding young talents)



DB Group continues to position itself as an attractive employer in a competitive labor market. In 2023, we brought many new employees on board to improve operational quality and for the general modernization of the infrastructure. This is an important building block on the path to a shift in the mode of transport. Numerous employees for construction projects, maintenance and service on trains as well as train drivers, bus drivers and IT specialists are now strengthening the DB team.



About
5,700
young talents began their training with us in 2023

We place particular emphasis on the employees of the future – our young talents. To this end, we significantly expanded our partnerships with schools once again in 2023. Our new job compass provides additional guidance on our training opportunities. As a result, we achieved a record number of new hires of young talents in 2023: 5,700.

In Germany we provide training for about
50
careers

In addition, we also provide training for
25
dual degree programs

More climate protection for a future worth living

Every train ride counts and actively protects the climate. No other motorized means of transport today is as climate-friendly and efficient as the rail system in terms of its use of space. Our customers at DB Long-Distance have been traveling with 100% eco-power since 2018.

A new record high in volume sold of over 45 billion passenger kilometers was set at DB Long-Distance in 2023. This saved about 7.5 million tons of CO_2e compared to journeys by car. This once again shows that a significant reduction in greenhouse gas emissions in the transport sector can only be achieved by a massive shift in the mode of transport to climate-friendly rail transport. Only rail transport has been able to continuously reduce CO_2 emissions since 1990. We want to be climate-neutral by 2040, thereby making an important contribution to achieving the climate protection targets of the Federal Government and the EU.


CO_2e
7.5
million tons of CO_2e were saved by DB Long-Distance compared to car journeys in 2023

"Together with the Federal Government, we are renewing and modernizing the infrastructure with a program that is unprecedented in DB history. There is no alternative to tackling the backlog of modernization. If all partners in the construction and rail industry work together with us, this effort will succeed."

Dr. Richard Lutz
CEO and Chairman of the Management Board
of Deutsche Bahn AG

We get down to work. For a better railway.

To our stakeholders

DR. RICHARD LUTZ
CEO and Chairman of the Management Board of Deutsche Bahn AG

Video statement of the CEO and Chariman of the Management Board

GRI CHAIRMAN'S LETTER

Dear readers,

The year 2023 marks a turning point for the railway in Germany: together with the Federal Government, we have approved a clear roadmap for the largest and most comprehensive infrastructure program in DB Group's history. We are no longer wearing down the rail infrastructure; we are modernizing it from the ground up. The Federal Government will be making much greater funds available to us. This will create the conditions for better quality, more stability and further growth in climate-friendly rail transport.

The operational situation last year made something painfully clear to us and to our customers: the infrastructure is too utilized, too old and therefore very susceptible to disruption. At 64 percent, punctuality in long-distance transport in the previous year was far behind our aspiration. One reason for this is the high level of construction activity: on average during the year, almost every second long-distance train traveled through at least one construction site. We have replaced more concrete ties than ever before.

"2023 marks a turning point for the railway in Germany."

There is no alternative to construction at a record level if we want to prevent the infrastructure from further deterioration. For this reason we did not hesitate in 2023 and, in consultation with the Federal Government, we made massive pre-financing and constructed, improved and repaired. In addition to higher energy and personnel costs, the operating loss in our core business is largely due to this additional spending on the infrastructure. Our EBIT was minus one billion euros last year.

"There is no alternative to building at a record level."

At the same time, demand is continuing unabated: in 2023, for the first time in long-distance transport, we were above pre-Covid-19 levels in terms of volume sold. With the timetable change, we have offered more new connections than in the last 20 years. In regional transport, we recorded an increase of 9 percent in the volume sold, thanks mainly to the Germany-Ticket. In total, more than 1.8 billion passengers were traveling by rail with us in 2023 – an increase of over 5 percent compared to 2022.

More than four years ago, we set up our strategy for a strong rail system in Germany with the aim of achieving the Federal Government's climate and transport policy objectives. We also made progress in terms of implementation in 2023.

Our long-distance transport fleet is now larger and more modern than ever before. 2023 was an absolute record year: on average, we put three new ICE trains into operation for our customers every month. With the introduction of a new sales IT system, DB Navigator has also received many new functions. We built the most modern ICE depot in Cottbus in record time and opened it at the beginning of January 2024.

Our green transformation is also progressing, for example with the use of the biofuel HVO, which is produced from biological residues and waste in a climate-friendly way. In 2023, it was just under 14 million liters, which is 11 million liters more than in the previous year. Our goal is clear: climate neutrality by 2040. We are committed to sustainable and responsible corporate management and the principles of the UN Global Compact.

We began 2024 with substantial momentum. Together with the Federal Government and in collaboration with the railway sector and the construction industry, we are working to achieve a better rail system. On January 1, 2024, together with the Federal Government, we launched DB InfraGO AG, a company for infrastructure focused on the common good. We have thus created the ideal structure within the integrated DB Group for comprehensively modernizing the infrastructure.

We have set ourselves an ambitious target: the general modernization of a total of about 40 sections of line in the highly utilized network by 2030. We are starting with the Riedbahn, the line between Frankfurt am Main and Mannheim. From mid-July 2024, we will bring a previously unseen construction volume to the track within five months and turn a piece of infrastructure that is notoriously susceptible to disruption into an anchor of stability for the rail system in Germany. Preparatory work in January 2024 has shown that the concept works.

We are continuing to push ahead with the transformation of our rail freight business unit. We are making DB Cargo competitive to get more freight onto rail and secure its future and thus jobs in the long term. We are modernizing and digitalizing DB Group, dismantling double structures and making DB Group more robust. In order to achieve our ambitious growth targets, we will need to become more efficient in the future in view of the shortage of skilled labor.

> **"One thing is clear: rail is vital for the sustainable transformation of Germany."**

One thing is clear: rail is vital for a sustainable transformation of Germany. Our employees are working every day to make the track infrastructure fit for the future. We wish to express our respect and gratitude for this. After all, this is a marathon and not a sprint.

The railway is about more than mobility and logistics services from A to B. It is inseparable from social development – prosperity and progress. Germany is in the midst of a shift to become a more modern, more digital and more sustainable country. At Deutsche Bahn, we take our social mission seriously: together with business and politics, we intend to make a contribution to making our country fit for the future – with courage and confidence.

Germany needs a strong rail system: For the climate. For people. For the economy. For Europe.

Sincerely,

Dr. Richard Lutz
CEO and Chairman of the Management Board
of Deutsche Bahn AG

THE MANAGEMENT BOARD OF DEUTSCHE BAHN AG

MARTIN SEILER
Human Resources and Legal Affairs

EVELYN PALLA
Regional Transport

BERTHOLD HUBER
Infrastructure

DR. RICHARD LUTZ
CEO and Chairman of the Management Board

DR. SIGRID NIKUTTA
Freight Transport

DR. LEVIN HOLLE
Finance and Logistics

DR. DANIELA GERD TOM MARKOTTEN
Digitalization and Technology

DR. MICHAEL PETERSON
Long-Distance Passenger Transport

The CVs of the Management Board members can be found **online**.

WERNER GATZER
Chairman of the Supervisory Board
of Deutsche Bahn AG

REPORT OF THE SUPERVISORY BOARD

In the year under review, the Supervisory Board of Deutsche Bahn AG (DB AG) observed the entirety of the responsibilities within its remit in accordance with the law, the company's statutes and its bylaws. The Supervisory Board extensively advised and supervised the Management Board in the management of the company and business operations. The Management Board reported regularly, without delay and in detail, to the Supervisory Board regarding corporate planning and the business, strategic and financial development of DB AG and its subsidiaries. All significant business events were discussed by the Supervisory Board and the responsible committees based on reports of the Management Board. Significant deviations in actual business development were explained by the Management Board and reviewed by the Supervisory Board. The Chairman of the Supervisory Board maintained close contact at all times with the Management Board, in particular with the Chief Executive Officer, who regularly reported on the latest business developments at DB AG, upcoming business decisions and risk management.

Meetings of the Supervisory Board

The Supervisory Board was involved in all decisions of fundamental significance for DB AG. In the year under review, the Supervisory Board held four ordinary meetings and two extraordinary meetings, as well as one strategy meeting. The 2022 annual financial statements were also presented to the Supervisory Board at an information event in preparation for the resolution at the financial statements meeting. In a further information event, the Supervisory Board discussed the status and the starting points for a further development of the remuneration system for the Management Board. In the reporting period, all members of the Supervisory Board participated in at least half of the meetings. In the reporting period, the Supervisory Board passed six resolutions by way of a written procedure. Meetings of the Executive Committee, the Personnel Committee and the Audit and Compliance

Committee were held in preparation for the scheduled meetings of the Supervisory Board of DB AG. In the 2023 financial year, the discussions in the plenary meeting focused on issues relating to revenues, profit and employment development in the individual business units, the debt situation of DB Group and the course of significant capital expenditure and equity investment projects. There was a particular focus on the operational situation and the financing of the infrastructure by the Federal Government, especially the effects of the budgetary ruling of the Federal Constitutional Court of November 15, 2023. The Supervisory Board has decided to create an infrastructure division focused on the common good and the associated establishment of DB InfraGO AG through the merger of DB Station&Service AG with DB Netz AG. In the 2023 financial year, a methodological further development of the remuneration for members of the Management Board was also decided. While the target remuneration remains the same from the second term of office, this provides for a stronger weighting of the basic salary and the proportion of long-term variable remuneration, while reducing the proportion of short-term variable remuneration and substantially reducing the maximum achievable remuneration. At its regular meetings in the reporting period, the Supervisory Board – in some instances including the Chairman of the advisory council of DB Project Stuttgart–Ulm GmbH – regularly dealt with the progress and cost development of the major project Stuttgart 21 and, in December 2023, approved the adjustment of the total project costs and the financing scope requested as a result of a project plan and cost analysis. In the annual strategy discussion, the Supervisory Board discussed with the Management Board the status of the implementation of the Strong Rail strategy that has been in place for four years, especially against the background of the challenges that have arisen in recent years, such as the Covid-19 pandemic, the trend of energy prices and the war in Ukraine.

The Supervisory Board discussed other significant individual matters and passed the necessary resolutions. In the reporting period, these included a considerable amount of capital expenditures in rolling stock, especially high-speed trains. The Supervisory Board also discussed and decided on changes in subsidiaries. In this process, it advised on preparations for a sale of DB Schenker and decided to sell 100% of shares in Arriva plc. In its December meeting, the Supervisory Board also discussed mid-term planning, approved DB Group's budget for the 2024 financial year and approved the conclusion of a supplementary agreement for the Performance and Financing Agreement III between Deutsche Bahn Group (DB Group) and the Federal Government.

Meetings of the Supervisory Board committees

The Supervisory Board of DB AG has established four permanent committees to enable it to conduct its work efficiently. The Supervisory Board's Executive Committee held four regular meetings in the year under review and was in regular contact with the Management Board regarding all major business policy issues. In its meetings, it focused in particular on preparing the focal topics for each of the Supervisory Board meetings. In the year under review, the Audit and Compliance Committee held four regular meetings, one extraordinary meeting and one conference call, and intensively discussed the economic situation of DB Group and the individual business units in preparation for the discussions in the full Supervisory Board, based on the current monthly and half-year figures. In addition, at regular intervals, the committee discussed the progress and, in particular, the cost development of the major Stuttgart 21 project on the basis of the quarterly reports of the Management Board, each of which was reviewed by the auditors and an engineering firm. The development of costs, in particular the results of a project plan and cost analysis, was also examined in more detail in preparation for the discussion of the full Supervisory Board. In addition the committee also discussed in detail the risk report, the submitted budget and investment planning as well as the medium- and long-term planning of the DB Group. The committee also continued to address updates in corporate governance and the internal control system necessitated by the German Accounting Law Modernization Act. The Audit and Compliance Committee was regularly informed about Group-related compliance issues. The Chief Compliance Officer regularly reports on his work there as well as significant cases for DB Group (on compliance instruments 195ff. in the combined management report). Likewise, the intra-Group auditors report to the committee on a regular basis on the audit program and the key findings of the audit activities. The committee also receives regular reports on significant legal disputes. In addition, the committee discussed the hiring of the auditor for the financial statements and the progress of the auditing process for the reporting period.

In addition, the committee has discussed individual matters of economic significance for the business and financial situation or the risk situation of DB Group, such as the development of DB Cargo and the DB Regional Road line of business, the status of large capital expenditure projects and the situation concerning DB Group's cybersecurity activities and the M&A decisions requested by the Management Board in advance of the resolution of the discussion of the Supervisory Board, and has made appropriate recommendations.

The Chairman of the Audit and Compliance Committee was in regular contact with the Management Board and the external auditor, and reported regularly and in detail on the Committee's work to the full Supervisory Board.

In the year under review, the Personnel Committee prepared Management Board matters for a decision by the Supervisory Board in four regular and four extraordinary meetings. The work focused on the methodological further development of the remuneration system for members of the Group Management Board, which the Supervisory Board approved in the reporting period.

The Mediation Committee established in accordance with Section 27 (3) of the Co-Determination Act (MitbestG) did not have occasion to meet in the year under review.

Corporate governance

During the year under review, the Management Board and Supervisory Board of DB AG again considered the further development of corporate governance. In a Cabinet decision on July 1, 2009, the Federal Government adopted the Public Corporate Governance Code (PCGK) and revised it in its resolution of September 16, 2020, and again with a resolution on December 13, 2023. The PCGK sets out the essential provisions of applicable law governing the management and monitoring of non-listed companies in which the Federal Republic of Germany holds a majority stake, while outlining the internationally and nationally acknowledged principles of good and responsible corporate management. The Supervisory Board of DB AG dealt with the application of the PCGK 2020 within DB Group. At the time of reporting, the approximately 100 recommendations have been largely implemented. The Supervisory Board will continue to address this matter in the 2024 financial year and discuss the progress of its implementation with the Management Board.

Annual financial statements

The annual financial statements of DB AG, as prepared by the Management Board, and the consolidated financial statements and Group management report of DB AG, which is consolidated with the company's management report, for the period ending on December 31, 2023, were audited and awarded an unqualified audit opinion by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), the auditor appointed by resolution of the Annual General Meeting. The auditors' report was reviewed by the Audit and Compliance Committee in its meeting held on March 15, 2024, and was discussed in full at the Supervisory Board's financial statements meeting held on March 20, 2024, in the presence of the auditors who signed the audit reports. The auditors reported on the salient audit findings and were available to answer questions. The Supervisory Board concurred with the audit findings. The Supervisory Board examined the annual financial statements of DB AG and the consolidated financial statements together with the Group management report of DB AG, which is combined with the company's management report, for the year under review and raised no objections. The DB AG annual financial statements for the 2023 financial year were approved and thereby adopted. The auditor additionally reviewed the report on relationships with affiliated companies prepared by the Management Board. The auditors issued an unqualified audit opinion and reported on their audit findings. The Supervisory Board also reviewed this report, raising no objections concerning the Management Board's concluding declaration contained in the report or the result of the audit conducted by PwC.

Changes in the composition of the Supervisory Board and the Management Board

There were no changes to the Management Board or the Supervisory Board of DB AG during the reporting period.

The Supervisory Board would also like to thank the Management Board, the employees and the works council representatives of DB AG and affiliated companies for their achievements in the year under review.

Berlin, March 2024

For the Supervisory Board

Werner Gatzer
Chairman of the Supervisory Board
of Deutsche Bahn AG

GRI

OPEN STAKEHOLDER DIALOG

Clear guidelines for stakeholder dialog

We believe in partnership-based dialog and trusting engagement with all relevant stakeholders and engage in open discussion of expectations and positions. Our stakeholder charter forms the basis for all dialog. It formulates Group-wide principles for responsible interaction between Deutsche Bahn Group (DB Group) and its stakeholders.

GRI

Dialog with policymakers and the public

DB Group plays an important role in the achievement of transport policy objectives and in the further development of the railway system in Germany and Europe. We are therefore sought after as a dialog partner in public discussions, and actively engage in dialog with the entire sector. We discuss our own transport policy positions at the national and international level and seek to use facts and figures to contribute to the decision-making process. Political decisions can have a significant impact on the competitiveness and growth opportunities of rail transport, as well as the economic development of the rail sector, such as on the level of state financing of rail or regulatory requirements. We provide information on key developments in the political environment in the chapter Fundamentals 43 ff.

Our core objective in political dialog is to demonstrate the necessary prerequisites and framework conditions to strengthen rail as a climate-friendly mode of transport and thus also to achieve the Strong Rail targets 56 ff. Our work in and with associations plays an important role in this. DB Group is a deeply rooted member of several associations. The following memberships are particularly relevant for political discourse (in alphabetical order based on German designation):

- Pro-Rail Alliance (Allianz pro Schiene; ApS)
- Mobility and Transport Services Association (Arbeitgeber- und Wirtschaftsverband der Mobilitäts- und Verkehrsdienstleister; AGV MOVE)
- Community of European Railway and Infrastructure Companies (CER)
- German Transport Forum (Deutsches Verkehrsforum; DVF)
- Association of German Transport Companies (Verband Deutscher Verkehrsunternehmen; VDV)

In addition to our stakeholder charter, we have set strict internal standards for participation in political processes, which are summarized as "Group Principles Ethics – Code of Conduct" 195 ff. and which are binding Group-wide. This stipulates, among other things, that contributions of any kind to political parties, their representatives, political leaders, elected representatives and candidates for political office are generally prohibited. DB Group is not aware of any cases in which this requirement has been breached. In addition, the Lobby Register Act came into force in Germany on January 1, 2022. The lobby register and corresponding regulations at national and EU level make it possible to transparently track structures of influence by stakeholders on the political decision-making and policy formation process.

Dialog on sustainability

TCFD

We exchange views on sustainability topics of DB Group both bilaterally and as part of networks and dialog formats with our stakeholders green No. 113. We are hosting our own multi-stakeholder formats, such as the Sustainability Forum. We also carry out structured environmental monitoring and analysis. We use these to systematically identify relevant issues and determine their significance for the sustainability management 40 ff. of DB Group. We also answer questions from stakeholders on matters of sustainability.

SUSTAINABILITY FORUM

The DB Group Sustainability Forum, which takes place once a year in Berlin, has firmly established itself in recent years as the central platform for dialog on current sustainability topics. The Sustainability Forum 2023 took place on September 21, 2023 for invited guests in the French Cathedral in Berlin and with virtual attendance. In view of the current crisis situations, the key question this year was: how can we continue to advance sustainability even in times of crisis? Representatives of the DB Management Board and high-ranking representatives from politics, business, science and civil society were on the panel.

GRI

Overview of the stakeholder dialog

stakeholders	2023 topics	The most important dialog and communication formats
Passengers (private and business)	– Introduction of the Germany-Ticket 47 – Punctuality and connection reliability – Timetable, frequency and service improvements – Sustainability / reduction of CO_2 emissions – Further development and digitalization of ticket offers – New service offers / product improvements – New rail replacement services and construction communication – Expansion of offers and on-demand transport services – Innovative vehicle concepts – Vehicle modernization / City Ideas Train (Ideenzug City)	– Passenger Advisory Board – Online dialog platforms / social networks – Customer dialog (telephone, personal, AI-based / customer surveys) – Virtual and / or hybrid dialog formats and product conferences – Digital road shows / product presentations – Newsletter – Ideas workshop “Trains of the future” – Market research / interviews – Future of local transport as a dialog format – Product conferences and presentations
Business customers (freight transport and logistics)	– Development to become a European rail logistics provider – Sustainability activities and goals / green logistics – Operational capacity and production management – Initiative for further development of production – Punctuality and reliability – Digitalization / automation – Innovative freight cars – Alternative truck drives (hydrogen and electrical)	– Direct customer exchange (including trade fairs, conferences and digital formats) – Own dialog and customer events – Customer workshops – Annual customer satisfaction survey – link2rail digital customer platform (e-services for customers incl. feedback) – Social networks – Webinars – Video formats, presentations, podcasts
Policymakers / regulators	– Contribution to sustainability / climate protection – Infrastructure development and financing – High-performance corridors – Stations of the future – Infrastructure division focusing on the common good – Germany in sync – Germany-Ticket – Strengthening rail freight transport – Energy price brakes, taxes and levies on energy – Acceleration of construction projects – Digitalization	– Parliamentary evenings – Participation in discussion rounds and expert presentations – Participation in the formats of the German Federal Government and the European Commission – Participation in expert hearings in the German Parliament – Events of the European Umbrella Railway Association and the Railway Forum of the European Parliament – Own events (e.g. competition symposium, presentation of the competition report in Brussels)
Employees	– Shortage of skilled labor – Tense operational situation – Collective bargaining – Implementation of common good-oriented infrastructure – Increase in the proportion of women in leadership – International conflicts and crises	– Employee strategic building blocks within the framework of Strong Rail – Culture barometer survey in the Integrated Rail System in Germany – Developing “team agreements for the new normal” – Events and networks on the topic of health, new work and diversity – Voluntary social commitments, for example “DB tackles” – Social intranet, internal knowledge platform and newsletter for all employees
Investors	– Impact of the war in Ukraine / inflation – Dividend policy / Covid-19 support measures – Indebtedness / profitability – Competitive situation / regulatory environment – ESG performance	– Roadshows – E-mail contacts – Direct contacts / one-on-ones – Investor relations Web site, newsletters, presentations
Suppliers	– Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) – Meeting deadlines – Supplier management – Ramp-up of infrastructure projects – High-performance corridors / general modernizations – Innovation / digitalization – Reviews of business partners – Cooperation in mutual trust	– Railway Forum 2023 – Railsponsible sector network – Discussions and expert presentations – Supplier visits – In-person and virtual supplier days in the product areas – Supplier development meetings – Railway Construction Initiative for the Future (Zukunftsinitiative Bahnbau; ZIB) – Dialogs on competition – Dialogs regarding supplier sustainability assessments – Innovation workshops
Associations / specialist public	– Infrastructure development and financing – Common good-oriented infrastructure – High-performance corridors – Stations of the future – Germany in sync (Deutschland-Takt) – Germany-Ticket – Strengthening rail freight transport – Energy price brakes, taxes and levies on energy – Acceleration of construction projects – Contribution to sustainability – Innovations in mobility and logistics – Integrated mobility	– Top-level discussions and expert exchanges – Membership of association bodies – Stakeholder events and product presentations – 2023 Sustainability Forum – Annual conference of the Association of German Transport Companies (VDV) – Membership of relevant bodies such as the German CEO Alliance for Climate and Economy (Stiftung KlimaWirtschaft) and econsense – Membership of the German Institute for Compliance – Corporate member of Transparency International Germany – Development of digital communication channels (RegioSignals) – Railway Forum 2023

The topics and dialog formats are not presented in any order of priority.

GRI

Overview of the stakeholder dialog

stakeholders	2023 topics	The most important dialog and communication formats
Media	– Increase in employer attractiveness/talent acquisition – Upgrade of digital services for customers – High-performance network/general modernization/DB InfraGO – Expansion of vehicle fleet, new drives, maintenance – Sustainability, green transformation – Germany-Ticket – Collective bargaining agreements with EVG and GDL – M&A activities – Integrated mobility	– Press Web site – Press releases – Press and photo events, including digital and hybrid formats – Background discussions, in some cases also digitally – Social networks – Future of local transport fair

The topics and dialog formats are not presented in any order of priority.

SUMMIT MEETING WITH ENVIRONMENTAL ASSOCIATIONS

On October 4, 2023, the Chief Executive Officer of DB AG, Dr. Richard Lutz, met in Berlin with the following environmental associations: the Federation for the Environment and Nature Conservation Germany (Bund für Umwelt und Naturschutz Deutschland; BUND), the German Nature Conservation Association (Deutscher Naturschutzring; DNR), Environmental Action Germany (Deutsche Umwelthilfe; DUH), Greenpeace, the German Nature and Biodiversity Conservation Union (Naturschutzbund Deutschland; NABU), the German Transport and Environmental Association (Verkehrsclub Deutschland; VCD) and the World Wide Fund For Nature (WWF). DB Group's current issues, infrastructure development, the infrastructure company focused on the common good and other sustainability issues were discussed at the meeting.

ADVISORY BOARD FOR A QUIETER MIDDLE RHINE VALLEY

Another meeting of the Advisory Board for a Quieter Middle Rhine Valley was held on October 31, 2023. Together with the Federal Ministry for Digital and Transport (Bundesministerium für Digitales und Verkehr; BMDV), we reported on the local progress made with the implementation of noise remediation measures. A further agenda item of the Advisory Board meeting was the discussion of the results of the study "Infrastructural concept for the Middle Rhine railway corridor: target network II" of the BMDV. The Advisory Board for a Quieter Middle Rhine Valley is composed of citizens' action groups, regional members of the German Parliament, representatives of the BMDV and the responsible state ministries from Hesse and Rhineland-Palatinate, as well as DB Group. It meets annually at various locations in the Middle Rhine Valley.

Dialog with the DB Passenger Advisory Board

The DB Passenger Advisory Board provides important impetus for improvements to products and services in workshops, surveys and discussions. Twice a year, the Committee, which consists of 30 private customers, comes together with DB Management Board members and DB managers for ordinary meetings. In addition, it advises on and supports numerous projects relevant to customers. In 2023, there were once again digital and in-person meetings – the DB Passenger Advisory Board was involved in various DB Long-Distance, DB Regional, DB Sales and DB Netze Stations projects, bringing customers' direct perspective into the discussions.

Industry initiative: Capacity Round Table

Since 2019, DB Group has supported the industry initiative Capacity Round Table, launched by DB Netz AG. Representatives of the rail transport sector and associations, as well as participants from Federal agencies, advise on effective measures to improve rail network capacity in the short and medium term. In 2024, following the merging of DB Netz AG and DB Station&Service AG into DB InfraGO AG at the end of December 2023, the plan is to adapt and expand the range of topics in the Capacity Round Table.

Memberships in sustainability networks

GRI

- We underline our commitment to the United Nations Global Compact (UNGC) through the annual presentation of our progress towards the ten principles of the UNGC (Communication on Progress). We are also involved in the UN Global Compact Network Germany (UNGCD), the

German Multistakeholder Forum for the Implementation and Promotion of the UNGC Principles 299 and the Sustainable Development Goals (SDGs) 44.

- We are signatories of the German Sustainability Code (Deutscher Nachhaltigkeitskodex), through which we provide our stakeholders with transparent information about our sustainability performance.
- We are a member of econsense, the Forum for Sustainable Development of German Business.
- As a member, we support the German Alliance for Climate and Economy (Stiftung KlimaWirtschaft) in its aim of developing cross-sector solutions for the transition to a climate-neutral economy.
- We are a founding member of the Railsponsible sector initiative. This initiative aims to create transparency regarding social, environmental and socioeconomic effects along the entire supply chain and to support suppliers in improving their sustainability practices.
- As a member of Transparency International, we are committed to fighting corruption.

CHARITABLE COMMITMENT BY THE DEUTSCHE BAHN FOUNDATION

Deutsche Bahn Foundation (Deutsche Bahn Stiftung gGmbH) was founded in 2013 to combine charitable commitment and the DB Museum under one roof. Deutsche Bahn Foundation seeks to cocreate an equitable society, and improve social cohesion. It combines railway history with setting the course for the future. For this reason, it operates the DB Museum, is committed to integrating those on the edges of society, and supports voluntary work.

Deutsche Bahn Foundation solely and directly pursues its charitable purposes in accordance with its statutes. Organizations without a corporate income tax exemption, individuals, political parties, religious communities and organizations that, or whose members, do not act in accordance with law, are associated with terrorist activity or are on a sanctions list are not promoted.

DEUTSCHE BAHN FOUNDATION	2023	2022	2021
Charitable projects	27 [1]	24	33
Expenses for charitable projects (€ thousand)	3,154 [1]	3,167	2,797

[1] Preliminary figure.

Deutsche Bahn Foundation has also made donations of funds from its general response budget.

DONATIONS / € thousand	2023	2022	2021
Deutsche Bahn Foundation	206 [1]	183	155

[1] Preliminary figure.

The expenses for DB Museum amounted to € 7.0 million in 2023 (previous year: € 6.6 million).

10th Anniversary of Deutsche Bahn Foundation

Deutsche Bahn Foundation took the opportunity of its ten-year anniversary to focus attention on socially relevant topics and to strengthen its commitment within the framework of its existing projects and areas of focus. On a special journey with the museum's own TransEuropExpress Rheingold, partners and stakeholders from politics and DB Group were able to learn about foundation work and exchange thoughts. In this context, guests also had the opportunity to make a decision about the distribution of an anniversary donation to projects in the foundation's main focus areas.

Deutsche Bahn Foundation's annual call for tenders also provided a reference to the ten-year anniversary for greater equal opportunities. In this way, 14 charitable projects were supported on the topic of "Education opportunities for families in disadvantageous living situations."

Education and integration

Deutsche Bahn Foundation, together with the Reading Foundation (Stiftung Lesen), is heavily involved in reading and language development. This year's 20th nationwide "reading aloud day" and the annual "reading monitor" demonstrated the shared commitment. The "reading monitor 2023" education study provides information about reading practice in families, analyzes factors that can help to ensure that more children in families have access to reading aloud, and demonstrates solutions such as the influence of the availability of reading material.

In addition to the digital offer Simply read aloud!, approximately 150 day-care centers were recuited in 2023 together with the Reading Foundation (Stiftung Lesen) after a pilot phase to enable daycare center specialists to practice language and reading promotion. Multilingual materials and books are given particular consideration.

For a fifth year running, together with Open Knowledge Foundation e.V. Deutsche Bahn Foundation is strengthening digital skills for children and adolescents. In 2023, two more "youth hack labs" were created, which, with a regular free offer in local workshops, makerspaces and hackerspaces, schools, universities and other places, contribute to a greater level of education justice.

With Balu und Du e.V., Deutsche Bahn Foundation launched a three-year scaling project in 2023 in the area of the nationwide mentoring program for primary schoolchildren from socioeconomically disadvantaged families in order to set up further sites. In out-of-school education, 18- to 30-year-olds support children for one year through individual sponsorship and thus support their resilience and self-efficacy in order to better surmount the challenges of everyday life.

Professional integration

In the project "Appointed heroes – learning through engagement for career opportunities" (Berufene Helden – Lernen durch Engagement für Chancen im Beruf), students organize their own project and gain specific training expertise and skills in the process. Working with the Learning through Engagement Foundation (Stiftung Lernen durch Engagement), this flagship project was developed and, after eight years, was funded for the last time by Deutsche Bahn Foundation in 2023. Deutsche Bahn Foundation has succeeded in ensuring nationwide roll-out and continuation of the project after funding expired in 2023.

Together with Teach First Deutschland and Rock Your Life!, young people from socioeconomically disadvantaged families are being supported in order to make the transition to work. With the help of Deutsche Bahn Foundation, Teach First qualifies its fellows specifically for this purpose. Rock Your Life! was able to build a second location in a structurally weak region. With the help of fellows and mentors, schoolchildren are supported, in particular, in their career orientation and the development of training skills.

Strengthening volunteering

For the eighth time, DB employees involved in non-profit organizations in their free time applied to the Deutsche Bahn Foundation for funding in 2023. This led to 212 projects and an additional ten anniversary events being sponsored on the occasion of the tenth anniversary of Deutsche Bahn Foundation. Deutsche Bahn Foundation, as one of the three main sponsors of the German Engagement Prize, supported the Top Prize for Civic Engagement in Germany in 2023 for the last time.

The station as a social space

Deutsche Bahn Foundation works closely with the Verein Bahnhofsmission Deutschland (German Association of Train Station Welfare Centers) and the approximately 100 Bahnhofsmissionen (train station welfare centers) in order to carry out long-term projects for people in need of assistance in the station environment in addition to short-term cooperation in crisis situations.

The "Motivators at the Station" project developed jointly at the Berlin central station is being rolled out nationwide as a qualification program for employees of Bahnhofsmissionen. Some 45 motivators at 26 stations have now been trained to offer qualified advice to people with psychosocial problems.

A new Deutsche Bahn Foundation project, run together with the Bahnhofsmissionen, to promote digital participation for guests of the Bahnhofsmissionen, is improving access for educationally disadvantaged people, socially excluded people and those affected by poverty to an increasingly digital society. Five Bahnhofsmissionen started their two-year model project in June 2023.

Since 2014, Deutsche Bahn Foundation also supported a walk-in clinic near Berlin Central Station, where people without health insurance can receive low-threshold medical assistance anonymously at any time of the year free of charge.

Help for homeless children

Together with the nationwide Off Road Kids Foundation and using the online platform sofahopper.de, young people at risk of homelessness can access qualified contact and advice points all over Germany. This enables young people to discuss problems with street advisors and get help anonymously.

Promoting mental health

Deutsche Bahn Foundation is involved in working to destigmatize depression as a mental illness in society and enabling those affected to receive assistance. Together with the German Depression Aid and Suicide Prevention Foundation (Stiftung Deutsche Depressionshilfe und Suizidprävention), it supports the German Federation against Depression (Deutsches Bündnis gegen

Depression) in about 80 cities and regions. In 2023, the joint annual German depression barometer study examined the issue of "depression and isolation."

In cooperation with Achtung!Kinderseele Foundation and the children and young people's charity Die Arche in Hamburg, Arche staff learned to recognize mental stress and illnesses in children and to provide assistance. The aim is to carry out this training course at all Arche locations. Deutsche Bahn Foundation is funding this project to mitigate the continued negative consequences of the Covid-19 pandemic on the mental health of children and young people.

The prevention and early detection initiative "Masters of tomorrow – psychologically healthy through vocational training" of the Achtung!Kinderseele Foundation is supported by Deutsche Bahn Foundation in expanding its services nationwide. It aims to raise awareness of mental illness among vocational trainees. In addition, six out of nine e-learning modules have already been developed, which are aimed directly at vocational trainees.

Humanitarian aid

Following the severe earthquake in Turkey and Syria in February 2023, Deutsche Bahn Foundation has provided immediate aid as part of its international emergency humanitarian assistance. Together with the Development Helps Association (Bündnis Entwicklung Hilft) and association members Misereor e.V. and Oxfam, earthquake victims in Aleppo and Hama received urgently needed supplies, including mattresses, blankets, food, fuel for heating, medicines, hygiene articles, milk, diapers and clothing.

The restoration of the water supply in Aleppo was facilitated. This allowed two water pumping stations to be restored to operation by providing two generators. Hygiene kits were also distributed to approximately 1,000 people.

In Afghanistan, the Deutsche Bahn Foundation is supporting an emergency aid program for girls, women and families together with the Development Helps Association, the association member German Leprosy and Tuberculosis Aid (DAHW Deutsche Lepra- und Tuberkulosehilfe e.V.) and the local partner organization the Afghan Women's Association (Afghanischer Frauenverein e.V.). The program has provided free access to education and improved the school infrastructure in rural Afghanistan.

Christmas campaigns

For the fifth time, Deutsche Bahn Foundation, together with DB employees, fulfilled wishes during the Christmas period together with the project "wish fulfillers," and in this way brought some happiness to approximately 4,200 people in need across Germany.

In order to strengthen the "wish fulfillers" project, in this anniversary year we were able to make wishes come true for children to have education and a sustained improvement in their lives beyond Germany, together with Unicef Deutschland e.V./Supply Division, in areas affected by crisis and catastrophe. "School boxes" with school supplies, boards, learning and leisure kits and backpacks for the classroom reached children in Nigeria and the Central African Republic for their classes.

DB Museum

Deutsche Bahn Foundation operates the DB Museum at its sites in Nuremberg, Koblenz and Halle (Saale), which are supported by volunteer employees. The museum, which was founded in 1882, is the oldest railway museum in the world. Its purpose is to open up, gather, represent and convey the history of the railway system in Germany. For this purpose, it maintains one of the world's largest vehicle collections with approximately 600 locomotives and cars, as well as the oldest and most extensive collections of archive materials, objects, and stocks of films and photographs relating to German railway history.

2023 was a very successful year for DB Museum. More than 220,000 guests visited the museum's three sites, 190,000 of whom went to the main building in Nuremberg alone. This means that the pre-Covid-19 figures were achieved or exceeded in nearly all the buildings. These positive results are also the result of a catch-up effect after the pandemic. Furthermore, the 2023 exhibition and event program received an extraordinary response. With over 60,000 guests, the FUTURAILS exhibition has proved to be one of the most successful special displays in the history of the museum. Many events have also developed very well. At the Koblenz external location, capacity for the maintenance of historical vehicles was expanded successfully. The special journeys offered for the first time from Nuremberg with the museum's own TransEuropExpress Rheingold were sold out within a few hours and will be repeated in the next few years.

Combined management report

OVERVIEW

Important events

GRI

ADDITIONAL FUNDS FOR TRACK INFRASTRUCTURE

The Federal Government intends to provide considerable additional funds in the coming years to modernize the rail network. It has announced on several occasions that it will meet additional rail investment requirements, including through a share of the income from the CO_2 surcharge on the truck toll 46f., which is predominantly used for capital expenditures on track infrastructure. The higher funding will begin in 2024. In order to avoid losing any time for the urgently required measures, the rail infrastructure companies (RICs) of Deutsche Bahn Group (DB Group) prefinanced expenditures in 2023 using DB funds for replacement capital expenditures and additional maintenance expenses, which also serve to maintain the rail infrastructure. These prefinanced expenditures are to be replaced by Government funds. As a further financing building block, the Federal Government announced at the end of 2023 that it would provide a total of € 20 billion through equity increases by 2029.

IMPLEMENTATION OF A COMMON GOOD-ORIENTED INFRASTRUCTURE

On December 27, 2023, the retroactive merger of DB Station&Service AG with the former DB Netz AG took place, creating the new DB InfraGO AG.

DB InfraGO AG is intended to shape the future of the German rail infrastructure and is pursuing the objective of developing it from a single source into a high-performance and attractive system again.

INTRODUCTION OF THE GERMANY-TICKET

The Germany-Ticket 47, which is valid on local public transport throughout the country, was launched on May 1, 2023, at a price of € 49 per month. The ticket is available in digital form and is offered as a monthly subscription. The Germany ticket can be used on any local train throughout the country, such as RB, RE and S-Bahn (metro) trains and, in addition, on public transport such as buses, trams, U-Bahn (subway) trains, etc. of the participating regional fares, transport associations and transport companies in accordance with their scope and conditions, for any number of journeys. The initial interim results for the Germany-Ticket show a high level of acceptance among customers, and intensive use. Since the introduction of the Germany-Ticket, between May and December 2023, DB Regional recorded a monthly average increase in passengers of about 16 % compared to the two months before the introduction of the Germany-Ticket.

COLLECTIVE BARGAINING NEGOTIATIONS

GRI

The 2023 collective bargaining agreement between DB Group and the Railway and Transport Workers Union (EVG) was announced on July 26, 2023, with a settlement 93 forming part of a conciliation procedure. Collective bargaining negotiations with the German Train Drivers' Union (GDL) 93 began on November 9, 2023. An agreement had not yet been reached by the time the Integrated Report was drafted.

I SQUARED AND DEUTSCHE BAHN SIGN A PURCHASE AGREEMENT FOR DB ARRIVA

Deutsche Bahn AG (DB AG) and I Squared Capital, a leading global infrastructure investor, have signed an agreement on the sale of DB Arriva to I Squared. The transaction is expected to be concluded in 2024, subject to the usual implementation conditions.

SALES PROCESS STARTED FOR DB SCHENKER

The Supervisory Board of DB AG has given the Management Board the order to examine and prepare a possible sale of up to 100 % of DB Schenker shares. At the end of 2023, DB Group launched an open, non-discriminatory process to sell the shares. According to the Supervisory Board's resolution, funds from a sale of DB Schenker will remain in full in DB Group, and will contribute, among other things, to a significant reduction of DB Group's debt.

DB GROUP

Organizational structure

DB AG is the parent company of DB Group. It has been a stock corporation under German law since it was founded in 1994 and accordingly has a dual management and control structure comprising a Management Board and a Supervisory Board. It is wholly owned by the Federal Republic of Germany. The changes in the composition of the Supervisory Board and the Management Board 28 are presented in the Supervisory Board report.

DB Group is a leading provider in the mobility and logistics sector. DB Group primarily consists of the Integrated Rail System and the two major international subsidiaries DB Schenker and DB Arriva. Our national and international services give us leading market positions in our relevant markets. With a length of about 33,000 km, we operate Europe's longest rail network. We are also one of the largest energy suppliers in Germany.

- The Integrated Rail System includes our passenger transport activities in Germany, our rail freight transport activities, the operating service units, and the rail infrastructure companies (RICs).
- Strategically relevant subsidiaries are managed as financial investments. In 2023, we signed an agreement on the sale of DB Arriva 106. A sale of DB Schenker 36 is being prepared with an open outcome.

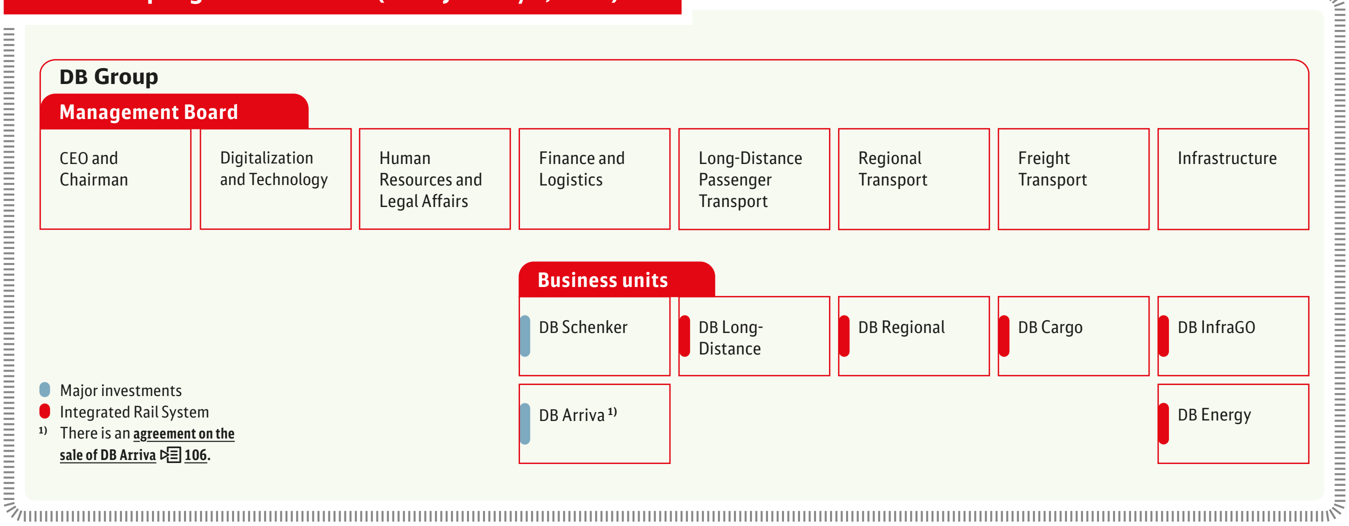
DB Group, with its head office in Berlin, employs about 292,000 people (excluding DB Arriva). DB AG operates all business units as an operating management holding company and supports the business units through various central group functions (including legal, corporate development, balance sheets, taxes and insurance, as well as finance and treasury) plus administrative service units 163ff. In addition, operational service units 163ff. as legally independent subsidiaries of DB AG primarily provide services for internal customers. These include DB Systel GmbH, DB Sicherheit GmbH, DB Services GmbH and DB Kommunikationstechnik GmbH.

With its Strong Rail strategy 52ff., DB Group focuses on the business operations of the Integrated Rail System. Our fundamental concern is the shift in the mode of transport towards rail. To this end, we rely on integrated operation of transport and rail infrastructure, the economically and environmentally intelligent linkage of all modes of transport, as well as cooperation in German and European networks. As a prerequisite for the further shift in the mode of transport towards rail, the highest priority is to increase operating quality with a view to increasing capacity.

To achieve these objectives, we have re-established the infrastructure segment and merged the infrastructure companies DB Netz AG and DB Station&Service AG within DB Group into a new, common good-oriented infrastructure unit DB InfraGO 144. DB InfraGO AG remains part of DB Group.

DB Group train operating companies (TOCs) are legally independent companies with separate balance sheets and statements of income, and thus fulfill all unbundling requirements under European and national law. There is also a functional unbundling, which guarantees the independence of decisions by DB Netz AG (now DB InfraGO AG) in relation to infrastructure access and fees. Reliability and stability form the basis of a high-quality infrastructure. The key cornerstone

DB Group organization chart (as of January 1, 2024)



Market positions

Passenger transport

No. 2 in European passenger transport [1)] / based on revenues

1. Société Nationale des Chemins de fer Français (SNCF)
2. **DB Group**
3. Transdev
4. RATP
5. First Group

No. 1 in regional rail passenger transport in Germany / based on train kilometers

1. **DB Group**
2. Transdev
3. Ferrovie dello Stato (FS)
4. NS
5. BeNex

Freight transport and logistics

No. 1 in European rail freight transport / based on tkm

1. **DB Cargo**
2. Rail Logistics Europe [2)]
3. Rail Cargo Group
4. PKP Cargo
5. Mercitalia Rail

No. 1 in European land transport / based on revenues

1. **DB Schenker**
2. Dachser
3. DSV
4. DHL
5. Kuehne + Nagel

No. 4 in worldwide air freight / based on t

1. Kuehne + Nagel
2. DHL
3. DSV
4. **DB Schenker**
5. UPS

No. 5 in worldwide ocean freight / based on TEU

1. Kuehne + Nagel
2. Sinotrans
3. DHL
4. DSV
5. **DB Schenker**

No. 5 in worldwide contract logistics / based on revenues

1. DHL
2. Kuehne + Nagel
3. Expeditors
4. DSV
5. **DB Schenker**

1) Only rail and road traffic companies; in some cases including revenues outside Europe.
2) Formerly Fret SNCF.
Information on competitors is based on annual reports and disclosures from the German Federal Association of Regional Rail Transport (BSN). Market positions relate to the calendar year 2022.

of profitable business is the sustainable financing of infrastructure. The Performance and Financing Agreement (Leistungs- und Finanzierungsvereinbarung; LuFV) 273f. contributes significantly to ensuring the maintenance of the existing network. The LuFV will be further developed into the InfraGO service agreement (LV InfraGO).

Business model

DB Group offers attractive, customer-focused and environmentally friendly mobility, transport and logistics solutions and networks from a single source. We utilize the possibilities of digital technologies to improve our operational and administrative processes, to continuously develop services for customers, to integrate new services, and to simplify the customer interface. The Integrated Rail System is at the heart of our business activities. In addition, we are gradually expanding our business portfolio in the area of mobility and logistics in order to meet our customers' needs more effectively and respond to new market demands.

- Our passenger transport activities have a broad base. In addition to bus and rail transport, this also includes intelligent links with other means of transport such as cars and bicycles, but also with new forms of mobility that complement the core business and enable door-to-door mobility. We offer long-distance rail passenger transport within Germany and into neighboring countries.
- Our business activities in the freight transport and logistics market were moved to an international platform very early on. DB Cargo and DB Schenker operate predominantly in the business-to-business segment. We offer our customers industry-specific solutions in European rail freight transport and global land transport, in global air and ocean freight, and in global contract logistics. Covering all relevant modes of transport allows us to offer complex combined logistics services and to make use of synergies in our networks for the benefit of our customers.

As an operator of networks and provider of services in passenger transport, freight transport and logistics, as well as track infrastructure, our economic success is influenced by the general economic environment and the specific development of the various relevant markets:

- Demand for passenger transport is driven first and foremost by the size of the population, the growth of major cities, the number of people in employment, and real disposable incomes. Competitiveness relative to car transport is heavily influenced by the trend in fuel prices.
- Our freight transport and logistics operations depend largely on economic developments. Due to our global networks, we monitor the development not only of global gross domestic product (GDP) and world trade, but also of economic growth in the regions, countries, and trade relations in which we have a high market share or in which high growth rates in the exchange of goods can be expected. Customary early-warning indicators of the business climate and of the expectations of purchasing managers are an integral part of our monitoring system.

The market environment of DB Cargo is heavily influenced by industrial production. Furthermore, the cross-border movement of goods within Europe is growing in importance.

The development of the economic and early-warning indicators, as presented above, influences how we manage our market activities and resources. Opportunities and risks can therefore be recognized early on, and, as a result, short-term controlling activities and long-term positioning can be focused accordingly. At the same time, we work systematically on optimizing our operating value drivers.

Operating transport networks often necessitates a high level of capital commitment, long investment cycles and distinct fixed cost structures. In this respect, achieving optimal capacity utilization of the networks and systematically developing, integrating and cost-effectively operating these networks with the efficient use of resources are important to DB Group's economic development. Ensuring and improving service quality for our customers is at the center of our activities. By expanding what we offer our customers, particularly digital services and customer loyalty programs, and integrating new forms of mobility and intelligently linking with other means of transport, we intend to gain additional customers in order to realize increasing volumes and economies of scale.

We generally use operating performance data to measure capacity utilization in our networks and our market shares. In order to determine a relative return, we calculate ratios comparing performance data with the generated revenues (specific revenues).

With our national and international subsidiaries, we are operating as DB Group in the freight transport, freight forwarding and logistics divisions. Our comprehensive service portfolio enables us to offer our customers services combined from a single source.

In DB Regional, the order book 132f. in the form of long-term transport contracts entered into with the contracting organizations of Germany's Federal states constitutes a key performance metric for business development. There are also long-term contractual relationships with customers in DB Schenker's contract logistics line of business.

There are five key success factors in the development of DB Group, which are a central component of our business model.

- **Corporate social responsibility:** As a state-owned provider of mobility and logistics solutions, DB Group has a major responsibility for the future of our country. As the backbone of the green and networked mobility and logistics of the future, rail plays a key role for Germany: it helps

DB Group business model

INPUTS

Employees | **Vehicles** | **Networks and infrastructure** | **Electricity and fuel** | **Additional production factors**

BUSINESS ACTIVITIES

Customer segments
- Private customers
- Business customers
- Contracting organizations

Value proposition
- DB Group offers attractive, customer-focused and environmentally friendly mobility, transport and logistics solutions from a single source.

Customer access and retention
- Direct customer access
- Digital offers
- Customer loyalty programs

Key activities
- Transport services across different modes of transport
- Customer care
- Fleet management
- Operating and optimizing regional and global networks
- Managing interfaces
- Providing additional core business services

OUTPUTS [1]

Passenger numbers / quantities / volumes

Volume sold

Volume produced

OUTCOMES [2]

EBIT 107ff.

Employee satisfaction 92f.

Greenhouse gas emissions 73f.

Customer satisfaction 60f.

Noise 82f.

Punctuality 61f.

Proportion of renewable energies in the DB traction current mix 72

Waste 79ff.

[1] Key products and services.
[2] Internal and external consequences and results from business activities and outputs along the entire value-added chain.

to achieve climate protection targets, promotes integration and quality of life, and strengthens the business location, as well as people and the economy. In short, society as a whole benefits from strong rail transport. We consistently focus our business operations on achieving Strong Rail and prioritize our activities along the value-added chain accordingly.

- **Entrepreneurial approach to business:** In the course of the German rail reform DB Group has established itself as a commercial enterprise. Noteworthy in this context are the establishment of a modern and efficient organization and a value-based corporate management approach.
- **Integrated Group:** As a system integrator in Germany, we are optimizing the Integrated Rail System as a whole. In doing so, we are fulfilling our important role as a technological pioneer. The integrated Group structure enables us to realize positive synergies and align our infrastructure to support efficiency, market requirements and profitability. The digitalization of rail systems can be successfully developed and implemented in the Integrated Rail System. Our customers also benefit from the integrated Group. Thanks to the economically, environmentally and technologically intelligent links between different means of transport, we offer our customers door-to-door mobility and logistics solutions from a single source.
- **Europe as the field of action:** As the geographical and economic heart of Europe, Germany has a special responsibility for the future of the continent. Due to the importance of Strong Rail for Europe, Europe remains our field of action in freight transport and cross-border passenger transport.
- **Digitalization:** We use the technologies and methods of digitalization to offer customers an attractive range of products. This means, on the one hand, that we are incorporating new transport offers into our product portfolio, such as on-demand mobility, and establishing new platforms for our customer interfaces. On the other hand, we support our internal processes with technologies such as artificial intelligence (AI), so that we can continue to offer customers a reasonable price level with efficient processes. Thanks to automation and digitalization, freight transport by rail is also becoming more attractive, for example through Digital Automatic Coupling (DAC) 138.

Sustainability management

GRI TCFD

The topic of sustainability, with its aspects in the environmental, social and governance dimensions, is of great importance to DB Group. The focus on climate protection, but also on social issues such as employee satisfaction and the proportion of women in leadership, is also reflected in its anchoring in the Strong Rail strategy 52 ff. The Chief Sustainability Officer (CSO) is responsible for the issues of sustainability and the environment – and therefore also for climate-related opportunities and risks 188 f. The role is exercised by the CEO of DB AG. The CSO's perspective is therefore incorporated in a very central role in all important Group decisions. In his dual role, the CEO was also significantly involved in the development of the Strong Rail strategy with regard to climate-relevant decisions. The CEO is also responsible for compliance issues. Responsibility for employee issues lies with the Member of the Management Board for Human Resources and Legal Affairs, and for occupational safety issues with the Member of the Management Board for Digitalization and Technology. In 2023, the Management Board decided, for example, to back up the climate protection target with greenhouse gas reduction paths 71 ff.

The central Sustainability and Environment organizational unit is responsible for overall coordination of Group-wide sustainability issues. The Head of Sustainability and Environment is the highest function responsible for sustainability-related issues under the Management Board and reports directly to the CEO. The respective specialist departments are responsible for the content of sustainability issues. The main objective is to drive the green transformation 70 ff. and social responsibility 42 of DB Group and to gradually make all products, services and operating processes more sustainable. Specific tasks include the definition of the integrated sustainability strategy, the associated Group-wide targets and key figures, their planning and monitoring, and the planning, management and implementation of Group-wide transformation projects. This will be used to make recommendations for action or guidelines for DB Group, including business units and service units. They are responsible for implementing the objectives, strategies and measures.

The respective Management Board divisions and business units are responsible for sustainability issues.

Group management focuses further its compliance work 195 ff. on centralized governance activities in particular. Operational responsibility is exercised in the business and service units.

Employee matters 85 ff. are supported by the HR Group functions within the Group management. Group-wide implementation is carried out in coordination with the business units. Aspects of occupational health and safety are not centrally set up, but are integrated into the business activities and taken into account within the management systems of DB companies.

We employ various environmental monitoring tools, which we use to continuously analyze developments in the area of sustainability, in particular current environmental legislation procedures. Our sustainability radar is a core process in the definition of strategy. We also publish a regular newsletter that summarizes current technical and regulatory developments. The use of environmental monitoring tools, participation in ESG ratings and rankings 42 and our cooperation in national and international (sustainability) networks 31 f. ensure that trends and drivers as well as opportunities and risks in the areas of sustainability and the environment, including climate protection and climate resilience management, are monitored for DB Group, and are strategically and expertly evaluated. This ensures Group-wide access to expertise on sustainability and environmental and climate issues.

Sustainability and the environment are high priorities of the Strong Rail strategy. The Supervisory Board is informed in the quarterly Supervisory Board management report on the current status of the sustainability performance. The Management Board is informed monthly. Progress in greenhouse gas reduction 72 ff., noise reduction 82 f. and resource conservation 79 ff. is reviewed at regular performance review meetings held during the business year, which are attended by Management Board members and the management bodies of the business units. The CEO is informed about sustainability-related topics through regular briefings and monthly meetings with the Head of the Sustainability and Environment division.

During the business year, the Chief Compliance Officer (CCO) informs the Management Board about the expansion of the compliance program and significant compliance cases along with compliance risks. In addition, the Management Board receives a compact annual compliance report. The report describes the risk exposure of business units, service units and Group management functions in detail, and highlights existing risk-reducing factors and countermeasures. The CCO also reports on compliance issues, including Group-related and critical issues, at least once a quarter in the Audit and Compliance Committee formed by the Supervisory Board.

SUSTAINABILITY IN REMUNERATION

The structure of the variable remuneration of Management Board members 207 ff., executives and other employee groups 96 f. in DB Group is very much geared toward sustainability targets, with the objective of a sustainable traffic transition and the resulting noticeable CO_2e reduction of DB Group and in the transport sector in Germany in line with the Federal Government's transport policy objectives:

- The long-term variable remuneration (long-term incentive; LTI) of Management Board members and executives with an LTI commitment includes, as crucial factors, a target for the expansion of the proportion of renewable energies in the traction current mix (from 2024 to reduce absolute greenhouse gas emissions in the Integrated Rail System) and volume targets for a sustainable shift in the mode of transport to rail. Achieving these targets is the key lever both for reducing DB Group's CO_2e emissions and for reducing CO_2e emissions in the transport sector in Germany overall.

LTI composition

60 % ESG targets	40 % Financial targets

- In addition, the short-term variable remuneration (short-term incentive; STI) of Management Board members, executives and other employee groups includes as crucial components, aligned with the strategic Strong Rail targets 56 ff., key figures for a sustainable shift in the mode of transport (customer satisfaction and punctuality) and for employee satisfaction and the expansion of the proportion of women in leadership. In addition, personal performance, or for the variable remuneration (annual variable payment) of employees covered by collective bargaining agreements, the reduction of the CO_2e emissions of the railway in Germany, is also taken into account as a further component.

STI composition

60 % ESG targets	20 % Financial targets	20 % Personal performance

Details on the remuneration of the Management Board and Supervisory Board are set out in the remuneration report 207 ff.

SOCIAL RESPONSIBILITY

With more than 292,000 employees (excluding DB Arriva) worldwide, about 1.8 billion passengers per year and numerous partners, DB Group is a central part of society. In addition to environmental and economic aspects, commitment to social issues is also an integral component of our holistic approach to sustainability.

Our social responsibility is expressed in four standpoints that guide our day-to-day actions and serve as a basis for a wide range of activities at all levels of DB Group:

- **Strengthening community:** As one of the largest groups in Germany, we have a responsibility toward a large number of people. We strive to be consistently fair and responsible toward our fellow human beings. As an employer, we attach particular importance to good working conditions 93ff., lifelong learning 89ff. and effective health management 97ff. Ensuring the safety 67ff. and integrity of our employees and customers is also an important focus. Other important topics where we are committed to responsible, fair cooperation with third parties include: compliance 195ff., data protection 199ff. and sustainable supply chains 119f.
- **Supporting social engagement:** As an important participant in society, we are committed to the community beyond our business operations. The independent Deutsche Bahn Foundation 32ff. is of central importance here. In addition, DB Group is also committed to a wide range of social causes, for example in the form of emergency humanitarian aid in crisis situations.
- **Promoting diversity:** The appreciation of social diversity is a central component of our corporate culture. Equal opportunities and inclusion 99ff. are therefore our aim as well as being essential pillars of our HR policy. The appreciation of social diversity applies to us, however, not only in the workplace, but also in view of our customers. Our commitment to accessibility 300 in trains and stations underlines this basic standpoint.
- **Responsibility for our history:** As DB Group, we are inseparable from the nearly 200-year history of the railway in Germany. This includes a rich cultural legacy, but also the history of the Deutsche Reichsbahn under the Nazis.

Further information on social responsibility can be found on our Web site.

ESG RATINGS

The feedback from ESG (environmental, social, governance) rating agencies is an important benchmark and indicator of the interests of our stakeholders. More information is available on our investor relations Web site.

ESG RATINGS	2023	2022	2021	Last update	Scale
CDP (climate rating)	A-	A	A	Feb 2024[1]	A to F
EcoVadis	68	68	61	Jun 2023	The best 1% (75-100) The best 5% (67-74) The best 25% (56-66) The best 50% (47-55)
ISS ESG	B-	C+	B-	Sep 2023	A+/4.00 to D-/1.00
MSCI	A	AA	A	Dec 2023	Leader (AA-AAA) Average (BB-A) Laggard (CCC-B)
Sustainalytics	22.1	24.5	19.7	Aug 2023	Risk assessment: Negligible (0-10) Low (10-20) Medium (20-30) High (30-40) Severe (40-100)

In alphabetical order.
[1] CDP published the 2023 climate rating results in February 2024.

Changes in 2023:

- **CDP:** The CDP rating of DB Group was downgraded in 2023. The drivers for the change from 2022 include increased requirements (in the leadership band) and a change in scoring methods. This result places us in the highest category “leadership” and among the best 6% in the climate change questionnaire.
- **EcoVadis:** With its overall score for 2023, DB Group is one of the top 2% of companies rated by EcoVadis in the “Transport via railways industry” category, and has maintained its score from the previous year. The industry average is 42 points. DB Group was also awarded a silver medal (2022: gold medal) for its sustainability performance. This change from the previous year is due to an adjustment of the medal scale by EcoVadis.
- **ISS ESG:** In the ESG Corporate Rating by ISS ESG, DB Group’s score was upgraded in 2023. This is due, among other factors, to better assessments in the area of “governance” and a positive trend in the area of “eco-efficiency.” This means that DB Group was ranked in the 1st decile, and was once again awarded Prime status.
- **MSCI ESG:** DB Group’s MSCI ESG rating was downgraded in 2023. This was driven by the removal of the previous key issue of “community relations,” with the associated change in the weighting of topics and the relative improvement of the peer group.
- **Sustainalytics:** Sustainalytics adjusted DB Group’s ESG risk in 2023. This is due to a better assessment of the management of individual ESG issues.

FUNDAMENTALS

GRI

Sustainability reporting

The 2023 Integrated Report refers to the reporting / calendar year 2023. For the purpose of comparison of disclosures, most of the key figures are also presented for financial years 2022 and 2021. The Integrated Report is published on an annual basis. The 2023 Integrated Report will be published on March 21, 2024 (2022 Integrated Report: March 30, 2023). The Integrated Report addresses the key stakeholder groups 29ff. of DB Group. The reporting covers all material economic, social and environmental aspects. All fully consolidated DB Group companies are included in the reporting. Deviations from this reporting scope are noted as such.

The data collection methods and bases of calculation used for the data in the Integrated Report are based on the relevant standards:

- **GRI standards:** The Integrated Report was prepared in accordance with the Global Reporting Initiative (GRI) standards. In the GRI Index 292ff., we refer to content on general and specific disclosures.
- **CSR-RUG:** We also implement the requirements of the CSR Directive Implementation Act (CSR-RUG) on a voluntary basis. Information on the key areas of action can be found in the non-financial statement 44f.
- **UN Global Compact:** In addition, the Integrated Report provides information on the implementation of the ten principles of the UN Global Compact (UNGC) 299.
- **TCFD:** Moreover, DB Group follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) on the reporting of climate-related information. The TCFD Index 299 lists references to the relevant passages in the report.
- **External audit:** Significant sustainability-related content, indicators and text passages that do not fall within the scope of the statutory audit of the management report with reasonable assurance are indicated by arrow markings at the beginning (↲) and end (↑) of the corresponding passage and a gray font color and are audited with limited assurance 290f. by a third party appointed separately by the Management Board, the auditing company PricewaterhouseCoopers GmbH (PwC). The preparation of the report in accordance with the GRI standards forms part of this audit.

SELECTION OF SUSTAINABILITY TOPICS

GRI

Our Strong Rail strategy 52ff. also forms the overarching framework for our reporting. We are also reliant on the support and acceptance of our stakeholders 29ff. in order to successfully implement our strategy. In 2019, as part of a comprehensive materiality analysis (2019 Integrated Report 51), we therefore asked them for an assessment of 16 important areas of action for sustainability in DB Group. These areas of action reflect the focus points of our strategy and supplement it with other topics that our stakeholders consider relevant. In 2023, the updated material topic set from the previous year underwent a validation process:

- Using an online questionnaire, we asked DB internal representatives of our eight most important stakeholder groups whether they considered that the material topics established in the previous year still applied. This was confirmed.
- In addition, the material topics were validated in view of their business relevance through a management survey with selected executives.
- In addition to confirming the material topics, the stakeholder representatives had the opportunity to propose additional topics, which they also viewed as important, either from the existing 16 fields of action or freely. For these topics, the stakeholder representatives had to describe the associated effects, distinguish between positive and negative, and allocate each of them to either the economy, environment or society dimension. In addition, the stakeholder representatives assessed the impacts according to how preventable, significant and extensive they are and how likely they consider them to occur.
- The survey results were quantitatively evaluated and qualitatively evaluated in a workshop with experts from the “Sustainability and Environment Strategy and Reporting” and “Investor Relations and Sustainable Finance” departments and then determined as the material topic set with the final involvement of the CSO/CEO.

DB sustainability topics

TOPICS FROM THE TRANSPARENCY ASPIRATION
- Data protection and IT security 199ff., 64
- Noise reduction in rail transport 82f.
- Nature conservation 77ff.

Our sustainability topics

MATERIAL TOPICS ACCORDING TO THE GRI
- Economic performance capability 111ff.
- Corporate management and compliance 195ff.
- Resource conservation 79ff.
- Climate protection 71ff.
- Customer safety 67ff.
- Capacity expansion of the infra-structure and vehicle fleet 54ff.
- Dealing with politics and regulations 29
- Solutions for modern and digital mobility, logistics and service 63ff.
- Customer benefit and product quality 59ff.
- Attractive employer and securing skilled labor 85ff.

ADDITIONAL TOPICS
- Social responsibility 32ff.
- Sustainable supply chain 119f.

Our sustainability topics are made up of:
- **Key topics according to the GRI:** Supplemented by the additional topic of attractive employer and job security since the previous year.
- **Topics from the transparency aspiration:** Arise from our comprehensive transparency aspiration towards our stakeholders.
- **Additional topics:** Supplemented on the basis of an internal assessment of their significance.

TCFD RECOMMENDATIONS

Since 2021, our reporting has included the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This underlines our transparent reporting on climate protection as part of our climate protection efforts and our climate resilience management and also enables us to better understand the extent to which our business is affected by climate change and the implications we derive from this. A corresponding overview is provided in the TCFD Index 299. We have also been a TCFD supporter since 2021.

SUSTAINABLE DEVELOPMENT GOALS

We are committed to meeting the objectives of the 2030 Agenda and Sustainable Development Goals (SDGs) of the United Nations. In 2023, we fundamentally reviewed our selected focus SDGs and, as a result, included SDG 3 "Good Health and Well-being" as a further focus SDG. Hence, we have identified nine focus SDGs that are strongly aligned with our strategic focus areas, business activities and material topics. They also include the key SDGs identified by the International Union of Railways (UIC) for railway companies:
- SDG 3: Good Health and well-being
- SDG 5: Gender equality
- SDG 7: Affordable and clean energy
- SDG 8: Decent work and economic growth
- SDG 9: Industry, innovation and infrastructure
- SDG 11: Sustainable cities and communities
- SDG 12: Responsible consumption and production
- SDG 13: Climate action
- SDG 15: Life on land

NON-FINANCIAL STATEMENT

DB Group has opted for the voluntary submission of a non-financial statement (NFS). As part of our integrated report approach, we provide comprehensive information on all material sustainability topics.

The update of the materiality analysis in 2023 resulted in a change in the key areas of action within the scope of the CSR Directive Implementation Act (CSR-RUG). The topic of attractive employer and securing skilled labor 85ff. was newly classified as material. The contents of the NFS can be found in the relevant chapters of the Combined Management Report and were prepared using the GRI standards and taking into account the UNGC reporting requirements. In addition, we provide additional voluntary disclosures on further matters.

COMPONENTS OF THE NFS	DB topics
Business model	Business model 38ff.
Social matters	Capacity expansion of the infrastructure and vehicle fleets 54ff.
Employee matters	Work of the future 93ff., employment conditions 93ff., Group security 67ff., Transformation 88ff.
Other concerns (customer benefit and product quality)	Customer benefit and product quality 59ff.
VOLUNTARY ADDITIONAL INFORMATION	
Environmental matters	Climate protection 71ff., Nature conservation 77ff., Air quality control 83f., Water consumption 82
Respect for human rights	Human rights 197ff.
Combating corruption and bribery	Compliance 195ff.
Other matters (economic performance capability)	Business development 103ff.

Risk management

GRI

In connection with the requirements of the CSR-RUG, we were not able to identify any material risks associated with our business operations, business relationships, products or services that are likely to have serious negative effects on the most important non-financial aspects (environmental, social and employee matters, respect for human rights and the fight against corruption and bribery). We discuss the impacts in detail in this Integrated Report.

Our risk management 180ff. also considers impacts of sustainability-related aspects and issues.

GRI

Development of business environment

NATIONAL ENVIRONMENT

DB Group

IMPLEMENTATION OF COMMON GOOD-ORIENTED INFRASTRUCTURE

Since the end of 2023, DB InfraGO AG has been the common good-oriented infrastructure subsidiary of DB Group: on December 27, 2023, DB Netz AG was renamed as DB InfraGO AG following its registration in the trade register. At the same time, DB Station&Service AG was merged into DB InfraGO AG. The track infrastructure will be managed, planned and further developed from a single source in the future. The quality, capacity and stability of railway operations will be improved continuously. This will create the conditions for achieving the objectives regarding growth and the shift in the mode of transport set by the Federal Government and the Strong Rail strategy 52ff. The underlying reform package comprises five pillars:

- The first pillar is the overall content-related program for the new management of the infrastructure with the following elements: creation of the high-performance network, maintenance and modernization of the other parts of the network, rapid expansion of capacity, consistent digitalization, stations of the future, efficient service facilities and expansion / new construction and electrification. The new management regime is intended to reverse the trend in terms of aging and quality of the rail network and stations. By 2030, this is expected to create noticeably more robustness and capacity.
- The second pillar is the creation of the necessary legal bases, in particular making the financing regulations more flexible through a reform of the German Federal Rail Infrastructure Extension Act.
- The third pillar will re-establish the financing framework. The financing architecture of the various funding pools is to be simplified based on the recommendations of the Rail Acceleration Commission. In addition, the additional financial resources necessary for the implementation of the entire program need to be provided by the Federal Government, and the content of the Performance and Financing Agreement (LuFV) needs to be developed further.
- With the fourth pillar, the Federal Government intends to further develop the management of the infrastructure.
- The fifth pillar includes the organizational merger of DB Netz AG and DB Station&Service AG.

PROCEDURE FOR THE FEDERAL BUDGET 2024

On July 5, 2023, the Federal Government approved the draft for the 2024 Federal budget and the financial plan to 2027. The budget of the Federal Ministry for Digital and Transport (Bundesministerium für Digitales und Verkehr; BMDV) includes about € 11.5 billion more than previously planned for rail in the period from 2024 to 2027. The additional funds relate to both track infrastructure and other support programs for the competitiveness and innovations of train operating companies (TOCs) in rail freight transport, including support for single wagon transport 48.

On August 9, 2023, the Federal Government concluded the 2024 budget plan for the Climate and Transformation Fund (Klima- und Transformationsfond; KTF) and the financial plan to 2027. A new budget item will be created to support capital expenditures in the railway infrastructure of the Federal Government's rail infrastructure companies (RICs) and will be allocated funding of € 4 billion in 2024. The financial plan up to 2027 totals € 12.5 billion for this budget item.

On November 15, 2023, the Federal Constitutional Court announced that the Second Supplementary Budget Act 2021 was incompatible with the Basic Law and was void.

In December 2023, the Federal Government reached an agreement on the key points for a revised KTF and on adjustments to the core budget to cover the shortfall in cover resulting from the ruling. The agreement stipulates, among other things, that the funds provided for the track infrastructure in the government draft of the KTF will be omitted and additional funds will be made available through equity increases instead. Additions worth € 20 billion overall are planned in the period from 2024 to 2029, of which tranches worth € 5.5 billion are intended for both 2024 and 2025. In the context of budgetary consolidation, the Federal Government's agreement also stipulates that savings amounting to € 380 million will be made in the BMDV budget.

On February 2, 2024, the Federal budget for 2024 212 was approved.

IMPLEMENTATION OF THE RAIL ACCELERATION COMMISSION

On December 13, 2022, the Rail Acceleration Commission presented its final report under the direction of the BMDV. The Commission provides comprehensive recommendations for action to speed up planning, approval and construction processes in rail transport and to further develop financing processes. The creation of a high-performance network 148f. through the general modernization of highly utilized lines is proposed. The Commission has developed a list proposal of 89 measures that can be implemented in the short term, focusing on control points. The aim is to achieve faster approval processes, in particular through legislation modeled on the energy sector – by enshrining in law the overarching public interest in rail expansion, for example. To reduce the complexity of track infrastructure financing, a new financing architecture is recommended that summarizes financing sources and uses proportions of additional income from truck tolls. On June 20, 2023, the BMDV submitted the first progress report on the implementation of the recommendations of the Rail Acceleration Commission. According to this, 17 recommendations are currently being implemented. The implementation of 27 further recommendations is being prepared. Several of the recommendations require amendments to existing laws. Some recommendations of the Rail Acceleration Commission have already been taken into account in legislative procedures. For example, the recommendations on the overarching public interest have largely been implemented and those on truck tolls have been implemented in accordance with the proposal.

The BMDV has announced a government draft for the first half of 2024 for the Modern Railway Act recommended by the Rail Acceleration Commission for the combined implementation of its proposals.

DEVELOPMENT OF ENERGY PRICE BRAKES

The Federal Government is using a financial "defensive shield" to reduce rising energy costs and the worst consequences for consumers and companies. To this end, the Economic Stabilization Fund (Wirtschaftsstabilisierungsfonds; WSF) for 2022 was provided with additional lines of credit amounting to € 200 billion. This was used for financing the gas and heat price brakes and the electricity price brake. The required laws (Electricity Price Brake Act and Natural Gas and Heat Brake Act) entered into force in December 2022. On this basis, rail transport was also protected against sharply increasing energy prices. Reference prices were applied for a "relief quota" of 90 % of the consumption volume.

The WSF is also affected by the ruling of the Federal Constitutional Court on the KTF 45, as credit loans from the previous year can no longer be used in the WSF. As a result, the electricity price brake and the natural gas heat price brakes subsequently expired on December 31, 2023.

DRAFT AMENDMENT TO THE GERMAN FEDERAL CLIMATE PROTECTION LAW

On June 21, 2023, the amendment to the Federal Climate Protection Law was passed. Germany's climate protection targets remain unchanged: by 2030, the reduction is expected to be 65 % compared to 1990 and 88 % by 2040, and net greenhouse gas neutrality is expected to be reached by 2045.

In future, all sectors will be considered in a forward-looking multi-year accounting system. Together with monitoring of emissions data from the previous year, the projected emissions development is to become the basis for action by 2030 as well as for 2035, 2040 and 2045. If the projection data shows a missed target in total annual emissions for two consecutive years, the Federal Government must work out measures to achieve the target.

RESOLUTION ON 2023 CLIMATE PROTECTION PROGRAM

TCFD

On October 4, 2023, the German Federal Government approved the Climate Action Program 2023, which aims to ensure compliance with the 2030 climate protection targets. It includes measures covering all sectors.

For the transport sector, in addition to the areas of increased use of the potential of synthetic fuels, drive changes for trucks and heavy commercial vehicles, the acceleration of climate neutrality for passenger cars, renewable energies and the electrification of air and ocean transport, digitalization, spatial and traffic planning as well as mobility management, the topic of rail transport and strengthening urban and regional transport was addressed.

With regard to rail, the German Federal Government confirms its intention to provide considerable funds in the coming years to modernize and expand the rail network. Priority will be given to increasing the capacity of the core network. The additional capital expenditure requirement by 2027 is expected to be about € 45 billion. To the extent financially feasible, this is to be covered, among other things, by the use of a share of the income from the CO_2 surcharge on the truck toll 46f. In addition to strengthening the capital expenditures for rail, measures include strengthening and digitalizing the existing network, strengthening rail freight transport and a digitalization package for rail.

EXTENSION OF TRUCK TOLLS

On October 20, 2023, the Third Act Amending Toll Regulations was passed. It provides for the reduction of the toll limit for vehicles with a permissible total weight of more than 3.5 t (previously: at least 7.5 t) from mid-2024 and pricing of CO_2 emissions from December 2023. From 2024 to 2027, the Federal Government expects toll income totaling about € 64 billion.

According to the law, half of the total toll income is to be used for mobility measures – and for the most part for Federal rail infrastructure.

Passenger transport

INTRODUCTION OF THE GERMANY-TICKET

The Germany-Ticket, which is valid on local public transport throughout the country, was launched on May 1, 2023, at a price of € 49 per month. An initial interim assessment shows a high level of acceptance among customers and intensive use: in December 2023, about ten million people held Germany-Tickets. About 4 % of users were new customers. Since the introduction of the Germany-Ticket between May and December 2023, DB Regional has recorded a monthly average increase in passengers of about 16 % in comparison with the two months before the introduction of the Germany-Ticket.

During the Minister-Presidents' conference on November 6, 2023, the Federal Government and the Federal states agreed on financing for 2024. For this purpose the Regionalization Act is to be amended and the unspent funding for 2023 transferred to the following year.

The previously valid financing of the Germany-Ticket until 2025 was passed under the Ninth Act Amending the Regionalization Act in March 2023. The Federal Government and the Federal states therefore bear half of the costs for the Germany-Ticket at € 1.5 billion per year in the period 2023 to 2025. Any additional costs incurred by the transport companies during the introduction of the Germany-Ticket in 2023 are also half compensated by the Federal Government and the Federal states. In addition to the increase in regionalization funds, it was decided with this amendment that the increase in train-path and station charges for regional rail passenger transport will be set at 1.8 % per year until 2025. This is a deviation from the previous regulation in the Railway Regulation Act, according to which the charges for regional rail passenger transport are linked to the dynamic use of regionalization funds, which was increased from 1.8 % to 3.0 % from 2023.

IMPLEMENTATION OF GERMANY IN SYNC

Germany in sync is an essential element of the Master Plan for Rail Transport. In 2021, as a result of the assessment of a range of measures for Germany in sync, about 180 infrastructure measures were made urgent priorities in the rail requirement plan. This is linked to a basic ability to finance the measures under the requirement plan. The assessment is based on the target schedule 2030+ drafted by independent Federal Government experts. On November 24, 2023, the Upper House of Parliament (Bundesrat) passed a corresponding amendment to Appendix 1 of the German Federal Rail Infrastructure Extension Act (Bundesschienenwegeausbaugesetz; BSWAG).

At the end of April 2023, the BMDV began the stakeholder dialog to update the target schedule for Germany in sync. The target schedule will be adapted to the changing needs of the users, including concepts for regional rail passenger transport.

At the beginning of November 2023, a new working committee was set up by the BMDV with a project conference in line with Germany in sync for closer cooperation between the Federal Government, the Federal states and DB Group in the expansion and construction of the rail network. The annual project conference is intended to better synchronize measures from the Federal Government and the Federal states to implement Germany in sync and speed up planning.

IMPLEMENTATION OF THE EU PASSENGER RIGHTS REGULATION

The EU Passenger Rights Regulation entered into force on June 7, 2023. It adds an exception to the obligation to provide compensation in cases of force majeure. The national regulatory options are implemented by amending the railway traffic ordinance (Eisenbahn-Verkehrsordnung; EVO) and the General Railway Act (Allgemeines Eisenbahngesetz; AEG): on June 16, 2023, the Upper House of Parliament (Bundesrat) approved the draft law amending the AEG. The amended EVO was approved on July 7, 2023. The existing delay thresholds of 60 minutes and 120 minutes and compensation amounts of 25 % and 50 % of the ticket price will continue to apply to the compensation regulations. The Germany-Ticket is classified as a significantly discounted ticket, which eliminates the right to use higher-value trains after a delay of 20 minutes. In addition, the industry will be required to establish a single point of contact for passengers with mobility restrictions from January 1, 2025. DB Group already operates the Mobility Services Center.

Infrastructure

In addition to the developments described above, such as developments regarding the Federal budget and the common good-oriented infrastructure unit, several legislative procedures are relevant to the infrastructure sector, which are explained below.

AMENDMENT TO THE FEDERAL RAIL INFRASTRUCTURE EXTENSION ACT

On June 7, 2023, the Federal Cabinet passed the Government's draft of a Fourth Act Amending the BSWAG. The BSWAG is the legal basis for capital expenditures on Federal rail infrastructure. With the amendment, the Federal Government intends to remove existing capital expenditure barriers and strengthen the performance capability and availability of track infrastructure. The cabinet draft creates new financing options by opening up public funding to non-capital expenditure elements. In future, maintenance expenses can also be funded by the Federal Government, as are one-time expenses (e.g. decommissioning, IT services) and follow-up costs of measures initiated by the Federal Government. The current legislative procedure has not yet been completed as of the end of 2023.

ACCELERATION OF APPROVAL PROCEDURES

On November 24, 2023, the Law to Accelerate Planning and Approval Procedures in the Transport Sector and implementing Directive (EU) 2021/1187 on Streamlining Measures for Advancing the Realization of the TransEuropean Transport Network (TEN-T) was passed with the approval of the Upper House of Parliament (Bundesrat). For rail, overarching public interest in numerous infrastructure projects (including all projects of the rail requirement plan and the Municipal Transport Financing Act) has been established. The law is intended, among other measures, to speed up exemptions in the area of wildlife conservation. Paperless public participation will be facilitated for all rail-related plan approval procedures. Terms will also be introduced for plan approval procedures on TEN-T corridors. In addition, the reporting date for noise reduction carried out in the last legislative period is being expanded, which is intended to avoid more planning than previously in current plan approval procedures. The law includes a commitment to audit the use of railway facilities for the production of renewable energies.

GERMAN PACT FOR THE ACCELERATION OF PLANNING

On November 6, 2023, the leaders of the Federal states reached an agreement with the German Chancellor on a pact to accelerate planning, approval and implementation. The pact contains numerous measures, some of which are in line with the recommendations of the Rail Acceleration Commission. In particular, these relate to the avoidance of re-planning, the introduction of reporting date regulations on the legal and factual situation at the time of the application and the establishment of wildlife conservation standards. Furthermore, the procedures are to be shortened by optimized environmental impact assessments and plan approval procedures. The plan approval procedures themselves are to be accelerated by introducing a so-called consent fiction when official participation deadlines expire. Further acceleration legislation is to be implemented in order to implement the pact. Initial results are expected to be available in the first quarter of 2024.

RESOLUTION OF INFRASTRUCTURE ACCELERATION ACT

On February 10, 2023, the German Parliament passed the law to accelerate administrative court proceedings in the area of infrastructure (VwGO), which is intended to significantly reduce the duration of court proceedings in the case of projects with “high significance for the economy or infrastructure.” This also includes the expansion of the rail network.

Freight Transport

IMPLEMENTATION OF MASTER PLAN FOR RAIL FREIGHT TRANSPORT

The implementation of the Master Plan for Rail Freight Transport will continue as per the current procedure in order to supplement the work of the Rail Future Alliance. Important issues from the Master Plan for Rail Freight Transport are also included in the Master Plan for Rail Transport. Significant funding instruments for rail freight transport include prorated funding of train-path and facility prices, the Federal Future of Rail Freight Transport Program, the Funding Guidelines for Railway Sidings and the Combined Transport Funding Guidelines.

Since 2018, train-path price support has been in place to relieve rail freight transport. In June 2023, the European Commission approved the corresponding funding guidelines, which had been set to expire on June 30, 2023, for the period from July 1, 2023 to November 30, 2024. In December 2023, the European Commission announced an extension and expansion of train-path price support in the amount of up to € 350 million per year until November 2028.

PROMOTION OF SINGLE WAGON TRANSPORT

In order to strengthen single wagon transport, the Federal Government has been promoting facility pricing in the area of train formation since 2020. In 2023, the total amount available was € 85 million. In the 2023 Federal budget, the Federal Government also created the financial conditions for further support for single wagon transport with a new budget item, with an allocation of € 80 million. However, this payment was not made. In the 2024 Federal budget 212, the item is being increased to just under € 300 million. In order to implement and pay out the funding, a funding guideline is required, which is expected to be published in the first half of 2024. The budget item to promote asset prices will be endowed with € 20 million in 2024, meaning that a total of almost € 320 million is available for the promotion of single wagon transport in 2024.

EUROPEAN ENVIRONMENT

DB Group

REVISION OF THE EU DIRECTIVE ON THE CERTIFICATION OF TRACTION UNIT DRIVERS

The European Commission is revising Directive 2007/59/EC on the certification of traction unit drivers. The objectives of the revision are to improve the mobility of traction unit drivers in cross-border transport throughout the entire rail network in the EU and to facilitate switching to other employers. The topics of standardized operating language, harmonization of training and the new structure of driving licenses and supplementary certificates will be at the forefront.

The draft legislation was to be presented gradually from the end of 2023. However, it is currently assumed that it will probably take place from the end of 2024.

The main focus of the traction unit driver's license directive will remain the issue of the introduction of a (second) operating language across Europe, as well as the required language competence level and its impact on safety, practicality and costs. DB Group, the French state-owned railway SNCF and the International Union of Railways (UIC) have initiated a discussion at the political level as to whether and to what extent digital translation tools are a solution. The European Commission is now examining the extent to which existing language barriers can also be overcome by technical means.

THE EUROPEAN GREENING TRANSPORT PACKAGE

By 2050, greenhouse gas emissions from transport are to be reduced by 90% compared with 1990. To this end, on July 11, 2023, the European Commission presented a comprehensive package of measures. For rail transport, the following proposals are directly relevant: more efficient capacity management in cross-border rail transport, the revision of the Directive on maximum permitted levels and weights in road freight traffic, and a proposal for the standardized calculation of greenhouse gas emissions due to transport. The proposal for revision of the Combined Transport Directive was adopted in a second step on November 7, 2023. The legislative proposals of the European Commission are now being dealt with by the European Council and the European Parliament. In view of the upcoming European elections in June 2024, the legislative procedure is not expected to be completed until 2025. The initiatives are outlined individually below.

Better coordination and management of international rail transport

The objective of the proposal is to create more effective capacity management on the rails, especially in terms of cross-border transport. In future, train operating companies will be able to apply for capacity via a national infrastructure operator in a more flexible way and across all networks. Socio-economic and environmental criteria are to be applied in order to resolve capacity conflicts. The contractual conditions between infrastructure operators and train operating companies should also be more reciprocal, e.g. in relation to changes to assigned capacity rights. The draft regulation contains fundamental amendments to the existing provisions on the awarding of track capacity in EU Directive 2012/34.

Revision of the Combined Transport Directive

The European Commission's proposal stipulates that in future only transports that incur at least 40% less in external costs than freight transport by road will be introduced and funded as combined transport. EU member states are to submit a national strategy framework to reduce the average costs of combined transport by 10%. Details such as the calculation of external costs and the audit of requirements using the planned digital platforms are to be defined in downstream legal acts.

Revision of directive on dimensions and weights in road freight transport

The proposed directive focuses on the possibility of the cross-border use of longer and heavier commercial vehicles based on the European Modular System (EMS) or gigaliners, provided they are already approved in the member states. In order for emissions-free trucks to be supported, they can be 90 cm longer and up to 4 t heavier. The European Commission's objective is to gradually phase out the use of heavy commercial vehicles powered by fossil fuels by 2035. However, in a transitional period up to the end of 2034, conventional combustion trucks may also be heavier and longer. The crucial factor is that the proposals do not result in transport being re-outsourced from rail to road.

Proposal for a directive on the standardized recording and calculation of greenhouse gas emissions due to traffic

With CountEmissions EU, the European Commission aims to create a harmonized European framework for the calculation and reporting of transport-related greenhouse gases. The calculation will apply to both passenger and freight transport. The standardized calculation using the ISO 14083:2023 global standard is intended to provide users, consumers and companies with transparent information that makes it possible to compare emissions.

Passenger transport

LEGISLATIVE PROPOSAL FOR MULTIMODAL DIGITAL MOBILITY SERVICES

The European Commission has announced a legislative proposal on Multimodal Digital Mobility Services (MDMS) to regulate data-related aspects of sales (e.g. transfer of real-time and forecast data) and purely commercial issues (e.g. commitment to enter into contractual relationships under certain circumstances). The European Commission aims to improve access to existing sales channels and real-time data. In addition, journey continuation in the event of disruptions, among other things, is to be improved. The European Commission's draft legislation has been postponed several times. The last submission deadline in October 2023 has also been postponed until further notice. It is expected that the European Commission will only submit its proposal in the next EU legislative term, which will begin in 2024.

DB Group is currently focusing its international sales activities even more strongly on Europe, based on the Ticketing Roadmap of the European Umbrella Association Community of European Railway and Infrastructure Companies (CER), which was adopted in September 2021. The agenda focuses on implementing the most important milestones by 2025 with a focus on rail and expanding them to multimodal applications by 2030. The central components include the Europe-wide implementation of the Open Sales and Distribution Model (OSDM), a common technical interface for connecting the ticketing systems of the railway and sales sectors in Europe.

PROPOSALS FOR MULTIMODAL PASSENGER RIGHTS AND TO STRENGTHEN THE RIGHTS OF CUSTOMERS

On November 29, 2023, the European Commission introduced the Passenger Mobility Package. It includes, among other things, proposals for a new regulation on multimodal passenger rights and a proposal to amend the European passenger rights regulations to strengthen the rights of customers. The European Commission believes that passenger rights in the EU should be worded more clearly for both transport companies and passengers, and their implementation should be improved. In addition, the European Commission has found that there are no EU regulations guaranteeing the rights of passengers who combine different means of transport. For continuous multimodal transport contracts in particular, new liability will be introduced, for example in case of a missed connection between two means of transport. For DB Group, the new multimodal passenger rights could have an impact in particular on cooperations with airlines. The regulation amending the European passenger rights regulations increases the documentation requirements when concluding transport contracts and establishes a monitoring system for the fulfillment of passenger law requirements.

Infrastructure

REVISION OF THE REGULATION ON GUIDELINES FOR THE DEVELOPMENT OF A TRANS-EUROPEAN TRANSPORT NETWORK

On December 14, 2021, the European Commission presented a proposal to revise the Regulation on guidelines for the development of a Trans-European Transport Network (TEN-T network). The objective is to achieve faster completion of the multimodal TEN-T core network by 2030 and the OVERALL TEN-T network by 2050. On December 18, 2023, the European Council and the European Parliament reached a provisional agreement on the proposal. This confirms the proposed new network design with the target horizons of 2030 (core network), 2040 (expanded core network) and 2050 (overall network). In order to ensure timely completion, implementation requirements are planned for the most important cross-border sections and other specific national sections along the European transport corridors. Among other things, the agreed requirements include the introduction of the European Rail Traffic Management System (ERTMS) and the shutdown of Class B train protection systems, minimum line speeds of 160 km/h for passenger trains and 100 km/h for freight trains, as well as better integration of ports, airports and multimodal freight terminals into the TEN-T network. Operational requirements were adopted for rail freight transport, for example at border clearance times. The revision is expected to come into force in the first half of 2024.

Legal topics

PROCEDURE REGARDING ADDITIONAL FINANCING CONTRIBUTIONS FOR STUTTGART 21

At the end of 2016, in order to avoid risks under the statute of limitations, DB Group initiated proceedings in the Stuttgart Administrative Court against the project partners seeking additional financing contributions on the basis of what is known as the negotiation clause. Starting on May 8, 2023, a total of three hearings took place over the summer of 2023. In addition to procedural issues, individual legal aspects of the asserted claims were discussed without a decision being made. The Stuttgart Administrative Court has now set the next hearing for April 23, 2024. The outcome of the proceedings remains open.

EUROPEAN COMMISSION REVIEWS MEASURES FOR DB CARGO

The European Commission is carrying out state aid proceedings against the Federal Republic of Germany relating to possible support measures for DB Cargo AG. The formal investigation procedure initiated in 2022 is the result of a complaint from a competitor from 2018, which sees competition-distorting subsidies in the profit and loss transfer agreement between DB Cargo AG and DB AG as well as in certain other measures. The review procedure is intended to clarify the issues raised with an open outcome.

GRI

ANTITRUST TOPICS

In total, DB Group companies participated in six antitrust legal proceedings in 2023. These essentially included:

- **Truck cartel:** DB Group is pursuing compensation for damages against truck manufacturers involved in the truck cartel who, in violation of competition law, discussed gross list prices of medium and heavy trucks in the period from 1997 to 2011, the transfer of costs for the introduction of emissions reduction technologies to customers and the schedule for the introduction of such technologies. DB Competition Claims GmbH is pursuing the combined claims of DB Group and claims of the German Armed Forces as well as of more than 40 non-Group companies in proceedings before the Regional Court of Munich. In the meantime, an initial out-of-court amicable agreement on compensation for damages has been reached with a truck manufacturer.
- **Air freight cartel:** DB Group is pursuing compensation for damages against the airlines involved in the so-called air freight cartel. US actions filed by DB Schenker have ended in out-of-court settlements. Furthermore, DB Barnsdale AG, which is pooling DB Group's claims for compensation for damages with those of non-Group parties, has so far concluded out-of-court settlements relating to proceedings pending in Germany with ten airlines in proceedings before the Regional Court of Cologne.
- **Rail cartel:** DB Group companies filed an appeal against the ruling of the Frankfurt am Main Regional Court of August 3, 2022, before the Frankfurt am Main Higher Regional Court (OLG) due to serious errors in the facts of the case and in the legal assessment. The Frankfurt am Main Regional Court rejected the claim for compensation for damage by DB Netz AG (now DB InfraGO AG) and other DB Group companies against Moravia Steel, a Czech steel manufacturer, and other companies under the statute of limitations. Between 2001 and 2010/2011, several rail suppliers illegally agreed on delivery rates and prices for deliveries of rails to DB Group. In 2012 and 2013, the German Federal Cartel Office (Bundeskartellamt; BKartA) imposed fines totaling € 134.5 million on Moravia Steel and other cartel members. In December 2012, DB Group brought an action for compensation for damages in the amount of several hundreds of millions of euros before the Frankfurt am Main Regional Court.
- **Online sales:** In administrative proceedings against DB AG conducted by the German Federal Cartel Office which have been running since 2019, the BKartA issued a prohibition decision against DB AG on June 26, 2023. According to its preliminary assessment, the BKartA came to the conclusion that the structure of DB AG's relationship with online sales service providers who distribute their tickets for DB AG as commercial representatives is prohibited in certain respects. The proceedings concern new legal issues relating to online sales and distribution, for which established jurisdiction and administrative practice has been lacking to date. The order obliged DB AG to make changes to its sales system at short notice. No fine has been imposed. DB AG considers the decision unlawful and has filed an appeal against it.

GRI TCFD

STRONG RAIL

Our inner ambition

Our inner ambition is to ensure that Germany has a strong rail system. Building a strong rail system will help our country to overcome existential challenges:

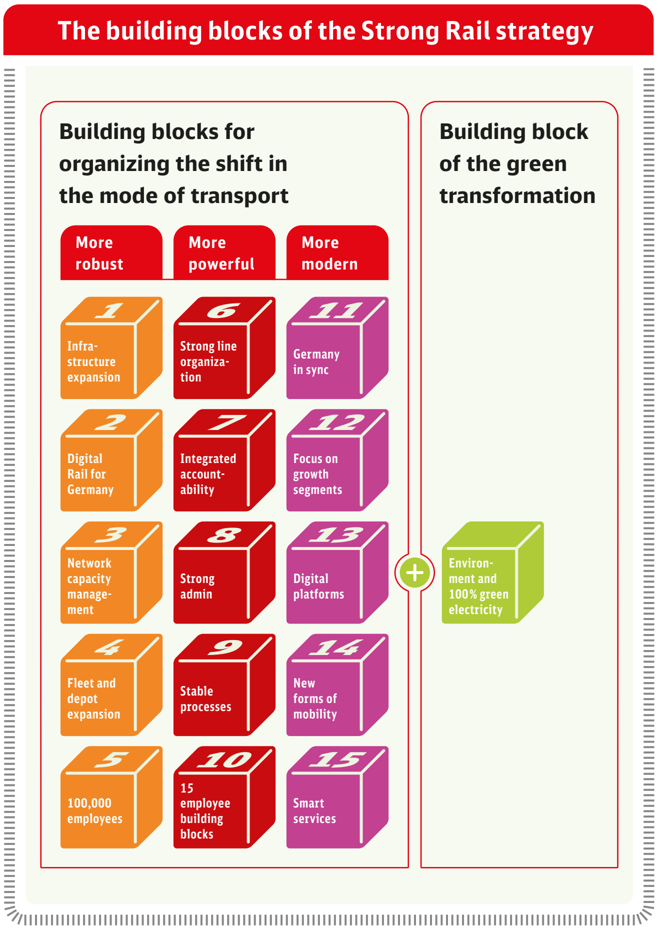
- **For the climate.** Today, no motorized means of transport is as climate-friendly and takes up less space on average than rail transport. In addition, no other means of transport is as electromobile – and therefore as low in greenhouse gases and pollutants – as rail transport, which holds the largest market share of e-mobility and e-logistics in Germany. No other mass transport can achieve a 100% share of renewable energies as quickly – by 2038, we will have converted the DB traction current mix to 100% eco-power. A strong rail system is therefore an essential prerequisite for meeting the climate protection targets of the Federal Government and the EU, because a reduction in emissions in the transport sector cannot be achieved without a massive expansion of the climate-friendly rail system. A strong rail system is a crucial beacon of hope for our climate. In concrete terms, the shift in the mode of transport towards a strong rail system for the climate means savings of up to 10.5 million t CO_2 per year, which corresponds to the annual CO_2 footprint of about one million people in Germany.
- **For the people.** By 2050, almost 85% of the population of Germany is expected to live in metropolitan areas, compared to 77% in the early 2020s. A consequence of this is that the growing amount of passenger and freight transport will present our cities and metropolitan areas with even more logistical, social and environmental challenges than they currently face. The situation is different in many rural areas. Here, one of the key challenges is preserving individual mobility opportunities. In the future, a strong rail system can continue to enable vibrant, urban coexistence and the accessibility of rural regions, because it will enable real freedom of mobility and allow travel time to be used in a variety of ways, without wasting valuable time. In concrete terms, a strong rail system for the people means doubling long-distance rail passenger volume sold, which translates to four million fewer car journeys and 12,000 fewer air passengers in Germany per day.
- **For the economy.** The demand for the transport of goods will continue to grow steadily in the coming decades. At the same time, commutes between metropolitan areas and surrounding regions as well as increasing flexibility in terms of workplaces and working hours will lead to higher demand for work-related mobility. With a strong rail system, this rising volume of traffic can be managed, enabling environmentally friendly economic growth. A strong rail system is therefore a crucial competitive factor for Germany's future economic success. It secures Germany's position as a leading exporting nation. With it, we are competing for the most modern transport logistics, and developing decisive technological stimuli for the future. In concrete terms, Strong Rail for the economy means growth in the modal share of rail freight transport to 25%. This corresponds to about 13 million fewer truck journeys per year on German roads.
- **For Europe.** Germany has a special responsibility for the future of Europe. As well as being the most populous country, it is also the geographic and economic heart of the continent. This role means Germany must be the pioneer and set the precedent for advancing European objectives. Climate protection, jobs, economic growth, social prosperity: much depends on Germany's and Europe's transport routes remaining future-proof. Strong Rail is the necessary link between East and West, North and South. In this context, it is not only an important instrument for cultural cooperation between the individual countries, but also a crucial factor in jointly achieving the goals set. In concrete terms, Strong Rail for Europe means working together to realize a European network.

Implementing Strong Rail

We have set ourselves the goal of harmonizing the economic, social and environmental factors with our business goals. Sustainability is anchored in our guiding principles and is an integral part of our DNA. In response to the rapidly changing environmental, social and political framework, as well as internal challenges, we have formulated a new structural aspiration – our inner ambition – with the Strong Rail strategy at its heart. With the Strong Rail strategy, we expressly acknowledge our social responsibility and define our concrete contribution to achieving the Federal Government's central transport and climate policy objectives. With our new strategic focus, we are also concentrating more on the core business of the railway in Germany to address the internal challenges and growing expectations of stakeholders in Germany with regard to the particular responsibility of DB Group. In order to live up to this responsibility, we will measure everything we do at DB Group on the value of its contribution to a strong rail system. This also applies to our subsidiaries. If they are not strategically relevant for Strong Rail, they will be placed under scrutiny.

With the Strong Rail strategy, we have set the course for a shift in the mode of transport and are expecting to create additional capacity, increase product quality and improve customer satisfaction. Our strategy is a framework with which we both continuously create the internal prerequisites for shifting traffic to the rails and ensure sustainable alignment with the green transformation 70ff. of DB Group. In order to create the necessary systematic and organizational conditions for the shift in the mode of transport, we have identified three strategic areas within the Strong Rail framework:

- **More robust:** We are committed to the extensive expansion of performance-critical capacities. With a long-term focus on growth and technological innovations, we are creating the necessary capacities in infrastructure, vehicles and personnel. Among other things, together with the Federal Government, we are investing billions in the expansion and construction of lines and hubs, additional terminals for freight transport and the purchase of new vehicles. We achieve more capacity through the digitalization of rail operations, better capacity management and extensive and sustainable measures in recruiting and qualification. More trains, more train-paths and more employees will enable us to transport more people and goods while offering a higher quality of service.



- **More powerful:** In order to be able to achieve a high and sustainable performance level in the long term, we will also carry out structural changes. We are simplifying the organization and aligning it systematically with the common goal of Strong Rail. In order to be more customer-centric and respond more quickly to employees, we rely on a strong regular and functional organization, the introduction of customer-oriented collaborative processes to improve cross-business unit cooperation, and an engaging process philosophy with common standards and methods. With simple processes and clear responsibilities, we become faster and more disciplined in our implementation of strategies.
- **More modern:** We will increase the pace of innovation for our customers. With our activities at DB Regional in DB Regional Road and at DB Connect, we offer our customers an integrated service that extends the rail virtually

to their front door and makes a meaningful addition to local public transport. By using digital technologies, we will also facilitate an effortless switch between the different means of transport. The integration of new and innovative forms of mobility and the use of smart services and digital platforms create clear added value for our customers. In this way, we take into account rising customer expectations and create an attractive offer for sustainable mobility and logistics, both in cities and rural areas.

For each of these three strategic areas, we have identified five central issues, which we call building blocks. The key criterion for selecting the building blocks is their importance across business units for our goal of a strong rail system in Germany, and therefore also for the Federal Government's transport and climate policy goals. This has resulted in a total of 15 building blocks to help us to guide the shift in the mode of transport.

However, the shift in the mode of transport to rail can only achieve its full potential if the railway also continues to expand its climate-friendly operations and other environmentally friendly advantages. DB Group's green transformation is therefore a central requirement for the effectiveness of the shift in the mode of transport. To embody the importance of this topic, we have defined another overarching building block through which we aim to ensure the effectiveness of the shift in the mode of transport. Together, these 15 + 1 building blocks form the strategic framework of our business direction. Some building blocks will be newly set up or have their content adjusted in 2024.

EMPLOYEE BUILDING BLOCKS

Our employees are involved in the implementation of the strategy by means of the "15 employee building blocks." The goal is to develop additional building blocks that reflect the key concerns of employees. To date, more than 1,500 employees have contributed as developers.

The building blocks are developed in a participation process. Once a building block has been selected, a "construction manager," together with a team, takes over the concrete design and implementation of this building block within DB Group.

In 2023, eight – or half – of the 15 employee building blocks were completed, five of which have already been integrated into the line organization: "Safe travel," "My knowledge – Your knowledge – Our knowledge" and "Colleagues leave; their knowledge remains," "Knowledge – knowing how the railway works" and "Just ask me." Project teams are working on the implementation of three additional building blocks:

- **Team DB in rail operations:** Individual products have been developed and implemented in order to improve rail operations and strengthen solidarity. At so-called Operational Round Tables, different professional groups and business units talk on-site about their problems and develop solutions that directly improve the day-to-day rail operations. Pilots were carried out for more joint training and further education, which will be implemented nationwide in 2024.
- **Strong leadership. Strong teams:** Strengthening operational management and its local teams is a central goal for our employees and the aim of this building block. An operational manager should have more time for management and have better conditions on-site. A team is currently being set up to implement the appropriate measures, which are scheduled to start in 2024.
- **DB Campus:** DB Campus is intended to create a location for Strong Rail. A team has started planning on the basis of a feasibility study. Concrete implementation is expected to start in 2024.

CAPACITY EXPANSION FOR A STRONG RAIL SYSTEM

Expanding fleet and infrastructure capacity also significantly impacts quality and our punctuality.

Infrastructure expansion

GRI

In order to implement the Federal Government's policy objectives for the transport sector, network capacity must be significantly increased. The Strong Rail strategy envisages an increase in volume produced of about 350 million train-path km, and thus more than 30 % (compared with 2015), for passenger and freight transport combined. According to available forecasts, growth will be disproportionately realized on the existing rail network, which is already highly utilized. At the same time as expanding infrastructure, we also need to ensure a high level of network reliability and capacity, even during the expansion phase. The capacity expansion of the rail network will lay the foundations for sustainable transport and economic development. We can only achieve a high level of performance and growth in the network in cooperation with the Federal Government. To this end, there is a legal framework (for example through LuFV or BSWAG), in which DB Group operates and that has targets against which it is measured. There is a regular exchange with key interest groups on the effectiveness of the measures. Potential environmental impacts are continuously evaluated in accordance with statutory requirements (for example environmental protection, species protection, nature conservation and water protection), and preventive measures and countermeasures are developed on an ongoing basis to minimize environmental impacts (for example noise reduction, compensation areas). The results are continuously reviewed in terms of target attainment.

The LuFV III 273f. will fundamentally guarantee the financing of the existing network. In addition, there are three key levers for increasing the rail network capacity:

- **New construction and expansion:** Implementing new construction and expansion measures 150ff. is a key factor for additional network capacity. We have the potential to create an additional 180 million train-path km (compared with 2015), laying the groundwork for more traffic and for new service concepts. Necessary projects for this are included in the Federal Government's priority requirement plan and will be implemented successively according to the availability of funds. Additional measures supplement these projects, such as further expansion measures to enable Germany in sync or line extensions as part of the Structural Development Act. Small and medium-sized measures, like the 740 m network, are also a key driver for robustness and growth.
- **Digital Rail for Germany (Digitale Schiene Deutschland; DSD):** With the nationwide roll-out of the European Train Control System (ETCS) in conjunction with digital interlockings and digital rail operations, we are increasing capacity by potential additional train-path kilometers – without building new tracks. DSD 65f. includes the completion of ongoing ETCS projects, the implementation of the so-called starter package and the industrialized comprehensive rollout. In addition to increasing capacity, the program also increases the reliability, productivity and interoperability of the railways in Germany and Europe.
- **Capacity management and customer-friendly construction:** With further additional measures, we will be able to increase our volume produced by an additional 70 million train-path km (in relation to 2015). Improved capacity management is an important component of this. This includes coordinating capacity increases, carrying out customer-friendly construction, optimizing traffic, and minimizing disruptions. In addition, for the first time, there is contractual funding for capacity-efficient construction in the form of additional "customer-friendly construction" requirements in LuFV III. This demand for additional capacity helps further reduce capacity restrictions while construction work is taking place.

Due in part to the Covid-19 pandemic and the war in Ukraine, massive price increases have been recorded which have made it impossible for the RICs to fulfill their contractual liabilities under LuFV III in full. For this reason, the RICs and the Federal Government have been in negotiations regarding an adjustment of the contractual rights and obligations. In addition, due to the massive price increases and in order to improve the quality of the infrastructure, the RICs also invested additional funds for replacement capital expenditures and maintenance services in 2023 on the basis of Federal security clearance. The supplementary agreement on LuFV III is intended to create the basis for track infrastructure financing in the transitional phase between current LuFV III and a future, completely new, successor agreement – planned for 2025 – with the following measures in particular:

- financing planning and construction services as part of the general modernization of high-performance corridors,
- the additional (proportional) financing of maintenance services by Government funds,
- the financing of additional replacement capital expenditures as a result of price increases in 2023 and 2024, and
- the repayment of measures prefinanced by the RICs in 2023.

The final vote with the Federal Government and the related parliamentary opinion were delayed due to the ruling of the Federal Constitutional Court of November 15, 2023, and are expected to take place after the planned effective date of the BSWAG amendment and the 2024 Federal budget.

Fleet and depot expansion

GRI

We are continuously investing in the modernization and acquisition of new trains for a strong rail system. In order to meet the increasing maintenance needs of a growing fleet, existing maintenance depots are being expanded and we are investing in new locations for operational maintenance, thereby ensuring improvements in the punctuality and quality of ICE and Intercity trains.

New sites, larger halls and expanded workshops at both existing sites and new maintenance facilities at local centers ensure that train maintenance will be faster and better in the future. When planning the new sites, the involvement of public authorities and local people is a matter of course for us.

In addition to expanding depots, we are optimizing our processes and are also exploiting the opportunities of digitalization and automation for operational maintenance.

In addition to our depots, we are also investing in vehicles. In 2024, 35 ICE trains were added to our fleet (including 23 ICE 4 trains). The last two ICE 4 trains of the 137 trains ordered will be delivered in the first quarter of 2024.

At the end of 2023, 16 ICE 3neo trains were in use. With the increasing number of new vehicles, we are increasing the reliability of our fleet and creating additional seating capacity for passengers.

In addition, the modernization of the ICE T fleet is underway to improve technical reliability and enhance comfort on board. This includes, for example, improving drive components to increase availability and refitting to ETCS Baseline 3 in order to enable use on the corresponding line networks.

In addition, from January to July 2023, we developed one vehicle concept each for a future high-speed fleet in cooperation with two manufacturers. At the end of 2023, a new tender for development, construction and approval heralded the start of the next phase of the project on the way to the high-speed transport of the future. The new generation of trains is expected to be in use from the beginning of the 2030s and is an integral part of Germany in sync. The new ICE generation replaces the ICE 1 and ICE 3. We rely on trains with a maximum length of 400 m and top speeds of at least 300 km/h, a single deck and about 940 seats, which are to set new standards for passengers as well as in terms of energy efficiency and technical availability.

The implementation of the Strong Rail transport targets at DB Regional aims to deliver a significant increase in passenger numbers. We will meet this additional demand both through increased capacity utilization of the trains in the medium term and by increasing the capacity of the vehicle fleet. We are also continuing to invest (together with the contracting organizations) in fleets and depots in regional transport. In the next few years, extensive modernization work will be carried out on the vehicles of the Berlin, Cologne, Rhine-Main and Stuttgart S-Bahn (metro) networks as well as in regional transport in the North–South (Berlin–Brandenburg) network and in the Oberelbe electric network. In addition to improving the technical reliability and comfort of the vehicles, we are also working to increase utilization.

An expansion of the vehicle fleet is planned with the contracting organizations for the transport contract for the Hamburg S-Bahn (metro) by the end of 2026. From 2024, new vehicles for the Donau–Isar, Franken–Südthüringen and MoselLux (Mosel/Luxembourg) networks will also be put into operation under rental models. In addition, from 2025, battery-powered trains will be used in the Palatinate network (Pfalznetz). These can be operated locally with zero emissions, enabling even more climate-friendly regional transport. Additional single- or multi-level multiple units are being procured as part of the transport contracts awarded to service the additional train kilometers.

In order to increase capacity on the existing rail network, vehicles will be equipped with ETCS. The first vehicles were equipped with this technology on the Stuttgart S-Bahn (metro) in 2023. The rest of the vehicles on the Stuttgart S-Bahn (metro) and the vehicles on the Hamburg S-Bahn (metro) will be equipped from 2024.

Over the next few years, there will also be capital expenditures in regional transport workshop infrastructure to maintain and expand maintenance capacities. The focus until 2025 will be on the workshops in Berlin-Lichtenberg, Nuremberg, Tübingen and Ulm. By 2030, capital expenditures are planned at the Cologne, Hof and Kiel sites and the Munich S-Bahn (metro).

The implementation of the measures will be communicated using the usual methods, such as press releases.

Strong Rail targets

TCFD

Concrete measures are the basis of every building block of the Strong Rail strategy. A “construction manager” was named for the operational management of each building block, who is accountable to the Management Board for designing the measures and their operational implementation. The building blocks were incorporated in DB Group’s mid-term plan. We monitor contributions to targets with key performance indicators on a continuous basis.

The basis are the transport policy sector targets of the Federal Government:

- doubling volume sold in rail passenger transport,
- increasing rail’s market share of freight transport to 25 %.

In addition, the German Federal Government’s climate policy objectives are being supported by the switch of traction current to 100 % renewable energies, the electrification of railway tracks and the purchase of alternatively driven or hybrid-driven locomotives.

We use the relevant key performance indicators to pursue the achievement of our Strong Rail strategic targets. In 2023, we further refined these measures and will in future consider 14 instead of ten DB-specific targets in the context of Strong Rail. In this way, we aim to better measure and steer the status of our Strong Rail strategy:

- **Infrastructure:** One important addition to the content is adding the condition grade for the high-performance network to the set of top targets. The strong focus on improving the condition of the infrastructure is therefore also represented in our top targets, and progress in the general modernization is made measurable using comprehensible grade-style logic.
- **Passenger transport:** The punctuality of the whole journey at DB Long-Distance is being added as a new top goal in order to not only measure operational quality, but also measure performance from the customer's point of view in our top targets. We are therefore also guided by industry standards, as in air travel, for example.
- **Sustainability:** In order to increase ESG compliance, our top employee targets will also be expanded to include the share of women in leadership and to include absolute greenhouse gas emissions in the area of climate.

As well as these additions, we are making two changes to the content:

- **Shift in the mode of transport:** In order to record the shift effects at DB Long-Distance even more precisely, we are using volume sold measured in passenger kilometers (pkm) instead of the number of passengers.
- **Customer satisfaction:** We are changing how we present customer satisfaction from satisfaction index (SI) points to an easier-to-understand grade system. This also aligns us with industry-standard benchmarks.

GRI

TCFD

Top targets of the Strong Rail strategy (1/2)

What do we want to achieve?	What is the target?	What are we doing to achieve this?	
SHIFT IN THE MODE OF TRANSPORT			
Doubling the volume sold in long-distance transport (based on 2015)	> 70 billion pkm	– Introduction of Germany in sync – more railway services for major cities and regions with reliable, faster and more frequent connections. – Shorter travel time between many major cities thanks to additional ICE Sprinter connections.	– More seats thanks to the conversion of existing trains and the procurement of new trains. – Better door-to-door connections in close collaboration with our partners, by integrating new forms of mobility.
Increase in passenger numbers in local transport (rail)	> 2.5 billion passengers	– More reliable, faster and more frequent connections. – More seats thanks to the conversion of existing trains and the procurement of new trains in collaboration with contracting organizations.	– Better door-to-door connections in close collaboration with our partners, by integrating new forms of mobility. – Intuitive travel support for everyday travel needs, thanks to intermodal Mobimeo technology.
Increase in volume sold in rail freight transport (in Germany)	Currently no target value	– Expansion of activities as a rail logistics provider and operator, and expansion of rail logistics solutions. – Further development of single wagon transport.	– Expansion of production capacities through capital expenditures in multisystem locomotives, freight cars, automation and digitalization. – Growth in top European corridors through cross-border management of traffic with coordinated schedules.
Increasing the capacity of the rail network	>1.4 billion train-path km	– Expansion of network capacity. This also includes the network design plan for 2030 and Germany in sync. – Implementation of small and medium-sized measures (e.g. control points, track change operations) in order to improve performance capability in the network in the short term.	– Driving digitalization (e.g. rollout of ETCS, DSTW and digital rail operations). – Make better use of existing capacities: fewer disruptions, in part thanks to general modernization in the high-performance network, capacity-saving driving and construction, and transport optimization.
Improvement of condition grade in the high-performance network	≤ 2.5	– Stabilization of maintenance and investment funds. – General modernization of the high-performance network.	– Adapting the maintenance regime.

Top targets of the Strong Rail strategy (2/2)

What do we want to achieve?	What is the target?	What are we doing to achieve this?	
CUSTOMERS			
Increase in customer satisfaction (grade)	≤ 2.0 (DB Long-Distance) ≤ 2.0 (DB Regional Rail) ≤ 2.5 (DB Cargo)	– Improving the customer experience by expanding digital and personal services and (passenger) information.	– Increasing quality of stay at stations by offering new waiting areas, improving cleanliness and safety, expanding the range of services offered and integrating new forms of mobility.
Improving operational punctuality	≥ 80 % (DB Long-Distance) ≥ 95 % (DB Regional Rail) ≥ 77 % (DB Cargo in Germany)	– Short-term alleviation of bottlenecks, among other things by upgrading highly utilized infrastructure with targeted maintenance measures. – Optimization of construction site management for punctual travel and transport chains. – Increasing vehicle availability and quality, among other things by expanding maintenance capacity.	– Introduction of supporting systems, including the implementation of intelligent forecasting systems (Big Data) for an early response to disruptions. – Digital switches 2.0 for the timely detection of impending track disruptions. – Package of measures to reduce malfunction time.
Improvement of punctuality (whole journey) (DB Long-Distance)	≥ 84 %	See “Improving operational punctuality”	See “Improving operational punctuality”
EMPLOYEES			
Increasing employee satisfaction	≥ 3.7 SI	– Anchoring the “compass for strong collaboration” (Kompass für ein Starkes Miteinander). – Employee participation in the “15 employee building blocks” building block. – Ensuring modern and attractive working and employment conditions.	– Continuation of the employee survey including a follow-up process in 2025 to implement changes together in the teams, and continuation of the culture barometer as a strategic instrument for organizational development.
Increasing the share of women in leadership	≥ 30 % by the end of 2024 (share of women in leadership in accordance with Management Positions Act II [FüPoG II])	– Targeted external recruitment, including through DB World Women’s Month, direct search and partnerships with women’s and career networks.	– Attractive working conditions, including making working hours and place of work more flexible, as well as job sharing. – Internal commitment and development measures, including succession planning and career trajectories for women.
CLIMATE			
Increasing the share of renewable energies in DB’s traction current mix in Germany	100 % (by 2038)	– Replacement of expiring power plant contracts with renewable energies.	– Expansion and digitalization of the traction current grid to feed in increasingly volatile energy sources.
Reduction of absolute greenhouse gas emissions (scopes 1 - 2)	0 [1] (by 2040) (Integrated Rail System)	– Increase in the share of renewable energies in traction current and in buildings. – Expanding the electrification of our railway tracks. – Replacing diesel with alternative fuels and drives.	– Start of the heat transition by gradually replacing fossil heating systems with climate-friendly alternatives such as heat pumps.
PROFITABILITY			
Yield (ROCE) above the cost of capital	≥ 5.7 %	– Implementation of all the capital expenditures and expenses required to implement the Strong Rail strategy. – Comprehensive efficiency enhancement programs in the individual Management Board divisions.	– DB Cargo transformation.
Ensuring financial stability (debt coverage)	≥ 20 %	– Improvement of the profit situation through strict cost management, efficiency measures and performance expansion.	– DB Cargo transformation. – Adjustments to the Group portfolio.

[1] After neutralization of unavoidable residual emissions of no more than 10 % of absolute emissions compared to 2019.

PRODUCT QUALITY AND DIGITALIZATION

GRI

Overview of key figures (rail in Germany)

Customer satisfaction

CUSTOMER SATISFACTION DB LONG-DISTANCE / grade — Target: ≤2.0

2028	≤2.3
2023	**2.7**
2022	2.7
2021	2.5
2020	2.4
2019 [1]	2.7

CUSTOMER SATISFACTION DB REGIONAL / grade — Target: ≤2.0

2028	≤2.1
2023	**2.2**
2022	2.2
2021	2.0
2020	2.1
2019	2.2

CUSTOMER SATISFACTION DB CARGO / grade — Target: ≤2.5

2028	≤2.7
2023	**2.8**
2022	2.7
2021	2.5
2020	2.6
2019	3.0

[1] July – December 2019.

Short-term / medium-term target — Long-term target

Punctuality

PUNCTUALITY DB LONG-DISTANCE / % — Target: ≥80

2028	~80
2023	**64.0**
2022	65.2
2021	75.2
2020	81.8
2019	75.9

PUNCTUALITY DB REGIONAL / % — Target: >95

2028	~95
2023	**91.0**
2022	91.8
2021	94.3
2020	95.6
2019	94.3

PUNCTUALITY DB CARGO (GERMANY) / % — Target: >77

2028	~75
2023	**70.5**
2022	66.1
2021	69.8
2020	77.6
2019	73.8

Short-term / medium-term target — Long-term target

GRI

The customer is at the center of our actions

MANAGEMENT APPROACH AND TARGETS

High product quality is one of the most important prerequisites for implementing our Strong Rail strategy 52ff. The greatest levers for improving product quality include a high level of punctuality, the use of modern vehicles, reliable and comprehensive customer and transport information, the quality and reliability of the services offered, and appropriate travel and transport times. That is why we continually invest in our fleet and infrastructure 54ff., and optimize cooperation with our suppliers and sector partners. We are also intensively exploiting the opportunities of digitalization.

Improving punctuality is particularly important as it is the key factor influencing customer satisfaction and therefore makes a positive contribution to meeting our customer needs, also in the context of increasing mobility needs. Only if our transport services are provided in a sustainable manner with a high degree of punctuality will passengers use rail transport over the long term, thereby guaranteeing that a sustainable transport transition will be successful. Punctuality is also the key factor in the stability of production systems. In the long-distance and freight transport sectors especially, delays lead to impaired vehicle and personnel cycles, which in turn have a negative effect on maintenance delivery. This ties up the capacity and resources that are urgently needed for the desired growth in traffic in both passenger and freight transport. From an economic point of view, a high level of punctuality also minimizes the risk of contractual penalties in contracted local passenger transport as well as compensation via passenger rights in long-distance passenger transport.

The importance of punctuality is also demonstrated by the fact that it is a determining factor in the amount of the variable remuneration received by executives 96f.

Improving punctuality requires continuous internal management on the basis of number of delays and additional key figures, which take into account network capacity and availability among other factors. To measure punctuality, we compare the target arrival time to the actual arrival time for every train/bus journey. A stop is rated as on time if the scheduled arrival time is exceeded by less than six minutes in passenger transport or less than 16 minutes in freight transport. We use a punctuality rate to summarize the arrival of trains/buses on schedule or up to the defined maximum delay. Punctuality data is recorded daily and made available to executives and employees together with the other management key performance indicators. The performance is compared with the targets derived from the strategy in order to identify negative deviations but also positive developments in a timely manner.

The development of the management key performance indicators is then presented as part of cascading performance dialogs within and across business units, Management Board and Supervisory Board meetings, as well as management reports to the Management Board and Supervisory Board, in order to set baselines for improvement and to derive focused decision-making needs and countermeasures. In addition, the progress of the agreed measures and the effectiveness of the measures are continuously demonstrated on the basis of further performance progress.

In addition to internal reporting, we also communicate topics relating to punctuality and product quality among other factors for the purpose of transparency and presentation of transport policy positions as part of our stakeholder dialog.

DB Group has made a clear commitment to further develop product quality by defining long-term punctuality targets for long-distance rail passenger transport, regional rail passenger transport and rail freight transport within the framework of the Strong Rail strategy. In order to take into account this commitment and the obligation of corporate planning with regard to quality, the primary measures to ensure the achievement of targets and their financing are set annually in the medium-term and long-term planning and approved by the Management Board.

In addition to the various aspects of product quality, the continuous optimization of the price-performance ratio and product innovations, especially in digitalization 63ff., are key levers for increasing customer satisfaction. We work intensively on the provision of our services and focus on optimizing product and service quality. We offer our customers a comprehensive range of services for their information needs. Our target is to provide our products at a reasonable price-performance ratio in order to meet the expectations of our customers. The focus is on measures that increase the quality of our services, the efficiency of our processes and the profitability.

In order to assess the success of our measures from our customers' perspective, we use direct indicators such as revenues, the number of passengers and satisfaction during the journey experience. In addition to this, we use the results of regular customer surveys to measure our success and find potential areas for improvement.

CUSTOMER SATISFACTION
Development in the year under review

CUSTOMER SATISFACTION / grade	2023	2022	2021
DB Long-Distance	2.7	2.7	2.5
DB Regional (rail)	2.2	2.2	2.0
DB Regional (bus)	2.0	2.2	2.1
DB Cargo	2.8	2.7	2.5
DB Netze Stations (passengers/visitors)	2.5	2.4	2.4
DB Schenker	2.2	2.5	2.6

As part of the further development of the Strong Rail strategy, we have standardized the reporting of customer satisfaction scores by switching to grades. This reflects the level of customer satisfaction on a scale of 1 (very satisfied) to 6 (very dissatisfied). At the same time, the customer satisfaction indicators at DB Long-Distance and DB Regional (rail) were even more closely aligned with the customer experience.

One of DB Group's top targets 56ff. is to achieve a consistently high level of customer satisfaction. In passenger transport, in addition to the development of operational key indicators such as punctuality and capacity utilization, ticket purchase, offering, seat availability, comfort and providing information, play an important role. Regular measuring of customer satisfaction is hugely important. The results of the entire travel experience are discussed in regular performance dialogs and efficient management of customer satisfaction is ensured. The data is gathered in each case anonymously by independent market research institutes. The aim is to conduct a direct survey after the end of the trip in order to better assess the relationships between buying decisions and repeat use. The identified drivers of satisfaction are ranked against each other.

Details on development in the individual business units can be found in the chapter Business unit development 121 ff.

PUNCTUALITY

Development in the year under review

PUNCTUALITY / %	2023	2022	2021
DB Group (rail) in Germany	90.1	90.9	93.7
DB rail passenger transport in Germany	90.3	91.0	93.8
DB Long-Distance	64.0	65.2	75.2
DB Regional	91.0	91.8	94.3
DB Cargo (Germany)	70.5	66.1	69.8
DB Regional (bus)	85.2	86.0	83.9
DB Cargo	69.7	66.3	69.5
Punctuality (whole journey) (DB Long-Distance)	68.9	69.3	76.8

To measure punctuality, we compare the target arrival time to the actual arrival time for every train / bus run. We summarize the arrival of trains / buses on schedule or up to a defined maximum delay in the punctuality rate.

2023 was a year of major challenges in terms of the quality and punctuality of rail transport in Germany. Despite great efforts on the part of rail transport and rail infrastructure companies, punctuality in rail passenger transport has declined further. The reasons for this development were:

- **Poor condition of facilities:** The track infrastructure (e.g. switches, tracks) is outdated and prone to failure, mainly due to a backlog of investment in many areas of the network. This leads to a multitude of infrastructure constraints, which in turn cause train delays. In addition, the program launched already in mid-2022 to inspect and replace damaged concrete ties 149 f. also resulted in considerable restrictions in 2023. Due to the extensive scale of the work, many low-speed sections had to be set up for long periods of time.
- **Intensive construction activity and unstable construction planning processes:** High capital expenditures on the rail network are essential for greater stability and reliability throughout the network. For this reason, a very high construction volume was once again realized in 2023. This affected the highly frequented bottleneck network (including the Riedbahn, the Kassel—Fulda high-speed line, the Cologne—Duisburg line and the Stuttgart hub), where restrictions have a particularly high negative impact on the quality of service. Besides the generally high level of scheduled construction volume, short-notice construction projects proved to be an additional burden in 2023.
- **High network utilization:** About 25% of all trains run through highly utilized sections of track, which are already highly utilized even without construction work because of the high volume of traffic. Moreover, individual transport hubs that have a major influence on the overall network, such as Frankfurt am Main, Cologne or Stuttgart, are operating at high capacity due to a sustained increase in traffic density, particularly at local transport level. Even minor disruptions in operational processes can have a major impact on the quality of operations throughout the network.
- **Lack of robustness in the system:** The current operational challenges across all production processes are leading to an increase in non-scheduled train services. If other disruptive factors affect operations, the lack of resilience will also lead to more severe and longer-lasting effects on operational quality.
- **Tense personnel situation:** Furthermore, in 2023, staff shortages in key operationally critical functions coupled with construction work and multiple strikes resulted in a high scheduling workload at the control centers, which in turn had a negative impact on the quality of operations.

Significant measures for improvement

In 2023, DB Group initiated and implemented a large number of measures to improve and/or stabilize the quality of operations. These measures often only take effect in the medium to long term. In addition, the impact of measures that have already been implemented is partially overcompensated by the negative structural effects.

STABILIZATION OF RAIL OPERATIONS AND IMPROVED CONSTRUCTION WITH SB²

We launched the SB² initiative in 2023 with the aim of stabilizing rail transport operations again. Over the next few years, we will need to carry out modernization and construction work at an even higher level than before in order to become more efficient and punctual again. However, this will require fundamental process changes and improvements.

The core approach in this regard is to implement a new rationale for mandatory and pre-scheduled construction periods for maintenance and capital expenditures, known as the container approach. Its key component is the creation of standardized construction times for maintenance (maintenance containers) and investment construction (investment containers), which makes it easier to schedule and utilize construction times. By earmarking construction times in the schedule over the long term, TOCs can be informed of any changes well in advance and communicate them to their customers.

We want to improve the condition of facilities through coordinated capital expenditures and then maintain this via predefined maintenance intervals using maintenance containers. The container types developed will ensure reliable availability of infrastructure followed by construction-free periods of several years.

Continuously scheduled maintenance prevents disruptions as it enables us to keep a closer eye on the condition of our facilities. Investment activities can be planned at an early stage and with the necessary capacity, also for our partners in the construction industry. Container logic for maintenance is scheduled to start in the second half of 2024. The introduction of the investment containers will be ramped up by the 2027 schedule year, as longer lead times will be required on account of the application deadlines for major construction projects. The measures required for this were defined in 2023 and a functional, cross-departmental program structure was created.

STRONG QUALITY MANAGEMENT

Despite substantial efforts and capital expenditure programs, the quality of our products reached an all-time low in 2023. Not only is this reflected in the dissatisfaction of passengers and the high level of strain on our employees, it also jeopardizes the implementation of our growth strategy.

In our “Strong Quality Management for DB” project, we are focusing on prioritized core processes and are systematically improving them. We are working closely with those responsible for the processes on-site, uncovering weak points and defining effective decision-making and escalation points. Together with the business units and service units of DB Group, we have selected the top processes whose structural changes will enable us to achieve positive effects in the short and medium term and contribute to a sustainable increase in quality from our customers’ perspective.

By establishing additional quality assurance tools and standards, we are able to create transparency and measurability. For example, in the switch renewal process, we were able to identify and counteract the causes of capacity bottlenecks in the preparation of construction documents. In future, additional work will be minimized by reusing existing switch sketches for identical switches in the case of 1:1 replacements.

Steering the vehicle maintenance process at an early stage ensures the availability of materials and personnel when planning and carrying out (initial) inspections. This helps concretely to prevent short-term train cancellations in particular.

To improve our process quality, we are creating the basis for end-to-end digital workflows and comprehensive standards.

OPERATIONAL STABILIZATION AT DB LONG-DISTANCE THROUGH IMPROVED PERSONNEL PROCESSES

We have optimized the following HR processes, among others, in order to stabilize operations at DB Long-Distance over the long term:

- **Increase in train on-call personnel available:** At busy railway hubs and locations prone to delays, additional on-call train personnel are included in the planning.
- **Single-route deployment of personnel:** To further curb the spillover effects of delayed employees, train personnel are increasingly being rostered only on individual routes and axes. For the traction unit drivers, shift planning is carried out in an isolated manner, taking into account a line bundle of train services with similar routes. For train attendants, the planning process takes single-route travel into account.
- **Reliable personnel handovers:** To avoid the risk of delayed personnel handovers and therefore a delay on one train being carried over to another, the buffer times in the train crew’s shifts have been extended. In addition, a buffer for external night’s rest for train attendants and on-board caterers has been included in the shift planning by increasing the minimum overnight period. The aim of this measure is to ensure compliance with statutory and collectively agreed rest periods without transferring delays to trains departing the following day, even in the event of delays of up to one hour. Since the measure was fully implemented in mid-2023, the number of personnel-related delays has been reduced for train attendants and on-board catering staff as well as for traction unit drivers.

Digitalization and technology

MANAGEMENT APPROACH AND TARGETS

GRI

Focus on digitalization and technology

Our digital and technology strategy is geared towards developing a highly intelligent mobility network – connected, automated and customer-centric. In the future, travel should essentially “plan itself” and adapt to changing circumstances in real time in the event of deviations. To this end, our digitalization processes must be understood and designed as an intelligent overall system – a long-term development.

The use cases show where digitalization and technology are the key to success for the Strong Rail 52ff. We will focus in particular on some of these:

- Digital rail operations, because it makes us more robust, for example, thanks to automated timetables and scheduling.
- Digital maintenance, because it makes us more effective, for example, through more efficient materials management and more powerful through forward-looking planning.
- Green rail technology, because it makes us more sustainable, for example by making rail operations more climate and environmentally friendly. The basis for this is the implementation of new technical measures in the areas of climate protection, nature conservation, resource conservation and noise remediation. Examples of this are emissions reductions using alternative drive technologies, energy optimization for the overall system and cost reductions for components through recycling management.

All projects are geared towards sustainably increasing capacity, efficiency and quality. The implementation is accompanied by a new culture created as part of the Compass for Strong Teamwork 92f., which promotes ideas and plans for new working environments, and encourages enthusiasm for new technologies.

IT infrastructure is the basis for driving the development of digitalization. Five elements form the foundation of the digital infrastructure for a strong rail system:

- **Connectivity** as a basis for data transfer and exchange, because a strong rail system needs high-speed communication.
- **Cloud services** as the basis for rapidly scalable and high-performance storage services, because a strong rail system needs efficient and flexible IT resources.
- **Cybersecurity** as the basis for continuous security in more digitalized rail operations, because only a secure rail system is a strong rail system.
- **Development platforms** as the basis for modular services, IT security and the acceleration of software development, because a strong rail system requires high-performance IT.
- **Data management** as the basis for legally secure, standardized and comprehensive data utilization, because a strong rail system needs a clear overview of the Integrated Rail System.

The goal is to have trained mobility systems to detect, calculate and network automatically, and hence to keep everything permanently up to date. Artificial intelligence (AI) determines the pace of this by facilitating new ways of managing capacity, eliminating barriers and satisfying requirements before they are even identified and formulated. The vehicles are highly automated, communicate with each other, update themselves independently and report potential defects even before they occur with new sensors, drones and robots. In combination with a modernized and digitalized infrastructure, which provides for the nationwide rollout of the European Train Control System (ETCS) and digital interlocking (DSTW), the course is being set for the future of the German rail network.

Stakeholders are informed about the priorities and progress in implementing both the use cases and the foundations as part of regular informative events. The progress and effectiveness of program and technology projects are reviewed regularly with the responsible business units and Group functions. If necessary, options for action are discussed and decided upon.

ECOSYSTEMS AND PARTNERSHIPS

GRI

Digitalization and global competition are fundamentally changing market conditions: due to much shorter innovation cycles, markets develop faster, and there is growing pressure on established market players to innovate. We need to act in an ecosystem-focused manner in order to tap into growth potential in this area and ensure that DB Group stays competitive in the long term. DB Group is known for its openness to innovation, which is being systematically expanded through partnerships with the aid of DB Mindbox and Beyond1435 GmbH. Potential partners are selected based on the needs of the DB business units and their solutions are tested in non-binding pilot projects. If the results are promising, various cooperation models can be used to integrate them into the DB Group’s added value chain in order to harness the innovative strength and expertise of these partners on a long-term and binding basis. In line with the Strong Rail strategy, the current focus is on the areas of production and sustainability:

- **Sustainability:** Development of innovative, environmental and customer-focused solutions, particularly in the area of climate protection.
- **Production:** The digitalization of production processes makes it possible to increase the efficiency and effectiveness of operating processes. This means, among other things, that capacity increases and an increase in the availability of trains and cost savings can be achieved in the Integrated Rail System. As one of the first initiatives, we are driving ahead with the development of a central IT platform for the group-wide maintenance of vehicles.

GRI INFORMATION SECURITY

Information security is a priority given an increasingly interconnected global environment and the rapid progress of digitalization. It is essential that companies identify risks in good time, establish countermeasures early on, and react quickly and decisively to incidents. Our top priority is to protect our information technology (IT, such as apps for customers) and operational technology (OT, such as control software in switches) infrastructure for the future. The Chief Information Security Officer (CISO) is responsible for information security in DB Group. The CISO reports to DB Group's Chief Information Officer (CIO) and to the Management Board. This ensures that senior executives are aware of these topics. Key responsibilities are to further develop information security in DB Group and develop a permanent information security culture. This includes establishing future-oriented processes, measures and solutions based on internationally recognized, workable standards that apply equally to new and existing IT/OT projects. All suppliers who work with us must also guarantee firmly defined safety requirements. This applies to collaboration with major cloud providers, such as Microsoft Azure or Amazon Web Services, as well as small and medium-sized suppliers and all suppliers in the Digital Rail for Germany 65 f. environment. Due to the high momentum around the topic and the rapidly advancing technological development, the information security division works closely with universities to promote research and next-generation training. National and international networking is another of the division's core tasks in this respect, especially in European rail transport. Examples include cooperation with the Swiss Federal Railways SBB, major DAX companies and universities such as TU Berlin, the German Armed Forces Command and Staff College and the Mittweida University of Applied Sciences.

FOCUS ON DIGITALIZATION PROJECTS AND CONCEPTS

Artificial intelligence in capacity management

DB Group got the ball rolling on state-of-the-art technologies such as AI at an early stage and tested the first applications back in 2017. We use AI in specific areas where it makes a real difference to DB Group – more trains departing on time, faster and more precise information for customers, quality levels that customers can rely on. AI is used as early on as the scheduling and smart control of transport and extends right through to the digitalization of maintenance.

Having successfully completed the pilot phases, we are now moving on to the actual implementation and widespread use of AI. The objective is to connect the dots to form an intelligent network and to implement pilot projects quickly, in a standardized manner and across all business units.

- **AI factory:** We have reinforced this objective by establishing an AI factory with about 150 employees. This will expand on the initiatives that are already underway in the various business units.
- **Intelligent capacity management:** Thanks to intelligent capacity management, which is a combination of tools for scheduling, rail operations and ex-post analyses of operations, over 100,000 minutes of delay were saved in 2023. The process of operational capacity management involves regulated interaction between the control centers of the TOCs and the RICs. This process-related cooperation is underpinned by two different AI approaches that follow differing regulations and targets. Both approaches are aimed at improving punctuality. Punctuality is paramount for the TOCs. The infrastructure dispatchers strive for optimal capacity utilization across the board. In other words, they try to achieve the greatest possible punctuality for all trains running on the rail network without favoring individual TOCs. The ADA-PMB assistance system provides support in certain pilot areas.
- **Use of AI dispatch:** The AI dispatch process, developed in our AI factory and currently in pilot operation, supports control center dispatchers in managing transport as efficiently as possible when incidents occur. The AI processes the current operating situation by the second based on about 500 pieces of information per minute and generates its suggestions from this. Based on live operations, it continuously simulates the development of the traffic situation and reports potential conflicts early on. This enables the dispatchers to intervene before a disruption occurs. As of 2021, the process has been used on the Stuttgart and Rhine-Main S-Bahn (metro) lines and, as of 2022, in Munich, preventing more than 58,000 minutes of delay.

This has resulted in a significant improvement in the tightly timed metropolitan S-Bahn (metro) network. Due to the positive results from the pilot project, there are plans to run pilot projects on the S-Bahn (metro) lines in Berlin and Hamburg as well as other routes in 2024.

- **Passenger information:** AI is also used with respect to passenger information: using machine learning and big data technology, we have trained an algorithm to predict when, where and why trains generate delays. Every day, about 150 million forecasts are generated for already about 20,000 journeys, which are communicated via channels such as the DB Navigator. AI also automatically analyzes customer feedback received through various channels such as QR codes on trains, the DB Navigator or the ICE portal. The feedback is filtered in real time, sorted by topic and forwarded to the train personnel and employees at the facilities as quickly as possible. This enables personnel to respond in a quicker and more targeted manner.
- **Maintenance:** In maintenance, we use AI for tasks such as visually identifying damages at DB Long-Distance, DB Regional and DB Cargo.

Connectivity

Rail passengers have increasingly come to expect excellent data and cell phone connections as a matter of course. To meet these demands, DB Group is working with cell phone providers to close gaps in the cell phone network along tracks and further expand bandwidths. Expansion is progressing faster than planned:

- Deutsche Telekom has already provided LTE for telephone calls and data with speeds of more than 200 Mbit/s on 97% of DB Group's main lines. In 2021, DB Group and Deutsche Telekom agreed to supply DB Group's entire rail network with high-performance mobile communications coverage without gaps by the end of 2026: > 200 Mbit/s on busy routes, > 100 Mbit/s on other lines. To achieve this, capital expenditures in the three-digit million euro range are underway.
- Vodafone customers shall be able to make calls and surf the Internet largely without interruption on at least about two-thirds of all lines as early as 2025.

The basis for this is not only cell phone reception along the track, but also an improvement in the mobile signal permeability of trains. Together with its partners, DB Group has developed state-of-the-art laser technology to make windows on existing trains permeable to mobile signals by means of lasering. The window panes on these trains are coated with a wafer-thin layer of metal to protect them from heat. It is difficult for mobile signals to penetrate this metal layer. To make them more permeable, a fine mesh structure is incorporated into the metal layer using a laser. The intricate pattern allows mobile signals to enter the train's interior about 100 times better than before. The millimeter-thin lines have only a minimal effect on thermal insulation and therefore on-board comfort. The technology is already in use on some regional trains in Bavaria, Berlin and Brandenburg. DB Long-Distance is also investing about € 50 million to have about 70,000 window panes in more than 3,300 passenger cars lasered. New long-distance trains and many new local transport trains are already equipped with mobile signal-permeable windows.

Data usage on trains will continue to increase significantly in the coming years. Gigabit transmission rates are required for passengers to enjoy telephone and data connections on board at the quality that will be customary for mobile communications in the future. Further digitalization of rail operations also necessitates high-performance transmission technologies along the track, as the 5G-based Future Railway Mobile Communication System (FRMCS) is set to replace the 2G-based GSM-R mobile communications standard. DB Group is therefore working with partners to develop a concept for setting up comprehensive 5G mobile communications infrastructure along tracks in Germany. Up to the end of 2024, the "Gigabit Innovation Track" funding project will be running tests on a 10-km-long test route to determine how the required high transmission rates for passengers can be achieved and how the necessary infrastructure can be set up quickly and in a way that conserves resources.

The need for reliable 5G mobile communications infrastructure is also growing when it comes to train maintenance. To this end, DB Group has piloted a 5G campus network at the Krefeld maintenance depot. This ensures high usability and excellent quality in open-air test sites, in the facility and on/beneath the train. A further 5G campus network for the state-of-the-art Cottbus maintenance depot has now also been put out to tender.

Digital Rail for Germany

Digitalization, automation and AI are the key to higher capacity and optimal utilization of the rail network as well as to improving quality and punctuality. The digitalization of track infrastructure as part of the Digital Rail Germany (Digitale Schiene Deutschland; DSD) initiative includes equipping infrastructure and vehicles. The objective of DSD will be achieved in two stages using various technologies:

- First of all, a digital basis will be established for the infrastructure as part of "Level 1 Plus." This includes digital interlocking (DSTW), the European Train Control System ETCS (Level 2) and highly Automatic Train Operation (ATO GoA2).
- Building on this, more extensive digitalization will be tackled in Level 2: using train-centric safety logic for driving at the optimum distance from other vehicles, intelligent capacity planning and traffic control as well as fully Automatic Train Operation (ATO GoA4). In addition to command and control technology (DSTW, ETCS), transmission systems (FRMCS, bbiP), modern and standardized operating systems (integrated command and control system; iLBS) and ETCS vehicle equipment are crucial for both Level 1 Plus and Level 2.

The implementation of DSD has started in 2020. As part of the launch package, concrete planning and installation of ETCS and digital interlocking began in the context of the Stuttgart Digital Hub (Digitaler Knoten Stuttgart; DKS), the Cologne—Rhine/Main high-speed line and the ability to traverse the Trans-European Scandinavia—Mediterranean corridor (ScanMed). Stuttgart will be the first region in Germany to receive the digital train control and interlocking technology. In order to support the corresponding refitting of vehicles, the BMDV published a vehicle funding directive for the affected vehicles in the DKS, meaning that the vehicle retrofitting process could begin in 2022.

Following the completion of the Sensors4Rail 2023 development project, a fully automated, driverless provisioning and stabling run will be carried out for the first time within the next three years as part of the follow-up Automated Train project. This will include a fully automated set-up and shutdown process among other things. In addition, sensor-based obstacle detection will be used to demonstrate intervention in the vehicle control system.

The iLBS was introduced for the first time at an operating site for regular operation in September 2023. It brings together all applications required for operation and standardizes operation irrespective of the manufacturer. This standardization simplifies operation, training and maintenance considerably. The binding nature of the DSD equipment planning up to 2028 was established by publishing as part of the updated network terms and conditions of use in July 2023.

The main change in the updated DSD rollout planning up to 2030 is the inclusion of the general modernization of the high-performance network 148f. This will accelerate the digitalization of the rail network along the high-performance routes and ensure an early increase in capacity. Obsolescence and operational issues are also being addressed. Digitalization of the rail network is a decisive and inevitable step in this direction. DSD is a major lever for advances in Germany's transition to more sustainable mobility.

DB Group as part of Europe's Rail

Europe's Rail is the European initiative on research, innovation and system integration in the railway sector. The partnership aims to strengthen the cost efficiency, integration and competitiveness of the rail sector in order to achieve the overall vision of a European rail system without system disruptions. For example, work is being done to harmonize the system architecture and on the technical specifications for interoperability (TSI). Other key topics are the digitalization of freight transport with the digital automatic coupling (DAC) and the digitalization of command and control technology through to automatic train operation (ATO).

Digital maintenance

Digitalization and automation of maintenance will increase the availability of vehicles and facilities.

- The digitalization of vehicle fleets for better condition monitoring is progressing. Digitalization has begun on about 800 vehicles from three series. The first 350 vehicles were equipped with sensors and/or diagnosis boxes to use condition data from the vehicles for condition-based maintenance and thus better asset productivity, availability and cost structures. By the end of 2026, all vehicles are to be converted and shall serve as a blueprint for further series. Due to operationally driven reprioritizations, this has been delayed relative to the original plan.
- Digital fleet control is being implemented at DB Regional as a central element of digital vehicle maintenance. The rollout of the "dLox" application to aid train staff in technically recording damage to trains was also rolled out at DB Regional after successful use at DB Cargo. About 28,000 employees at DB Cargo and DB Regional currently use the application in daily operations.
- Automation and digitalization in the depots are gaining momentum. In 2023, the number of automated drive-over measuring systems increased to 11. A total of 14 wheel set measuring systems will be put into operation at the

end of 2024. All DB Long-Distance depots and almost all metropolitan S-Bahn (metro) trains at DB Regional will then have these modern facilities, which will significantly reduce manual work and work hours.

- The AI-based material recognition system successfully introduced by DB Long-Distance began to be rolled out in other business units. At a future date, the application DB.Mat.ID will be available to about 15,000 maintenance employees and will simplify the search for materials. By matching a photo with an image database, the correct component is identified quickly and safely.
- We made further progress with digitalization in the area of vehicle maintenance in 2023: the introduction of digital feedback for performance recording, which started in Kassel in 2022, was rolled out in other workshops. Furthermore, the groundwork was laid to start digitally recording test characteristics in the wheel set workshop in Kassel at the beginning of 2024.

Group security

GRI

MANAGEMENT APPROACH AND TARGETS

Safety is a basic human need. For our customers, safety is an essential criterion when selecting a means of transport. For our employees, safety is a prerequisite for carrying out their work in a responsible and customer-focused manner. Every day, we are responsible for the millions of people and goods that are transported on our infrastructure. Protection against attacks, theft and other criminal offenses along our production processes and travel chains is the top priority of DB Group's security organization. DB Group's internal agencies are in constant dialog with the security authorities. Consistently sharing status information between the Group Security function and the Federal police headquarters is a round-the-clock task shared by DB Group and the Federal police in our security center. The operations centers in the regional divisions of DB Security coordinate regional security issues and are the 24/7 point of contact for the business units, non-Group train operating companies and authorities. In total, about 6,000 Federal police officers and about 4,500 DB security personnel are deployed across Germany. DB Group Security and the Federal police are constantly recruiting new employees and expanding their training capacities. In September 2023, about 100 vocational trainees began their three-year apprenticeship to be safety and security specialists. This means that about 250 young people in DB Group throughout Germany secure young talent in this area. A further increase of up to 500 security personnel is planned in order to meet the obligations arising from the KRITIS umbrella law (Critical Infrastructure Protection Act). The main focus is on building up and training our own personnel resources and scaling back the use of security personnel from contracted companies. The process of filling the positions and qualifying applicants started in the second half of 2023. In addition to vocational training, continuous further education and training are essential prerequisites for a stable security situation. In accordance with statutory requirements, all security personnel employed by DB Group receive a total of 24 hours of training at least four times a year. In 2023, DB Security employees completed up to 50 hours of further training beyond the statutory requirements, depending on their activity. Ongoing training on de-escalation and self-protection is required so that employees are able to act in an empathetic and de-escalating manner in all situations. Content relating to civil and criminal law is taught in the context of fundamental and human rights. Social and intercultural skills are included in the training to ensure that employees interact professionally and empathetically with all people in stations and on trains. The participants alone ensure a diversity of perspectives and cultures: people from more than 50 countries work at DB Security.

The number of crimes committed against DB Group and its customers is below the previous year's level (about –10%). In view of the renewed increase in passenger numbers following the lifting of pandemic-related restrictions, this demonstrates that DB Group's safety concepts are having a positive effect on both actual and perceived safety. The decline in trespassing violations (about –28%) is noteworthy, confirming that the continuous presence of security personnel on trains and in stations is a key factor in ensuring safety. The human factor, which is vital for ensuring safety, is increasingly being supported by technological solutions. Be it video technology, drones, sensor technology or evaluation of data and information using artificial intelligence, opportunities are expanding and job profiles are changing in the security sector. The total numbers of metal theft offenses (about +14%) and ticket machine break-ins (about +10%) increased, but remain on a low level. On the other hand, a slight decline was recorded in graffiti offenses (about –8%).

SECURITY AT DB GROUP

DB Group spends about € 200 million annually on the security of its customers and employees.

The Group-wide Safe Travel 69 program focuses on measures that notably increase security for both employees and customers. Since 2019, DB Long-Distance has gradually expanded the support provided by DB Security on board long-distance trains by commissioning additional services. In particular, additional services were provided for occasions such as soccer fan travel or major events, but increasingly also on busy travel days during regular operation. DB Security employees are currently on duty on long-distance trains both at night and during the day, assisting employees on board the trains, increasing the feeling of safety among passengers and making a major contribution to preventing criminal acts. This enables us to meet the requirements and demands of customers, employees and interest groups.

Technical applications are being used to an increasing extent to better protect employees. Following individual tests involving bodycams for train personnel, DB Regional tested their practical use and effectiveness on a larger scale in three regions for the first time in 2023. The outcome was that there were no assaults on employees equipped with bodycams. According to those taking part in the test, the presence of the bodycam alone averted numerous critical situations. The devices will be introduced throughout Germany in regular operation from 2024, initially on a voluntary basis.

24/7 THREAT MANAGEMENT

Employees should be able to work without any risks to their health and without emotional strain. Many employees are not always able to find the right point of contact for these issues in their immediate working environment. Since 2021, employees have been able to contact threat management experts around the clock in the event of threats and personal distress. Depending on the situation, activities range from advice and referral to further support services to direct intervention in the work environment or requests for support from authorities. Whether employees receive a threat before, during or after their shift, or if they are experiencing stress in their personal lives, specially trained employees receive their reports and decide how to best support them. In 2023, the threat management team received about 150 approaches from employees (previous year: about 100). As in the previous year, about 50 of these cases required further support, in some cases over a period of several months. The increase in the number of approaches is due to the employees' growing awareness of the service.

CONTINUOUS EXPANSION OF VIDEO TECHNOLOGY ON TRAINS AND IN STATIONS

The use of video technology is a decisive component for greater security. We want to increase the number of video cameras in stations to about 11,000 by the end of 2024. By the end of 2023, about 10,000 cameras had been installed in about 800 stations; more than ever before.

DB Group invests not only in quantity, but also in quality: new state-of-the-art multi-sensor cameras monitor everyday life at the station from thousands of angles, making travel even safer. Older video cameras are therefore being gradually replaced by modern ones. The Federal police have exclusive access to the footage saved.

The number of cameras on regional and S-Bahn (metro) trains is also continuing to increase: currently, more than 50,000 video cameras are used to provide clear evidence in the event of an emergency. This means that the interior of more than 80 % of the local transport fleet is under video surveillance – about a third more than in 2017.

PREVENTION WORK

Time and again, accidents occur on rail facilities because people underestimate the dangers of moving trains, speeds and electrical voltage and fail to keep a safe distance. If there is anyone on the tracks who is not rail staff, rail operations often have to be suspended. To prevent accidents and avoid interruptions to rail operations, DB Group is focusing on education and awareness-raising. Following the positive response to the new prevention work established in 2020 regarding hazards on rail facilities, DB Group has increased the number of personnel in the prevention teams. The number of prevention officers was doubled to 24 in 2023 so as to have an even greater presence and more points of contact for internal and external partners. Our focus continues to be on our presence at stations and rail facilities. There, as well as in schools and municipal facilities, employees raise awareness of appropriate behavior at rail facilities, explain the dangers of rail operations and work together with the Federal police on crime prevention.

PRESENCE OF AND CLOSE COOPERATION WITH THE FEDERAL POLICE

We are continuing to steadily increase the presence of our own security officers. The two-person patrols and operations teams made up of security personnel members are being supported in all regions by Mobile Support Groups (MSGs) which are specially qualified for challenging deployments. In addition to the requirements stipulated in transport contracts, this also helps to fulfill safety requirements on trains and in stations. As part of the law enforcement partnership, cooperation between DB Group security personnel and Federal police officers has been further intensified. Joint trainings, the arrangement of qualifications for use in the rail sector and the joint planning and handling of special situations, for example in the case of match-day fan travel, are an expression of the law enforcement partnership and make a concrete contribution to greater security in the rail sector.

ATTACKS ON EMPLOYEES

Due to the gradual introduction of the Corporate Security Platform recording system in the individual business units, the comparability of individual figures of assaults on employees with the previous year is limited.

The number of assaults on employees (including threats and attempts) in 2023 was on a par with the previous year at 3,144 cases (previous year: 3,140 cases). The continuous increase seen in previous years has therefore slowed down. The most frequently affected professions are the train attendants at a rate of 62% and security and law enforcement at 31%. The main triggers for violence against train personnel are having no or invalid tickets, and for violence against security personnel, the enforcement of house rules. Employees with bodycams and security personnel with guard dogs were hardly ever attacked.

"SAFE TRAVEL" BUILDING BLOCK

With the "Safe Travel" employee building block, employees defined safety as a core area of action for DB Group. Thanks to cooperation between the Group Security function and the business units, and in coordination with employees, measures are being implemented to increase the safety of employees and customers: in 2023, activities continued to focus on the development of the Group-wide Corporate Security Platform (CSP). The CSP allows for faster recognition of dangerous situations, a faster and more targeted response and for the situational information gained through continuous evaluation to be incorporated directly into security measures and, in the long term, into security concepts. Any incidents that occur between employees and customers are now recorded in the CSP. In addition to the interfaces with the operational communication systems of the business units, Web-based access is gradually offering more and more employees the opportunity to record incidents and observations, even if they are not integrated into the business unit-specific systems. From 2024 onwards, an app will also be available to DB employees on company devices to supplement the input options available to them. The involvement of all business units, regular dialog with the employees who initiated contact and continuous cooperation with the interest groups create a high level of acceptance and willingness to use the system. This makes the CSP the organizational and functional backbone of security at DB Group.

SÜDKREUZ SECURITY STATION

DB Group and the Federal police are continuously developing their security concepts further. Berlin Südkreuz station serves as a location for testing new technologies under real-life conditions. This includes the illuminated platform edge, which indicates the occupancy level of trains and warns of approaching trains. The SafeNow app, which passengers can use to request assistance, has also been available to customers at Hamburg Central Station since fall 2023.

The "Safe stations for all" study, which DB Group commissioned in 2023 in connection with the security station, sheds light on different forms of use by various stakeholders with regard to subjective and objective safety. One finding is the need for overarching cooperation that focuses more on social services and offers more support to people in social conflict. As a direct consequence of the results of the study, so-called station walkers have been deployed at Berlin Südkreuz and Berlin Ostbahnhof stations since the end of 2023. The station walkers complement and broaden the range of activities carried out by security personnel with a very low threshold social service.

SOCIAL PROJECTS AFFECTING SAFETY IN STATIONS

The station walkers are part of the initiative launched in 2022 by DB Group, the Federal police and the Bahnhofsmissionen (train station welfare centers). The aim is to resolve the often assumed opposition of security and social work by raising awareness among employees and involving new network partners. The focus is on regular dialog and exchange as well as short internships and further training for employees to encourage a change of perspective. In what is now the initiative's third year, DB Security trainees, for example, have broadened their social skills through short internships in social institutions such as the train station and city welfare centers as part of their training.

GREEN TRANSFORMATION

Overview

TCFD

Climate protection

WHAT DOES IT MEAN?

- Climate neutrality by 2040, based on the net-zero understanding of the Science-Based Targets initiative (SBTi) with a 1.5 °C-compliant reduction path.

WHAT ARE OUR MILESTONES?

- 100 % eco-power from 2025 for all our depots, office buildings and stations in Germany.
- 80 % eco-power in the DB traction current mix by 2030.
- 50 % reduction of specific CO_2e emissions by 2030.
- 100 % eco-power in the DB traction current mix by 2038.

WHAT ARE THE MAIN LEVERS?

- Increase in the proportion of eco-power.
- Expansion of electrification.
- Diesel phase-out.
- Start of the heat transition.

SPECIFIC GREENHOUSE GAS EMISSIONS IN COMPARISON TO 2006 / % Target: ≥ – 50 (2030)

2027	~ – 48
2023	– 40.1
2022	– 42.1
2021	– 36.1
2020	– 34.4
2019	– 34.8

Excluding fleet vehicles, DB Schenker stationary divisions and individual divisions of DB Cargo. Excluding USA Truck 171. Until 2020, including DB Arriva.

Short-/mid-term target — Long-term target

PROPORTION OF RENEWABLE ENERGIES IN THE DB TRACTION CURRENT MIX / % Target: 100 (2038)

2028	~76
2023	68
2022	65.4
2021	62.4
2020	61.4
2019	60.2

In Germany. The data for 2023 represents a forecast as of February 2024. The data from previous years corresponds to the status of statutory electricity labeling pursuant to the Energy Industry Act (EnWG) and may therefore deviate from the preliminary disclosures in the previous year's reports. Since 2023, the share of renewable energy is presented separately without support from the Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz; EEG).

Resource conservation

WHAT DOES IT MEAN?

Complete circular economy by 2040

The value and resources contained in key production means remain within the economy for as long as possible. Only primary raw materials required due to technical reasons are incorporated and all waste is recycled if legally possible.

WHAT ARE OUR MILESTONES?

- Output recycling rate ≥ 95 %
- Recycling share of rail steel 45 % by 2030
- Recycling share of track ballast 40 % by 2030
- Recycling share of concrete ties 30 % by 2030

WHAT ARE THE MAIN LEVERS?

- Sustainable and resource-efficient procurement
- (Re-)processing of resources
- Optimization of waste management
- Building up and expanding strategic partnerships with suppliers

RECYCLING RATE / % Target: ≥95 (2030)

2028	≥ 95
2023	96.5
2022	96.7
2021	96.2
2020	95.6
2019	97.7

Period from October 1 to September 30; DB Schenker January 1 to December 31 of the previous year. DB Cargo AG is the only part of the DB Cargo business unit included.

Noise reduction

WHAT DOES IT MEAN?

By 2050, we will have alleviated rail transport noise for all residents living near existing lines affected by it.

WHAT ARE OUR MILESTONES?

- Alleviation for 3,250 km existing lines and about 800,000 residents by 2030.

WHAT ARE THE MAIN LEVERS?

- Continuation of the Federal Government's voluntary noise remediation program (from 1999 to 2030).
- Noise remediation measures on site, such as the installation of noise barriers on lines or soundproof windows on residential buildings.
- Noise remediation measures at the source, e.g. provision of mainline locomotives with quiet brake systems.
- Noise reduction projects with partners in the area of research and development.

TOTAL NOISE-REMEDIATED TRACK KILOMETERS AS OF DEC 31 / km Target: 3,250 (2030)

2028	> 2,800
2023	2,255
2022	2,202
2021	2,110
2020	2,039
2019	1,844

Short-/mid-term target — Long-term target

TCFD

Green Transformation of DB Group

We have to act now in order to leave a viable planet for future generations. We are facing this challenge. This is why we have embedded the green transformation in our Strong Rail strategy 52 ff. We are continuously making all of our products, services and the way we work greener. The Green Transformation of DB Group is a process that we approach holistically across the four areas of environmental action: climate protection, nature conservation, resource conservation, and noise reduction.

This is green.

The environmental brand "Das ist grün." (This is green.) represents DB Group's environmental strategy, the green transformation and more than 150 supporting measures in climate protection, nature and resource conservation, and noise reduction. The individual measures demonstrate how DB Group firmly anchors sustainability into its operational value chain.

GRI TCFD

Climate protection

GRI

MANAGEMENT APPROACH AND CLIMATE PROTECTION TARGET

We aim to be climate-neutral by 2040. Our target year is therefore five years ahead of the Federal Government's target year for Germany becoming climate-neutral 46. In defining climate neutrality 300, we adhere to the net zero standard of the internationally recognized Science Based Targets initiative (SBTi) and thus follow a 1.5°C path to which we committed in 2022. By the end of 2024, we will have our climate protection target reviewed and confirmed by the SBTi on the basis of absolute greenhouse gas reduction paths using scientific criteria. We are also part of the UN's Race to Zero initiative.

In 2023, we backed up our climate protection target with year-by-year greenhouse gas budgets for the Scope 1 and Scope 2 emissions of the business units in the Integrated Rail System. From 2024, we will also monitor these accordingly during the business year. This means that we have a clearly defined greenhouse gas reduction path for these business units and their own assets used. For the expansion of these greenhouse gas budgets, we are currently developing a schedule for managing the relevant Scope 3 emissions. To this end, we have conducted a comprehensive Scope 3 screening for DB Group for the first time and identified the relevant categories. These are Scope 3.1 (purchased goods and services), 3.2 (capital goods), 3.4 (upstream transport and distribution) and 3.11 (use of sold products). The aim for Scope 3.1, 3.2 and 3.4 is to establish supplier engagement targets.

Climate-neutral DB

In order to achieve our climate protection target, we are uniting the related activities across the Group under the umbrella of "Climate-neutral DB." The project is developing greenhouse gas reduction pathways (phase-out plans), improving the transparency of planned measures and optimizing the solutions to the overarching challenges of greenhouse gas reduction. In addition to emissions from rail and road transport operations, emissions from buildings and stationary facilities are also being considered. New climate-friendly technologies are being tested and piloted across the business units. The implementation of our starter packages for diesel phase-out and heat transition is also managed and monitored by the project team.

From 2024, the focus in monitoring target achievement will be on our absolute, and no longer our specific, greenhouse gas emissions. We continue to look at (specific) emissions related to transport performance figures such as volume sold, primarily to make the greenhouse gas efficiency of our means of transport transparent. Achieving a shift in the mode of transport to rail is key to meeting Germany's climate protection targets. Even in a largely electrified transport sector, the low levels of friction generated by wheel-rail contact will be the most efficient way to use energy. On the road to a climate-neutral DB Group, we are using four main levers in the Integrated Rail System:

- Increase in the share of eco-power,
- Expansion of electrification,
- Diesel phase-out, and
- Start of the heat transition.

We have set ourselves ambitious milestones for this:

- In our buildings and stationary facilities, we have also started to switch the power supply to renewable energy sources. From 2025, we will be powering our depots, office buildings and stations in Germany with eco-power only.
- We want to increase the share of renewable energies in the DB traction current mix in Germany to 80% by 2030.
- In addition, we intend to cut specific greenhouse gas emissions globally by more than half by 2030 compared to 2006.
- We intend to have fully converted our train operating companies in Germany to eco-power by 2038 at the latest.

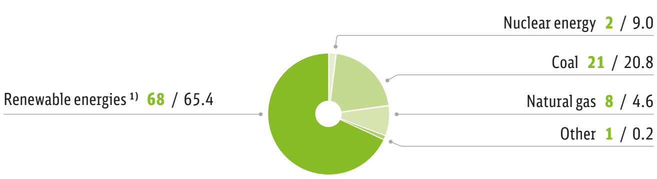
Further digitalization in the area of infrastructure and vehicles as well as capital expenditures in infrastructure also have a positive impact on our climate footprint and our contribution to climate protection. For example, we are currently developing a data-driven recommendation software package (recommender), which is to be used for the assessment of construction work based on capacity utilization and to identify optimal diversions for sections of line affected by construction. The target is to save energy. Following the successful testing and further development of the prototype, the recommender has been in operational use – as part of a pilot phase – in the planning of construction operations in two regions since November 2023. In 2024, the recommender is also to be used in other schedule phases.

DB Schenker is also making an important contribution to achieving the target of climate neutrality by 2040. To this end, DB Schenker is implementing several decarbonization measures, including the use of sustainable aviation fuel (SAF) 170, marine biofuels, HVO and hydrogen trucks No. 53 and No. 164 for land transport, the introduction of alternative drives and the expansion of the fleet of electric vehicles No. 122. By reducing the environmental impacts of its products and operating processes, DB Schenker enables its customers to transition to more sustainable transport methods and thus supports them in achieving their sustainability targets.

On our path to climate neutrality, we are also in dialogue with our stakeholders and cooperate with, for example, foreign train operating companies, including as part of the Europe's Rail initiative and in working groups of the European Railways Association (CER).

SHARE OF RENEWABLE ENERGIES IN THE DB TRACTION CURRENT MIX

DB TRACTION CURRENT MIX IN GERMANY / % — 2023 (forecast) / 2022



The data for 2023 represents a forecast as of February 2024. The data for 2022 corresponds to the status of the statutory electricity labeling (November 2023) pursuant to the German Energy Industry Act (Energiewirtschaftsgesetz; EnWG) and may therefore deviate from the preliminary disclosures in the Integrated Report 2022.

[1] Since 2023, the share of renewable energy is presented separately without support from the Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz; EEG).

In 2023, the share of renewable energies in the DB traction current mix in Germany was further increased on the basis of preliminary figures. In addition, we concluded further long-term power purchase agreements 161 in 2023 in order to make the traction current mix in Germany even greener in the future.

Climate-neutral mobility and logistics begins with the climate-friendly production of energy. In December 2022, we therefore signed a letter of intent with the regional energy supplier swb AG to develop a concept for a CO_2e-neutral facility for the production of traction current at the Bremen site. There are very good prerequisites for climate-friendly energy production, because in addition to the future connection options to the 380 kV maximum voltage grid, the proximity to offshore wind farms and the connection to the planned European hydrogen and CO_2 grid (i.e. (transport) infrastructure for CO_2 from the location of its capture to the destination of its further use or storage is met), local power storage facilities are available. In 2023, cooperation was intensified, and as part of a project two proposals were developed for a climate-friendly power plant solution at the Bremen site.

Since DB Long-Distance passengers travel on 100 % eco-power in Germany, DB long-distance rail passenger transport remained the most climate-friendly motorized mean of transport in 2023. The expansion of renewable energies in Germany also presents challenges. Instead of a small number of large fossil-fuel power plants with a constant energy supply, we need to upgrade our infrastructure to accommodate an increasingly decentralized energy supply from smaller, renewable electricity producers with a volatile performance. LuFV III 273f. will enable us to carry out necessary infrastructure measures in the traction current grid. By 2029, for example, DB Energy will have built seven new converter plants, four of which are under construction or have already been commissioned. We also use sensors and AI so that we can continue to manage the increased complexity of the traction current grid in future with high supply reliability.

GREENHOUSE GAS INTENSITY

GRI

The share of renewable energies in the DB traction current mix in Germany is not the only measure by which we manage our progress in climate protection. We also track the development of our specific greenhouse gas emissions in comparison to 2006.

SPECIFIC CO_2e EMISSIONS IN COMPARISON TO 2006 / %	2023	2022	2021
DB Group	-40.1	-42.1	-36.1

Excluding fleet vehicles, DB Schenker stationary divisions, and individual divisions of DB Cargo. Excluding USA Truck 171.

In line with our climate protection target for 2023, we are slightly below the previous year's figure in reducing our specific greenhouse gas emissions, but are within the scope of our forecast from the 2022 Integrated Report 208. The decline is mainly due to the deterioration in the greenhouse gas intensity in the 16.7 Hz traction current as a result of deterioration in the public electricity mix.

SPECIFIC CO₂e EMISSIONS FROM DB GROUP JOURNEYS AND TRANSPORT	**2023**	2022	Change absolute	Change %	2021
Regional rail passenger transport (g/pkm)	46.1	46.9	-0.8	-1.7	76.5
thereof in Germany	44.1	44.9	-0.8	-1.8	74.1
Long-distance rail passenger transport (g/pkm)	0.6	0.9	-0.3	-33.3	1.4
Bus transport (g/pkm)	68.1	75.5	-7.4	-9.8	100.4
thereof in Germany	93.8	110.5	-16.7	-15.1	117.2
Rail freight transport [1] (g/tkm)	18.4	15.9	+2.5	+15.7	17.2
thereof in Germany	20.1	14.5	+5.6	+38.6	16.2
Road freight transport [2] (g/tkm)	81.7	80.6	+1.1	+1.4	82.0
Air freight [3] (g/tkm)	674.2	666.9	+7.3	+1.1	657.3
Ocean freight [3] (g/tkm)	5.7	5.7	-	-	5.5

Well-to-wheel (WTW); Scope 1–3; rail transport companies are taken into account with their own electricity mix or their respective national mixes. Includes DB Arriva.
[1] In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher.
[2] Excluding USA Truck 171.
[3] Excluding pre-carriage and on-carriage.

An important lever for becoming climate-neutral by 2040 is the diesel phase-out. To this end, we are using an approach that is open to all technologies with alternative fuels and drives 74 f.

In addition to the diesel phase-out, we are greening the heat supply green. No. 97 in order to achieve climate neutrality. At the end of their life cycle, we are gradually replacing heating systems operated with fossil fuels with climate-friendly alternatives. In 2022, energy supply concepts were created for the top 50 DB Group sites in Germany. In addition, energy supply concepts were created for another 50 priority sites in 2023. The results are incorporated into specific phase-out plans and the respective sites are now gradually being re-equipped accordingly.

OVERVIEW OF GREENHOUSE GAS FOOTPRINT

GRI
TCFD

ABSOLUTE CO₂e EMISSIONS BY JOURNEYS, TRANSPORTS AND STATIONARY FACILITIES / million t	**2023**	2022	Change absolute	Change %	2021
Regional rail passenger transport	2.02	1.92	+0.10	+5.2	1.99
thereof in Germany	1.65	1.56	+0.09	+5.8	1.59
Long-distance rail passenger transport	0.03	0.04	-0.01	-25.0	0.04
Bus transport	1.33	1.39	-0.06	-4.3	1.58
thereof in Germany	0.57	0.56	+0.01	+1.8	0.53
Rail freight transport [1]	1.45	1.48	-0.03	-2.0	1.70
thereof in Germany	1.04	0.87	0.17	+19.5	0.98
Road freight transport [2]	3.04	3.32	-0.28	-8.4	3.15
Air freight [3]	5.80	6.92	-1.12	-16.2	7.07
Ocean freight [3]	1.45	1.51	-0.06	-4.0	1.56
Other transport [4]	0.11	0.11	-	-	0.11
Stationary facilities	1.43	1.23	+0.20	+16.3	1.32
Total	**16.65**	**17.92**	**-1.27**	**-7.1**	**18.52**

Well-to-wheel (WTW), Scope 1–3, financial control approach, Scope 2 market-based, Scope 3 category 3.4 according to GHG Protocol. Includes DB Arriva.
Individual figures are rounded and therefore may not add up.
[1] In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher.
[2] Excluding USA Truck 171.
[3] Excluding pre-carriage and on-carriage.
[4] Including DB Connect, intra-company traffic, for example.

ABSOLUTE CO₂e EMISSIONS ACCORDING TO SCOPE 1–3 / million t	**2023**	2022	Change absolute	Change %	2021
Scope 1 emissions	2.30	2.77	-0.47	-17.0	3.30
Share of total emissions (%)	13.8	15.5	-1.7	-	17.8
Scope 2 emissions [1]	2.99	3.05	-0.06	-1.97	3.19
Share of total emissions (%)	17.9	17.0	+0.9	-	17.2
Scope 3 emissions [2]	11.37	12.11	-0.74	-6.1	12.02
Share of total emissions (%)	68.3	67.5	+0.8	-	65.0
Total	**16.65**	**17.92**	**-1.27**	**-7.1**	**18.52**

Well-to-wheel (WTW) Includes DB Arriva. Excluding pre-carriage and on-carriage in air and ocean freight. Excluding USA Truck 171. In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher. Upstream fuel and energy-related emissions (Scope 3.3 according to GHG Protocol) are reported in Scopes 1 and 2. Individual figures are rounded and therefore may not add up.
[1] Determined by taking a market-based approach.
[2] Category 3.4 emissions according to the GHG protocol.

Our greenhouse gas footprint shows the amount of greenhouse gases that we emitted in one calendar year. It is made up of:

- the greenhouse gas emissions we caused from DB Group's vehicle fleet for rail and road traffic and from stationary facilities such as stations or workshops (Scopes 1 and 2, incl. Scope 3.3 in accordance with the GHG Protocol), and
- emissions from transport and transport services commissioned by DB Group (Scope 3.4 in accordance with the GHG Protocol).

Absolute greenhouse gas emissions are the basis for calculating our specific greenhouse gas emissions and our climate protection target 71 f. within the limits set for this purpose. They also act as a benchmark for our efficiency improvement measures and provide a basis for us to compare our performance with other companies.

In 2023, DB Group's absolute greenhouse gas emissions fell significantly. This is mainly due to volume development at DB Schenker in ocean and air freight, as well as land transport. As a result of the increase in the greenhouse gas intensity of the electricity trade mix we procured in Germany, greenhouse gas emissions in regional rail passenger transport and rail freight transport and our stationary facilities have increased, despite an improvement in energy efficiency in train operating companies. Transport services in global rail freight transport (in particular from/to China) decreased sharply as a result of the Ukraine war, resulting in a decline in rail freight transport.

- The Scope 2 emissions take into account market-based mechanisms, meaning that this figure includes all contractually regulated instruments for generating and trading electricity from renewable energies. In accordance with the Scope 2 guidelines of the Greenhouse Gas Protocol on dual reporting, we also report location-based

Scope 2 emissions. If we take the respective national energy mixes as a basis for the greenhouse gas accounting, the Scope 2 emissions amount to 3.93 million tons of CO_2e.

- Our subcontractors account for the largest proportion of our greenhouse gas emissions (Category 3.4 according to the GHG Protocol). In DB Schenker's Preferred Carrier Program, we favor working with shipping companies and airlines that operate modern fleets and that value sustainability. Advising our customers on climate-friendly logistics is an integral component of the service portfolio of DB Schenker and DB Cargo. DB Schenker is a premium member of the Smart Freight Centre and is also part of its initiatives, such as the Clean Cargo Group and the Clean Air Transport Program, which set industry standards for the tracking and reduction of greenhouse gas emissions for logistics.

GRI Methodology used for greenhouse gas accounting

Greenhouse gas accounting is based on the Group-wide final energy consumption and performance data collected and aggregated, as well as the standardized emissions and energy factors used by DB Group. The sources for the factors and methods used are the Institute for Energy and Environmental Research Heidelberg (Institut für Energie- und Umweltforschung Heidelberg; ifeu), the accounting tool EcoTransIT World, the Federal Environment Agency (Umweltbundesamt; UBA), DB Group's own calculations, the GHG Protocol and DIN EN ISO 14083. In our greenhouse gas accounting, in addition to the most important greenhouse gas in terms of volume – CO_2 – we take into account the greenhouse gases that are relevant to us, methane (CH_4) and nitrous oxide (N_2O). The global warming potential (GWP) values are based on the 5th IPCC status report (100-year GWP).

ALTERNATIVE DRIVES AND FUELS

Our measures, analyses and testing in the area of green technologies also include alternative drives. These are low-emissions alternatives to pure diesel drives. Our target is, for example, to stop all diesel buses by 2038.

The use of alternative fuels is another way to achieve climate neutrality. To do this, we use our advanced TrainLab green No. 159 in which we are testing new railway transport technologies.

In numerous projects and initiatives, we test possible implementation variants for their practicality, in some cases together with partners:

- **Hydrogen drive:** We have concluded a framework agreement with the Portuguese manufacturer Caetanobus on the delivery of 60 hydrogen buses green No. 53 by 2026. On one full tank of hydrogen, the vehicles can travel between 350 km (in winter) and 550 km (in summer). Autokraft currently has two previous versions of the ordered buses in use.
- **Ammonia hydrogen engine:** In 2023, we successfully conducted the first test stand tests with an ammonia hydrogen engine green No. 56. The correspondingly re-equipped engine was able to provide several hundred hours of operation under full load using ammonia and hydrogen. In the next step, the tests are carried out with a higher-performance class motor in order to be able to continue in a rail vehicle in the future.
- **Overhead wire islands for battery-powered trains:** The so-called catenary islands green No. 45, the construction of which are to be completed in Schleswig-Holstein by 2024, are a further step in the diesel phase-out. Battery-powered trains are able to run completely electrically on partially electrified lines because they are charged on overhead wire islands.
- **Innovative charging station:** With a new stationary charging station, DB Energy, Erzgebirgsbahn and the SRCC railway research campus at the Annaberg-Buchholz site want to drive the shift towards battery-powered trains. The target is to charge battery-powered trains on non-electrified lines during station stops. This requires an interface to the general German power grid and it must be ensured that the grid is not overloaded when charging the trains. The wallbox for trains will be tested for one year, and should be available for regular operation from 2024.
- **Modern depot for e-buses:** A new, modern depot for DB Group's largest connected e-bus fleet green No. 63 opened in Frankfurt am Main at the end of June 2023. Twenty-seven new electric buses can be charged at a total of 20 charging points, with 100% eco-power. All the roofs of the depot are equipped with photovoltaic systems. The electricity generated from these flows directly into DB's power grid.
- **H2goesRail:** As part of the H2goesRail project green No. 53, DB Group is testing solutions for the use of green hydrogen and is working together with Siemens Mobility on an innovative complete hydrogen system consisting of supply infrastructure, train and maintenance infrastructure. We

have developed a new method which, for the first time, means that a hydrogen train can be refueled at the same speed as a diesel train. DB Regional will test the new drive in the Mireo Plus H hydrogen train and the DB Energy fast filling system in 2024.

- **Biofuel HVO:** We are investing in green technologies, for example in the scaled use of the biofuel HVO green. No. 164 (hydrotreated vegetable oil). The HVO used by DB Group is produced exclusively from biological residues and waste materials. Compared to conventional diesel it produces about 85% to 90% fewer accounted greenhouse gas emissions depending on the composition of the raw material.
  - In 2023, we expanded our use of HVO in rail transport and a total of 13.7 million l (previous year: 2.7 million l) of HVO was used by DB Regional Rail, DB Cargo in Germany and DB Long-Distance. Throughout Germany, the availability of HVO at rail filling stations has been expanded from 5 to 14 filling stations as part of the starter package for diesel phase-out. Since April 2023, for example, the conversion of the filling station at the Munich North marshaling yard to HVO has saved about 9,000 t CO_2e per year.
  - By the end of June 2024, about 1,800 t CO_2e will have been saved as part of a pilot project on the Southeast Bavaria Railway (Südostbayernbahn) through the use of about 650,000 l HVO.

GRI ENERGY EFFICIENCY

Increasing energy efficiency is another component of achieving our climate protection target. Our measures to increase energy efficiency include, in particular, further electrifying our track infrastructure and reducing our energy consumption.

SHARE OF ELECTRIFICATION IN GERMANY / %	2023	2022	2021
Electrification of track infrastructure (length of line operated)	62.3	61.7	61.5
Electrification of high-performance network [1]	99.0	–	–
Transports carried out electrically by DB Group in rail passenger transport and rail freight transport (based on weight-related ton-kilometers; Ltkm) [2]	93.0	92.7	92.3

[1] The electrification of the Fehmarn Belt fixed link, which has not yet been completed, corresponds to about 1% of the high-performance network.
[2] Includes DB Fernverkehr AG, DB Regio AG, S-Bahn Hamburg GmbH, S-Bahn Berlin GmbH, RegioNetz Verkehrs GmbH, DB Cargo AG, without switching maneuvers.

- In 2023, we started preliminary planning for the electrification of 55 km along the Landshut—Mühldorf line, meaning that in future, climate-friendly journeys from the Inn to the Isar will be possible.
- In addition, we are consistently renewing our fleet. For example, we rely on feeding converted braking energy green. No. 19 into the overhead wire for our new locomotives and multiple units. In 2023, the energy recovery rate was 17.9%, as in the previous year. In 2023, the fleet of vehicles equipped with energy recovery technology continued to grow, e.g. due to the addition of additional ICE 3neo and ICE 4 trains 55f.
- We are also training and supporting our drivers in energy-saving driving. The continuous roll-out of driver assistance systems green. No. 8 such as LEADER at DB Cargo and RESY at DB Regional, or the use of longer trains at DB Cargo, are helping us to further reduce consumption and increase energy efficiency.
- In 2023, we carried out an analysis of energy consumption at a DB Regional maintenance depot in Aachen, where self-closing hall doors were installed. We achieved savings of about 13% in energy consumption, meaning that we started planning for refitting at three other sites in 2023.
- We commissioned TU Darmstadt with a study for a pilot project to examine the technical feasibility and potential estimation of geothermal energy in tunnel construction to increase our energy efficiency.

SPECIFIC PRIMARY ENERGY CONSUMPTION BY DB GROUP JOURNEYS AND TRANSPORT	2023	2022	Change absolute	Change %	2021
Regional rail passenger transport (MJ/pkm)	0.73	0.83	-0.10	-12.0	1.37
in Germany	0.68	0.82	-0.14	-17.1	1.34
Long-distance rail passenger transport (MJ/pkm)	0.21	0.23	-0.02	-8.7	0.35
Bus transport (MJ/pkm)	1.04	1.11	-0.07	-6.3	1.49
in Germany	1.43	1.57	-0.14	-8.9	1.66
Rail freight transport [1] (MJ/tkm)	0.31	0.28	+0.03	+10.7	0.30
in Germany	0.27	0.26	+0.01	+3.8	0.28
Road freight transport [2] (MJ/tkm)	1.29	1.22	+0.07	+5.7	1.23
Air freight [3] (MJ/tkm)	9.37	9.17	+0.20	+2.2	9.29
Ocean freight [3] (MJ/tkm)	0.08	0.08	-	-	0.07

Well-to-wheel (WTW); Scope 1–3; rail transport companies are taken into account with their own electricity mix or their respective national mixes. Includes DB Arriva.
[1] In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher.
[2] Excluding USA Truck 171.
[3] Excluding pre-carriage and on-carriage.

The improvement in the specific primary energy consumption in regional and long-distance rail passenger transport is due to a further increase in train utilization and efficiency measures to reduce energy consumption. The deterioration in rail freight transport resulted from a noticeable decline in performance. The freight forwarding and logistics sector also recorded a decline in volumes in 2023. In addition, deterioration in capacity utilization in road freight traffic and the increased use of older freight aircraft and more belly freight (i.e. passenger aircraft transporting freight under the lower deck) also had a negative impact.

Stationary energy consumption

ABSOLUTE PRIMARY ENERGY CONSUMPTION OF DB GROUP STATIONARY FACILITIES IN GERMANY / terajoules (TJ)	2023	2022	Change absolute	Change %	2021
Rail network operation	4,966	5,128	- 162	- 3.2	5,600
Passenger stations	2,333	2,519	- 186	- 7.4	2,640
Maintenance of rolling stock (facilities)	2,721	2,978	- 257	- 8.6	2,539
Other	3,227	3,182	+ 45	+ 1.4	4,157
Total	**13,248**	**13,807**	**- 559**	**- 4.0**	**14,936**

Individual figures are rounded and therefore may not add up.

By disclosing primary energy consumption, we also take into account the upstream processes involved in providing energy, such as the extraction, treatment and transport of fuels or processes for generating electricity. Our about 5,400 stations, interlockings and operating facilities, our depots and buildings in Germany, DB Schenker's more than 1,850 sites worldwide and the DB Arriva and DB Cargo sites in other European countries account for 6.7% of DB Group's total primary energy consumption (previous year: 6.1%).

In order to continuously identify savings potential and sustainably reduce energy consumption and therefore greenhouse gas emissions, nine Group companies, including DB Energie GmbH, DB Regio AG and DB Fernverkehr AG, are currently operating a certified energy management system green. No. 78 (EnMS) in accordance with DIN EN ISO 50001. According to estimates, 40 Group companies will be affected by the obligation to introduce an EnMS in accordance with the Energy Efficiency Act (EnEfG) which entered into force in 2023.

TCFD ADAPTATION TO CLIMATE CHANGE

As an operator of critical infrastructure and as an organization with high land use, we are potentially severely impacted operationally by the effects of climate change on our core business, the railway in Germany. That is why we are intensifying our efforts in the Integrated Rail System to prepare, among other things, railway technology for the increasing weather extremes caused by climate change. We rely on, among other things, the scientific statements of the studies commissioned by the Potsdam Institute for Climate Impact Research (PIK) to advance the strategic further development of our climate resilience management.

Analysis of climate scenarios

In 2021, we once again commissioned the PIK to conduct a study examining the climatic changes in Germany up to 2060 and their expected impact on DB track infrastructure, using two climate scenarios from the IPCC:
- RCP 2.6 (compliance with the 2°C target) and
- RCP 8.5 ("continue as before").

The results predict significantly more heat days and less harsh winters. At the same time, extreme weather conditions such as heavy rains will increase and the intensity of storm events will continue to increase, too. For the first time, the study also provides detailed forecasts of the climatic effects in the 34 transport regions of DB InfraGO. The findings from the PIK study from 2021 in conjunction with the applied methodology of the BMDV network of experts form the basis for our further climate impact analyses in the other areas of the Integrated Rail System. We are already detailing the financial impact of extreme weather events in the context of major damage events.

The results of an exposure analysis carried out specifically for passenger stations as a first step in the climate impact analyses confirm the results of the PIK study that the effects of climate change differ greatly by region. We are in close contact with the German Weather Service (DWD) and the German Adaptation Strategy for Climate Change (DAS) Basic Service in order to close any data gaps that are still available for further analyses. Our target is to expand the analyses to other business units. The results of the exposure analyses form the basis for further analysis steps in the climate impact analysis with the criticality analysis, at the end of which there is a need for specific adjustments. For these, adjustment measures must be identified and evaluated in order to further increase DB Group's resilience to extreme weather conditions.

Measures to adapt to climate change

In 2023, we once again intensively supported the work of the BMDV network of experts by providing data and our expertise in several projects across different modes of transport and Federal authorities, e.g. to test a resilience management concept covering different modes of transport.

In response to the expected future increase of extreme weather conditions and the simultaneous expansion of rail transport in Germany, we are taking various measures to mitigate the consequences of climate change for DB Group: At DB InfraGO, the natural hazard management department deals with extreme weather events and adapting to climate impacts in order to reduce the negative effects on the track infrastructure to a minimum. Natural hazard management has identified three core areas for this purpose. In addition to vegetation management for storm damage prevention, winter management and heat prevention are also being strategically further developed.

Group-wide, all efforts required for reliable rail operations in the face of the challenges of climate change are pooled in the "Climate-resistant rail technology" program. The target is to determine and implement the necessary measures on the basis of climate projections in order to make the rail technology, such as vehicles, infrastructure and other structures, technically resilient. In addition, various technologies aimed at protecting sensitive components in the command and control technology from increasingly long and intense heat waves were examined in 2023. These are to be tested in operation for the first time in 2024 as part of a research cooperation with the German Center for Rail Transport Research. Together with a partner, we tested a train-supported embankment irrigation system in regular operation and approved it. In future, it will allow us to carry out work which carries a risk of fire, such as rail welding, even during periods of drought.

Following the flood in North Rhine-Westphalia and Rhineland-Palatinate in 2021, DB Engineering&Consulting (DB E&C), in cooperation with the Institute of Hydraulic Engineering and Water Management (IWW) at RWTH Aachen University, initiated a research project on the resilience of track infrastructure on behalf of the German Center for Rail Transport Research (DZSF). In 2022 and 2023, DB E&C focused on the reconstruction of railway bridges and construction work, among others, on the Ahrtal railway.

At the same time, modern technologies such as georadars and expert interviews were used to gain knowledge about heavy rain events. The objective by the end of 2024 is to have a master plan for a robust heavy rain precaution concept, which will be presented to the Federal Railway Authority and will help to adapt the track infrastructure to climate change.

Nature conservation

MANAGEMENT APPROACH AND TARGETS

When constructing track infrastructure, it is not always possible to avoid interferences with nature. For us, nature conservation and the protection of biodiversity is an important commitment, which we take into account from planning through to construction and operation of our facilities. In our activities, wherever an intervention cannot be avoided, adequate compensation areas are created to ensure we fulfill all of our obligations under nature protection law. For all DB Group companies in Germany, we implement with our environmental protection framework guidelines, such as "Nature conservation compensation obligations," "Qualification of an environmental specialist/environmental construction supervisor in accordance with the Environmental Guide of the Federal Railway Authority" and the "Integrated Plant Protection System" requirements and directives in these topics. For example, the guidelines on nature conservation compensation obligations have been governing the handling of those obligations from planning through implementation to maintenance since 2017, and define the fundamentals for the legally prescribed reporting to the approval authorities and the use of the Nature Conservation and Compensation Specialist Information System (FINK).

As part of the planned new construction line Frankfurt—Mannheim, DB Group is carrying out various nature conservation measures over an area of about 700 ha. The central project of the planned compensation measures is DB Klimawald green. No. 65 to protect the forests of Southern Hesse – an excellent example in the context of the UN Decade for the Restoration of Ecosystems.

In addition, on the 260 ha site of the former munitions plant in Münster-Breitefeld (Muna Münster), the Wisent-Wald nature discovery path was created as an environmental education project.

In addition to a large number of compensation measures, we are also taking measures in driving to protect biodiversity and vegetation control. For example, as an advance species protection measure for the Fehmarn Belt Fixed Link, thousands of amphibians, especially pond newts and crested newts, were transported from the winter habitats in the railway embankment to nearby spawning waters and frost-resistant winter hideouts which were built for the coming winter.

In addition to our compensation measures, we have converted the former track facilities around the Delmenhorst interlocking green. No. 150 into a green biotope. Over an area of approximately 5,000 m² financed by us, a special site is being built with lean meadows for rare animals and plants that are virtually impossible to find in today's landscape. On the disused tracks, lean meadows were sown, more than 300 trees and shrubs were planted, and piles of dead wood and bat boxes were positioned.

VEGETATION CONTROL ON THE TRACKS

For us, both safe rail operations and environmental protection are of outstanding importance. Vegetation control on the tracks has a significant impact on both aspects. In terms of environmental protection, the glyphosate phase-out in Germany is of particular importance to us. At the same time, efficient vegetation control must also be ensured for safety reasons. As of 2023, we no longer use glyphosate and now operate a glyphosate-free rail transport network in Germany.

This means that DB Group has consistently implemented its phase-out, which was announced in 2019. Instead, we rely on comprehensive sustainable vegetation management green. No.116, which provides for a coordinated interaction of various measures. We are also in close discussions with other European railways.

In recent years, we have developed and tested alternative, environmentally friendly procedures and application strategies. Such procedures are currently either not available or are only available to a limited extent. For this reason, in order to ensure safe rail operations, we must also make use of approved alternative herbicides. They are only used selectively on specific sections of the line, while mechanical procedures are used in other areas. In general, only substances that are approved by the Federal Office for Consumer Protection and Food Safety specifically for the track area are used for treatment with chemical procedures.

We continue to work closely with industry and science to drive forward innovative solutions for sustainable vegetation management on the tracks. Vegetation is also continuously monitored in order to enable active management of growing tolerances. In 2023, we won the "AI Innovation Award" from the KI-Bundesverband (German AI Association) and the F.A.Z. Institut for our AI solution BiGEye. (BiG: Bewuchs im Gleis; vegetation on the track). The application supports vegetation control by identifying growth in and on the tracks using machine learning. The aim is to allow vegetation measures to be planned in a targeted and efficient way in the future.

The current mix of measures as part of vegetation control includes the use of digital and mechanical-manual procedures (e.g. digital tools for efficient planning of vegetation control and technologically advanced mowing machines), as well as the use of chemical procedures such as pelargonic acid. Due to the use of a new combination of substances, there is no comparability with the previous year's figures with regard to the volume of application. The amount of herbicides used in 2023 was 21.4 t. With a track length of about 61,000 km, about 14 % (previous year: about 19 %) of the tracks was treated. This is equivalent to just under 2.46 kg of herbicide per kilometer of track treated.

BALIN RESEARCH PROJECT

With the multi-year BALIN research project green. No. 61, the effects on insects of different lighting systems and bulbs at stations are being examined. The purpose of this is to derive recommendations for action and adjust our regulations. As part of the study, six stations were converted to insect-friendly lighting and the effects of this on insect fauna were examined. The sample analyses and assessment should be completed by mid-2024.

DESTINATION NATURE

For more than 20 years, Destination Nature has been bringing people to nature by train. The cooperation between BUND, NABU, VCD and DB Group is committed to ensuring that biosphere reserves, nature reserves and national parks throughout Germany, Austria and Switzerland can be visited sustainably and without a car.

RESPONSIBILITY FOR THE PLANT AND ANIMAL WORLD

DB Group's rail tracks, buildings and areas often provide a unique habitat for protected species. We develop eco-friendly solutions to offset any impact that our work has on the natural world:

- As part of the railway expansion between Nuremberg and Bamberg on the 18 ha site of a decommissioned quarry, for example, a habitat with rich structures and rich in species was developed for numerous plant and animal species through maintenance and development measures.
- We are also improving habitats during bridge renewals. For example, during the construction of the Nidda bridge in Bad Vilbel, new and large leaching areas were created as a result of the piling up of gravel, and further below the Nidda, a resting place for fish green. No. 84 was created.

In addition, a research project was initiated in 2023 by the German Center for Rail Transport Research for the assessment of the necessity and success of bird protection measures at overhead wire facilities in order to further protect birds and small animals in the future.

Bird protection measures

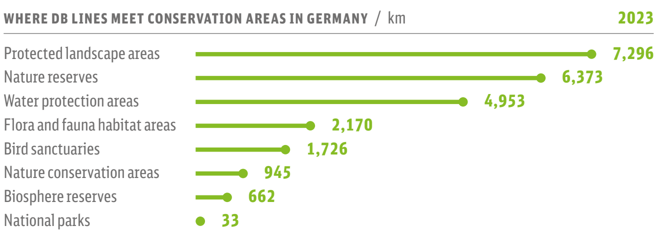
We recorded about 3,000 short-circuit events on overhead wires caused by animals in 2023. About 93 % thereof involved birds, and about 7 % involved small mammals (almost unchanged from the previous year).

To improve the situation, bird protection measures green. No. 33 are being carried out on the insulators as part of the full overhead wire inspection. Traction current lines in areas that have a high risk of bird collisions are also being made safe.

Insect Protection Act

Wherever we have to intervene in nature for new rail facilities, we also create new living spaces through ecological compensation areas. On an area of 2,500 m² north of Hailer-Meerholz that has so far been used purely for agriculture, habitat is being created by means of a newly created pond, particularly for aquatic species. In the course of the vegetation phase, different plant species settle, and amphibians and especially insects use the pond as a breeding area or habitat. To implement measures that are friendly to wild bees, work aids have been developed for employees and environmental planners.

IT systems to document protected areas



There may be overlaps between conservation areas. In 2023, there was a system switch to collect data on a new IT tool, leading to improved and more complete data quality and therefore, in some circumstances, to increased values.

We use geographic information systems, which store data about rail lines and surrounding land and all digitally available information on protected areas in Germany. This enables us to quickly identify the points of contact between nature and DB Group's tracks and land. There are different restrictions and requirements in each protected area, which are described in protected area ordinances. These are stored in our system and are taken into account in construction work.

MITIGATION AND COMPENSATION MEASURES

We document all data on our compensation obligations in the online specialist nature protection and compensation information system (Fachinformationssystem Naturschutz und Kompensation; FINK) green. No. 59. In this way, we continuously document the status of the compensation obligations and can therefore fulfill the obligation to report to the Federal Railway Authority as defined in the Federal Nature Conservation Act. In 2023, 871 projects and 7,067 compensation measures (3,393 thereof being for species protection) were newly added to the system. From 2014 to the end of 2023, we added 9,198 projects – with a total of 60,087 compensation measures – to the system. These include 22,334 measures for species protection. The number of projects with nature protection compensation measures newly added in 2023 has decreased slightly compared to recent years. The main reason for this is the reduced number of later added projects from the early days of the IT system.

In 2023, DB Group launched about 20 different environmental projects, some of which relate to the new freight line between Riegel and Schallstadt. For the construction site equipment area of the planned new construction line Frankfurt—Mannheim, we are converting the pine forest in Pfungstadt green. No. 65 into a climate-resilient mixed forest with the help of so-called plant nests, in which various domestic tree and shrub species are planted out. To this end, the Hesse Ecoagency will plant on our behalf more than 100,000 new trees and shrubs that are native to the area over an area of about 250 hectares by 2030. By the end of 2023, more than 32,000 deciduous trees and shrubs had already been planted.

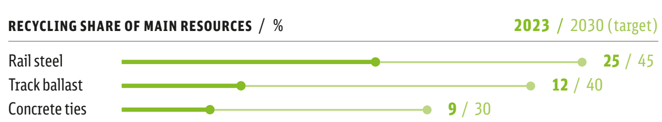
Resource conservation

MANAGEMENT APPROACH AND TARGETS

Our construction activities in particular mean that there is a very high demand for resources in the track infrastructure. As part of various formats of our stakeholder dialogue, we therefore also provide information on our targets, measures and progress in the area of resource conservation.

For us, resource conservation means we need to use raw materials carefully, keeping them in the value chain for as long as possible and recycling our waste whenever possible. We are striving to achieve a complete, circular economy throughout DB Group by 2040, with a special focus on the Integrated Rail System. Our particular focus is on our main resources: track ballast, concrete ties and rail steel, which represent about 80 % of the weight of total material used in the Integrated Rail System. Here, we have set binding targets and will increase recycling shares by 2030 compared to the base year 2019:

- Rail steel: from 25 % to 45 %
- Track ballast: from 13 % to 40 %
- Concrete ties: from 6 % to 30 %



Period: October 1 to September 30.

We also want to maintain our recycling rate at a very high level of at least 95 %. In order to drive the development of recycled and recyclable products, we are expanding and intensifying our cooperation with suppliers. Through our active involvement in national and international associations and committees such as the BDI, Eurospec and the UIC, we have already networked with various players on the topic of circular economy.

As part of our multi-year partnership-based cooperation with the construction industry and planners in the railway construction future initiative (ZIB), we set up a new cluster ZIB "Green Planning, Construction and Operation" in 2023. An inventory has taken place in which potentials for measures and processes to improve climate protection and resource conservation have been identified. We want to make use of these opportunities in the short term, in particular through the use of recycled construction materials or the modernization of structures through preventive maintenance strategies instead of demolition.

With a material current balance sheet, we document and assess annually the resources that enter the operation and those that go back. We will initially concentrate on our main resources – ballast, concrete, steel, copper and aluminum – for the Integrated Rail System. The weight volumes of resources are recorded in the input and output for the respective year under review. Here, we focus on the construction of track infrastructure and vehicles as well as vehicle replacement parts. From 2024, we will gradually transfer our material current balance to our resource inventory, which is currently in development.

GRI MATERIAL CYCLE – INPUT RESOURCE MANAGEMENT

Track ballast, concrete ties and rail steel form the basis for the rail network. In total, about 200 million tons of track ballast, about 95 million concrete ties and about 6.6 million tons of rail steel are used in the German rail network.

USE OF MATERIALS IN TRACK INFRASTRUCTURE	2023	2022	Change absolute	Change %	2021
Track ballast (thousand t)	3,880	3,471	+409	+11.8	3,638
Recycling rate (%)	12.0	11.4	+0.6	–	10.7
Concrete ties (thousands)	3,475	2,089	+1,386	+66.3	2,590
Recycling rate (%)	8.7	13.3	-4.6	–	10.4
Rail steel (thousand t)	280.4	259.0	+21.4	+8.3	244.4
Recycling proportion [1] (%)	24.9	–	–	–	–

Period: October 1 to September 30.
[1] Data collection process for rail steel recycling share established in 2023.

In total material use, the number of reworked concrete ties increased to over 300,000 ties (previous year: 284,000 ties). However, the greater increase in the total quantities of procured concrete ties has reduced the share of recycled goods.

For the track network, we are taking measures to reduce the need for new materials and to keep the materials in the value chain for as long as possible. We have established a material cycle for track ballast green. No. 51 and concrete ties green. No. 73:

- In 2023, 3.2 million t (previous year: 3.1 million t) of worn track ballast were removed from the track network, cleaned, sharpened or replaced. The stones are re-processed for internal use into recycled ballast or for further use as split or crushing sand for road construction. This is done either directly on-site by track-bound bed cleaning machines, mobile treatment plants or in external certified facilities. This significantly reduces the amount of new track ballast required and the associated transport-related greenhouse gas emissions. For example, as part of bed cleaning, during which the track ballast is taken, sieved, cleaned and returned to the track, 1.6 million t (previous year: 1.3 million t) of track ballast were cleaned, of which 0.8 million t (previous year: 0.6 million t) were directly returned to the track network.
- Since 2023, DB InfraGO and DB Bahnbau have been working together with HTW Dresden and facilities manufacturers to examine a new method for a milder treatment of track ballast with the target of increasing the recycling share in the track ballast.
- In 2023, about 532,000 t of unusable concrete ties were removed (previous year: about 533,000 t). The concrete ties are, where feasible, reworked for reuse in the track network. Concrete ties that are not suitable for this are recycled by certified disposal companies and used for other applications, such as road or path construction.
- In order to increase the recycled content of rail steel from about 25%, we first assessed the effectiveness of the two levers – the rail refurbishment of old rails and the procurement of green steel – as key drivers and identified the need for action, for example the expansion of reprocessing capabilities.

Our resource conservation measures are diverse:

- Among other things, we use innovative 3D printing methods green. No. 149 for efficient and resource-efficient component production in vehicle maintenance. We avoid superfluous stock; only the material that is actually needed is used in production; and we extend the life cycle of the vehicles by printing components that are no longer available from the manufacturer. Since 2015, we have printed over 80,000 (replacement) parts in more than 500 different applications. However, even in this resource-saving process, not every printing job is immediately successful and waste is produced. We have therefore teamed up with Recycling Fabrik to develop a recycling cycle for 3D printing waste from the most commonly used printing materials for all DB sites in Germany.

- We are able to offer more and more services digitally, based on paperless communication green. No. 137. On our trains, for example, it is possible to read numerous magazines free of charge on the ICE portal. Since 2023, the customer magazine DB MOBIL has only been available digitally. In our travel centers, we have also reduced the quantity of printed advertising materials.
- In Zorneding (Bavaria) green. No. 6 in December 2023, we opened the first concourse building entirely made of wood. Excess energy from the 140 m² photovoltaic system will be stored in a sustainable second-life battery storage system from the DB start-up "encore" green. No. 120, made up of 14 used battery modules from electric cars.

GRI RECYCLING RATE – OUTPUT RESOURCE MANAGEMENT

Within the scope of our environmental management system green. No. 131 in accordance with DIN ISO 14001, clear regulations regarding the circular economy have been defined for the Integrated Rail System in Germany. For example, when materials and substances are no longer needed, we check whether they can be recycled and how they leave DB Group. We are basically a waste producer, which means that we control and take active responsibility for implementing legally compliant and environmentally friendly waste disposal via third parties all the way through to final disposal. The contractual design and management of external disposal services is carried out centrally for the Integrated Rail System by Procurement 119f. Specialist waste disposal companies are appointed that have the appropriate waste-related management and economic expertise in accordance with Section 56 (2) of the Circular Economy Act (Kreislaufwirtschaftsgesetz; KrwG). All waste generated in the Integrated Rail System that is fed into waste disposal in accordance with existing disposal agreements or within the scope of the municipal supply obligation applicable in Germany is taken into account.

Using our internal waste management system, we record and dispose of almost every type of waste separately according to individual fractions. This allows us to recirculate the waste and generate income from specific waste. Hazardous and non-hazardous waste is recorded via a central IT system, which provides transparency about waste flows and disposal routes. A core principle of DB Schenker's extensive global environmental management system is that the relevant locally applicable legal regulations for waste disposal are complied with as a minimum requirement. Corresponding contractual provisions are made and monitored at a local level.

WASTE (TOTAL) AND RECYCLING RATE	2023	2022	Change absolute	Change %	2021
Waste (total) (thousand t)	7,974	8,187	- 213	- 2.6	8,830
Recycling rate (%)	96.5	96.7	- 0.2	–	96.2

Period from October 1 to September 30; DB Schenker January 1 to December 31 of the previous year. Individual figures are rounded and therefore may not add up. DB Cargo AG is the only part of the DB Cargo business unit included. The waste has been generated through company activities and is managed by third parties outside DB Group.

In 2023, we again maintained our recycling rate at a high level of over 95%. Especially in the construction and maintenance of our track infrastructure and related to our vehicle fleet, we produce waste that contains valuable resources such as metals and mineral building materials. These are already predominantly recycled and continue to be available to the economic cycle.

Using products as long as possible makes an important contribution to greater resource conservation and offers the opportunity to avoid waste and extend resource cycles. We are extending the service life of our trains, for example, through continuous maintenance and modernization (redesign) green. No. 87. If DB Group still has to discard a vehicle, it is either resold or components that can still be used are removed and the rest of the vehicle is sent for recycling. DB Cargo's used train portal, for example, will sell saleable rolling stock on the market. DB Regional operates an online platform for the sale of used vehicles for our buses.

When we build a new tunnel or otherwise intervene in an area, we transport large quantities of excavated material from the earth. We return the many tons of sand, gravel, clay and natural stone to the cycle. With Erdpool green. No. 163, our new digital marketplace, we can offer materials for sale even before the start of a construction project. This means that the raw materials can be used elsewhere. Marketing not only reduces the degradation of valuable mineral raw materials, but also reduces the use of waste disposal capacity. Erdpool also ensures that the excavated and breaking material is inspected in accordance with the applicable environmental requirements.

WASTE ACCORDING TO TYPE OF WASTE AND DISPOSAL PROCEDURE / thousand t	**2023**	2022	2021
Construction waste	7,493	7,657	8,342
Recycling	7,272	7,449	8,069
Thermal utilization and disposal	221	208	273
Scrap	321	363	327
Recycling	320	362	327
Thermal utilization and disposal	0.3	0.2	0.1
Electronic scrap	1.4	1.3	3.8
Recycling	1.1	0.9	3.3
Thermal utilization and disposal	0.3	0.4	0.5
Municipal waste and plastic	64.2	71.1	55.3
Recycling	35.4	37.8	23.7
Thermal utilization and disposal	28.8	33.3	31.6
Paper	31.2	32.6	37.9
Recycling	29.2	31.0	37.2
Thermal utilization and disposal	1.9	1.6	0.7
Waste oil	2.6	2.0	1.7
Recycling	2.2	1.8	1.4
Thermal utilization and disposal	0.3	0.1	0.2
Other [1]	60.9	61.0	61.7
Recycling	32.4	32.8	32.5
Thermal utilization and disposal	28.5	28.2	29.2
Total waste	**7,974**	**8,187**	**8,830**
Recycling	7,693	7,916	8,495
Thermal utilization and disposal	281	272	335

Period from October 1 to September 30; DB Schenker January 1 to December 31 of the previous year.
Individual figures are rounded and therefore may not add up.
DB Cargo AG is the only part of the DB Cargo business unit included.
The waste has been generated through company activities and is managed by third parties outside DB Group.
[1] For example paint, varnish, sludge and other maintenance-related waste.

- In 2023, the volume of waste was close to the previous year's level. At about 94%, the largest share was once again generated by construction waste. The recycling rate was 96.5%. By using targeted measures, such as selective decommissioning and contractual commitments to sorting and recycling facilities, we kept the share of recyclable waste high and the share of waste to be disposed of or incinerated at a very low level.
- Waste for incineration is always sent for thermal waste treatment. The energy released during burning is used as electrical energy, heat and/or process steam.
- Municipal waste only accounts for a small proportion of our total waste generation, but it is the most visible fraction in our trains and stations. We continued our approach to disposing of mixed municipal waste, with the target of recycling as much of the recyclable material contained therein as possible. We send all recyclable municipal waste to modern pre-treatment plants for sorting, so that at least 85% of the recyclable materials contained therein are cleanly separated for recycling.

HAZARDOUS AND NON-HAZARDOUS WASTE / thousand t	**2023**	2022	2021
Hazardous waste	378	385	477
Share of recycling (%)	61.7	62.0	67.9
Share of thermal utilization and disposal (%)	38.3	38.0	32.1
Non-hazardous waste	7,596	7,802	8,352
Share of recycling (%)	98.2	98.4	97.8
Share of thermal utilization and disposal (%)	1.8	1.6	2.2
Total waste	**7,974**	**8,187**	**8,830**

Period from October 1 to September 30; DB Schenker January 1 to December 31 of the previous year.
The waste has been generated through company activities and is managed by third parties outside DB Group.
Individual figures are rounded and therefore may not add up.
DB Cargo AG is the only part of the DB Cargo business unit included.

Of the waste generated in 2023, about 95% (previous year: 95%) was classified as non-hazardous. This includes, for example, municipal waste and the majority of construction waste. The remainder, about 5%, includes waste that presents a risk to health or the environment – for example waste oil or contaminated waste wood. Special procedures ensure that this waste is disposed of safely. Here, too, we consider the conservation of resources and look at opportunities for recycling or thermal utilization of waste.

WATER CONSUMPTION

In DB Group, water consumption is defined as consumption from the public supply. The water consumption reported for 2023 remained almost stable overall. In the Integrated Rail System and at DB Arriva, water consumption has declined significantly. Due to the annual offset of DB Schenker's figures, water consumption increased again with employees returning to the company's sites and an increase in orders after the Covid-19 pandemic.

WATER CONSUMED FROM PUBLIC SUPPLY / million m³

Includes DB Arriva. Includes consumption by DB Schenker from the previous year.

Noise reduction

MANAGEMENT APPROACH AND NOISE REDUCTION TARGET

Further reducing the impacts of rail transport noise on local residents is an essential prerequisite for a shift in the mode of transport towards rail. We are therefore continuing to work with the Federal Government on implementing our noise reduction target:

- In continuing the Federal Government's noise remediation program, between 1999 and 2030, we aim to reduce rail transport noise on a total of 3,250 km of existing lines with about 800,000 residents. This corresponds to half of those affected.
- By 2050, we aim to have alleviated rail transport noise for all residents living near existing lines affected by rail transport noise. A prerequisite for achieving these targets is the adequate provision of funds for local noise remediation measures by the Federal Government in the noise reduction item of the Federal budget.

We are improving public acceptance of the shift in the mode of transport towards rail 52ff. through our two-pillar noise reduction strategy, which focuses firstly on on-site measures (infrastructure) and secondly on at-source measures (vehicles).

- Since 2020, DB Cargo freight cars have been fully converted to quiet brakes green. No. 5. By 2025, our electric mainline locomotives for DB Cargo in Germany will also be running with quiet brake systems.
- By 2030, DB Cargo will have taken the older 232/233 series diesel locomotives with noisy gray cast iron block brakes out of service. The class 77 series, making up less than 2% of the operational performance of DB Cargo (based on weight-related ton-kilometers; Ltkm), will be the only locomotives still using gray cast iron block brakes.
- DB Long-Distance plans to replace all diesel shunting locomotives with particularly quiet and climate-friendly hybrid shunting locomotives green. No. 44. Noise reduction therefore simultaneously contributes to climate protection aims. As a result of delivery bottlenecks, the quiet hybrid shunting locomotives are to be delivered by 2028.

Together with the German Center for Rail Transport Research (DZSF) and our partners from industry, we intend to continue to advance the research and development of noise and vibration reduction measures for track infrastructure and rolling stock.

NOISE REMEDIATION AND CONTROL

NOISE REMEDIATION AND CONTROL IN GERMANY	2023	2022	2021
NOISE REMEDIATION (EXISTING NETWORK)			
Noise barriers completed (km)	46.8	37.7	44.2
Homes with passive measures	1,750	1,484	1,820
Total noise-remediated lines as of Dec 31 (km)	2,255	2,202	2,110
Total noise remediation areas relieved by noise control (km)	52.8	52.1	52.1
NOISE PREVENTION (NEW AND EXPANSION LINES)			
Noise barriers completed (km)	40.2	33.2	41.2
Homes with passive measures	1,060	714	590

Since the voluntary noise remediation program began on existing Federal rail tracks in 1999, we have reduced noise pollution for local residents. By means of local noise remediation measures, such as noise barriers green. No. 25, soundproof windows green. No. 101 and noise-proof ventilators in residential buildings, we are remedying noise on existing affected lines. The development of noise-remediated lines is in line with our forecast in the 2022 Integrated Report 208.

Federal budget utilization

GRI

In 2023, about € 135 million of Federal budget funds were spent on active and passive noise remediation measures as part of the noise remediation program, with additional noise barriers being installed and additional apartments being fitted with sound-proofing measures. In addition, Government funding is being used to finance other special issues in noise reduction, such as the implementation of the measures featured in the feasibility study in the Middle Rhine Valley 31.

Further disclosures

AIR QUALITY CONTROL

GRI

ABSOLUTE PARTICULATE EMISSIONS AS OF DEC 31 / t	2023	2022	2021
Passenger transport	444	303	330
Freight transport	3,266	3,430	4,965
Other transport	10	4	4
Stationary facilities	142	125	-
Total	**3,862**	**3,862**	**5,299**

Combustion-related, well-to-wheel (WTW), scope 1-3.
Includes DB Arriva. Excluding USA Truck 171.
In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher.

ABSOLUTE NITROGEN OXIDE (NO_x) EMISSIONS AS OF DEC 31 / t	2023	2022	2021
Passenger transport	13,850	12,116	13,609
Freight transport	71,238	79,371	91,280
Other transport	172	173	190
Stationary facilities	1,113	1,040	-
Total	**86,374**	**92,700**	**105,079**

Individual figures are rounded and therefore may not add up.
Combustion-related, well-to-wheel (WTW), scope 1-3.
Includes DB Arriva. Excluding USA Truck 171.
In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher.

SULFUR DIOXIDE (SO_2) EMISSIONS AS OF DEC 31 / t	2023	2022	2021
Passenger transport	2,953	1,545	1,558
Freight transport	17,369	16,730	13,052
Other transport	197	42	41
Stationary facilities	1,151	1,412	-
Total	**21,670**	**19,729**	**14,651**

Combustion-related, well-to-wheel (WTW), scope 1-3.
Includes DB Arriva. Excluding USA Truck 171.
In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher.

ABSOLUTE HYDROCARBON (NMHC) EMISSIONS AS OF DEC 31 / t	2023	2022	2021
Passenger transport	1,412	1,186	1,279
Freight transport	5,595	6,198	6,450
Other transport	68	57	53
Stationary facilities	178	425	–
Total	**7,253**	**7,865**	**7,782**

Individual figures are rounded and therefore may not add up.
Combustion-related, well-to-wheel (WTW), scope 1–3. Includes DB Arriva. Excluding USA Truck 171. In 2021, rail freight transport from/to China by DB Cargo and DB Schenker may have included double accounting, and so these values may be slightly higher.

The consistent modernization of our vehicle fleet is our most important measure for reducing airborne pollutants. The high share of electrically powered rail transport also makes an important contribution, as the electrically powered rolling stock itself does not produce any local airborne pollutant apart from abrasion, but only during electricity generation. The calculation is based on the fuel consumption and composition of our vehicle fleet. We have been exclusively using low-emissions construction vehicles and machinery green. No. 11 at our urban construction sites since mid-2018. Our combustion-related pollutant emissions are largely influenced by our ocean freight activities, which emit over 62% of soot particles. Stricter statutory regulations on sulfur content in fuels to reduce airborne pollutants have been in force worldwide in shipping since 2020. Due to the overly optimistic consideration of this legal intensification in 2021, and its correction in 2022, SO_2 emissions appeared to rise in 2022. The increase in SO_2 emissions in 2023 is the result of a change in methods within external tools in the calculation of indirect SO_2 emissions.

Emissions standards for our vehicles

Our long-range trucks meet the highest Euro V and VI standards and almost our entire passenger car fleet (99.9%) meets the Euro 6 emissions standard. Only about 15% of the vehicles in our rail transport fleet are still of the lowest pollutant level UIC 0. The share of rolling stock with low-pollutant electric traction remains at a high level at about 64%. The share of our buses meeting the Euro V and VI standards increased to about 91% (previous year: about 88%).

Methodology for airborne pollutants

The accounting principles are the Group-wide and aggregated final energy consumption and performance data as well as relevant emissions factors (EFA). We take into account the distribution of our fleets according to the pollutant standard in calculating the EFA. In addition, we use limit values for rolling stock (EU Directive 97/68/EC, EU Directive 2004/26/EC, EU Regulation 2016/1628), the TREMOD emissions calculation model, the EcoTransIT World accounting tool and our own calculations. Stationary emissions are accounted based on EFAs, which are provided for DB Group by the Heidelberg Institute for Energy and Environmental Research (ifeu).

ENVIRONMENTAL MANAGEMENT

GRI

Environmental management system

SHARE OF DB GROUP COMPANIES WITH CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEMS IN ACCORDANCE WITH ISO 14001 AS OF NOV 30 / %	2023	2022	2021
DB Group	43	46	47
In Germany	20	21	20
In Europe (excluding Germany)	47	51	53
Worldwide (excluding Europe and Germany)	79	75	73

Includes DB Arriva.

Our environmental targets are supported by a Group-wide environmental management system designed in accordance with DIN ISO 14001. The system's compliant integration into our Group regulations 195ff. has been verified by an independent institute. In 2023, about 74% (previous year: about 78%) of our 258 environmentally relevant Group companies had an equivalent environmental management system green. No. 131 based on this. The Sustainability and Environmental division is responsible for compliance with, and the further development of, Group-wide environmental management standards. In 2023, no significant fines or other penalties were issued to Group companies for environmental offenses.

EMPLOYEES FOR ENVIRONMENTAL PROTECTION

We offer our employees specialist environmental training green. No. 90 on issues relating to areas of action for the Green Transformation. In the area of climate protection, employees can, for example, take training in energy management in accordance with DIN 50001. In 2023, 103 events took place (previous year: 80) in Germany with about 1,970 participants (previous year: about 1,340).

OTHER MEASURES

GreenTech program

At the beginning of June 2023, our start-up hub DB Mindbox launched a GreenTech program to which more than 130 start-ups from 30 countries can apply with their ideas and solutions in the areas of sustainable materials, climate and environment, energy, circular design and other sustainable solutions. In addition to financial support, companies can test their innovative solutions directly. At the end of August 2023, seven start-ups were selected. They have been working in cooperation with the DB Group for 100 days (since October 9, 2023).

EMPLOYEES

GRI

Overview of key figures

Employees

EMPLOYEE SATISFACTION / SI — Target: ≥3.7

	SI
2028	3.7
2023	–
2022	3.9
2021	–
2020	3.9
2019	–

COMPASS INDEX / %

	%
2023	50
2022	–
2021	49
2020	–

In the interim years of the employee survey, the compass index is determined for the Integrated Rail System in Germany, on a scale of 0% to 100%, as part of the culture barometer sample survey.

SHARE OF WOMEN IN MANAGEMENT POSITIONS AS OF DEC 31 / % — Target: ≥30

	%
2024	30
2023	29.4
2022	27.0
2021	25.4
2020	24.4

Share of women in leadership positions at the companies affected by the Second Management Positions Act (FüPoG II) at the Supervisory Board, Executive Board/Management Board, first and second management levels, based on the organizational structure in place as of December 31 of each year.

EXTERNAL NEW HIRES IN GERMANY (EXCLUDING YOUNG TALENTS) / NP

	NP
2023	28,193
2022	21,810
2021	18,450
2020	21,700
2019	22,758

Employees who have already completed their first working day at DB Group.

Short-/mid-term target — Long-term target

GRI

Management approach and targets

DB Group delivers mobility and logistics services in Germany. Our employees are the backbone of this. The common goal is to implement the Strong Rail strategy 52ff., thereby bringing about a shift in the mode of transport to rail. Success in this regard is particularly dependent on our ability to attract and retain the necessary specialist and executives and young talents. Our HR strategy provides the framework for this. This is an integral element of the Strong Rail strategy. With the strategic topics in the “100,000 employees” building block firmly in view, we are laying the foundations for modern, forward-looking human resource activities.

- **Forward-looking staff planning:** We endeavor to identify personnel shortages as early as possible and to counteract them in order to avoid the effects of capacity bottlenecks in the provision of services. To this end, we are continuously refining our staff planning systems.
- **Innovative recruiting:** In what is a competitive labor market, we want to attract committed employees to DB Group and at the same time mitigate structural risks in our demographic age structure.
- **Holistic leadership, qualification and transformation:** Our employee development activities are geared towards making DB Group more robust, more powerful and more modern. We support employees during change processes so that they can help shape the transformation of DB Group

into a modern, sustainable and digitalized supplier of mobility and logistical services. We support executives in their special role as facilitators and guides by offering continuing education opportunities 90f. To develop the potential of our employees and to build up the necessary skills for the future, we create targeted training programs as part of a modern learning ecosystem 90, which is open to all employees. Our Group-wide performance management 91f. system focuses on our performance capability.

- **Standardized HR products and processes:** We want to encourage appreciative and results-oriented cooperation. As a culture-building element, the compass for strong teamwork 92f. forms the basis of this. We regularly measure the satisfaction of our employees and the current state of our corporate culture and various organizational framework conditions across the Group with our employee survey 92f. and with our culture barometer 92f. in the Integrated Rail System.
- **The work of the future and diversity:** Within this strategic area, we are continuing to develop our working and employment conditions so that we can continue to be an attractive employer in the future and live up to our social responsibility. To this end, we are exploring the HR topics of the future as part of the Group initiative "People. Make. The Future." 100.
- **Diversity and equal opportunities:** Both of these are particularly important issues and a core component of our working culture. We value the different perspectives, values and experiences of our diverse workforce and, as DB Group, we always try to be a force for greater social solidarity. To this end, we actively practice diversity management 99ff. with stakeholders at all levels.
- **Occupational safety:** The health and safety of our employees and safe working conditions are fundamental aspects of our business activities and form the basis of our company health management system 97ff. at DB Group. We support our employees in their efforts to take responsibility for their own health, and create working conditions that are health- and age-appropriate and take into account the special needs of people with disabilities.

The Management Board member responsible for Human Resources and Legal Affairs is responsible for employee issues at DB Group and is supported in this by the HR Group functions in Group management. Group-wide measures are implemented in coordination with the business units, taking into account economic, national, international, local and market-specific characteristics. Compliance with Group-wide principles and standards is governed by the Group directive on human resource management. Codetermination according to the Works Constitution Act is carried out in a spirit of partnership and trust with our employee interest groups and social partners.

The principles of equal opportunities, social partnership, HR compliance, diversity and inclusion are safeguarded within DB Group on the basis of statutory provisions and internal regulations. This ensures the consistent application of laws and labor court rulings as well as the legal positioning and contractual standards derived from them.

As one of Germany's leading employers, we live up to our corporate and social responsibility. In our DB Code of Conduct for Employees and Executives (Group Principles on Ethics) and the DB Code of Conduct for Business Partners, we committed to complying with our globally applicable standards and expectations with the aim of conducting our business operations in an ethical manner. DB Group respects internationally recognized human rights and fundamental freedoms in its business operations in accordance with its policy statement on protecting and respecting human rights and the principles set out in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work (core labor standards). DB Group has committed to uphold the ten principles of the UN Global Compact 299. We are also guided by the principles of the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guiding Principles for Multinational Enterprises.

Through our actions, we make a positive contribution to the protection and promotion of the principles of internationally recognized human rights, where we can do so without breaching local laws.

15 EMPLOYEE BUILDING BLOCKS

In 2023, two further employee building blocks 54 were identified and expanded upon. Within this framework, the most important concerns of employees are prioritized and implemented with Management Board support. A total of eight building blocks have been implemented to date.

SMART HR TRANSFORMATION PROJECT

We are pursuing the replacement of our current HR management system with a cloud-based solution, Smart HR, in which employees can use HR products any time and anywhere. We are currently in the implementation phase. The system is expected to go live at the end of 2024.

Staff planning

In order to ensure that DB Group is robustly positioned, we need effective and efficient staff planning and management throughout the entire HR value chain, from differentiated planning to talent acquisition, qualification and functional training, right through to considering actual performance effectiveness. As a key part of holistic resource management, we work to close capacity and skills gaps and optimize the efficiency of our workforce.

We have implemented the 18-month rolling forecast for key operational functions as part of regular reporting in the context of high-performing personnel management. Strategic Workforce Planning (SWP) is an instrument for analyzing our longer-term HR challenges. This gives us a systematic view of strategically relevant activities over the next decade.

We are currently working on further developing our SWP. The aim is to create robust and future-proof SWP. The Strong Rail strategy is an important building block for future SWP and provides an analytical basis for our HR strategy. We create synergies between a wide range of forward-looking further development projects.

Talent acquisition

EMPLOYER ATTRACTIVENESS

In 2023, we continued to develop our talent acquisition strategy through comprehensive, candidate-focused measures and positioned ourselves as an attractive employer. We have identified specific levers to meet the challenges of what remains a constricted and rapidly changing labor market. DB Group is a top employer in Germany according to the Trendence Rankings 2023.

At the beginning of 2023, our new employer branding was launched on the basis of a newly developed, globally applicable employer value proposition with the key question "What is important to you?" In this context, we focus on our potential employees, enter into direct dialog with them and thus convey target-group-specific messages, benefits and job offers. The campaign was rolled out in 31 countries, and about 1,400 trade fairs, events and school events were held in Germany alone in 2023.

We have further expanded our diversity recruiting strategy with target-group-specific measures so as to fully exploit all labor market potential. We received a Trendence Award for this. Our targeted diversity marketing and communication strategy secures our standing as a diverse employer.

To ensure that we are visible as a leading employer for women, we are continuing to pursue our female recruitment strategy developed in 2020, which includes 30 measures to achieve our target of having "30% women in leadership by the end of 2024." This should also sustainably increase the share of women in the DB Group. One measure we implemented was to hold another DB World Women's Month. In our campaign "DB on Tour," we featured seven female professionals in seven professions in seven cities.

Our inclusion center gives all applicants with disabilities, i.e. with a characteristic listed in the Ninth Book of the German Social Security Code (SGB IX), who are rejected in the regular application process a second chance to find a suitable position in DB Group. They are supported by trained and experienced contact persons for applicants with (severe) disabilities and advised by the recruiters at our Inclusion Center. This year, we received an Impact of Diversity Award for our efforts. We also offer unconscious bias and assessment error training as well as diversity recruiting workshops to all recruiters and other people involved in the recruitment process.

Cross-border recruiting is the process of approaching, recruiting and relocating skilled employees from abroad to fill vacancies in Germany. In 2023, we expanded our activities in Egypt, Tunisia, Romania, Albania and Kosovo. We have recruited over 450 international employees from 16 countries for DB Group through the cross-border recruiting program since 2019.

In addition, we are further expanding our offers for refugees in Germany. In cooperation with the Federal Employment Agency, we have identified key locations, organize both in-person and virtual information events, and carry out intensive and personalized matching of applicant profiles with vacancies at DB Group. We have also expanded our job portal to include information on entry options, event overviews and consulting opportunities.

The role of community recruiter was established in 2023 with the aim of being close to our target groups. There are currently 21 community recruiters working across all regions of Germany. Their main task is to tap into rural areas and generate enthusiasm for DB Group at local schools and clubs.

Moreover, we encourage employees of DB Group to become active school mentors and be present at schools alongside community recruiters. Both the school mentors and our community recruiters act as points of contact for pupils, teachers and parents.

We continued to develop our HR innovation strategy in 2023 in order to showcase ourselves as a modern employer with modern, future-oriented products and processes. Candidates have been able to apply to us directly via a chatbot since 2023. This has made the application process easier and less of a hurdle. As soon as an application has been submitted via the career portal, candidates can track the status of their application and are also proactively informed about it.

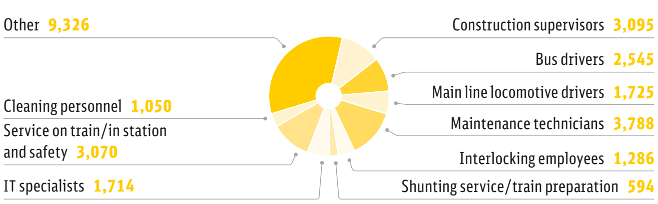
We have expanded the services offered on the DB Med platform for preparing for the respective job-specific check-up, which is a mandatory requirement for practicing certain professions at DB Group. By redesigning the exercises and the specially programmed response exercises, we are able to provide our candidates with a better opportunity to prepare for the test.

NEW HIRES

GRI

In 2023, about 33,900 new employees (including vocational trainees and dual-degree students) in Germany completed their first working day at DB Group (previous year: about 26,700). As a result, we welcomed more new employees in 2023 than ever before, demonstrating the attractiveness of DB Group as an employer. The new hires include more than 5,500 maintenance technicians, about 2,500 main line locomotive drivers and more than 2,100 interlocking employees.

EXTERNAL NEW HIRES IN GERMANY (EXCLUDING YOUNG TALENTS) / NP 2023



In 2023, we had 28,193 external new hires in Germany, excluding young talents (previous year: 21,810). This is an important contribution to the implementation of our central strategic HR objective and to the robustness of DB Group.

NEW HIRES BY GENDER (EXCLUDING YOUNG TALENTS) AS OF DEC 31 / NP	2023	2022	2021
< 30 years	10,824	8,247	7,161
Share of women (%)	29.6	30.7	30.5
30–49 years	13,200	10,528	8,892
Share of women (%)	25.5	25.4	21.9
≥ 50 years	4,169	3,035	2,397
Share of women (%)	21.8	21.6	18.9
DB Group	**28,193**	**21,810**	**18,450**

Germany (companies with about 98 % of domestic employees). This does not include the hiring and permanent employment of vocational trainees and dual-degree students.

Management, qualification and transformation

QUALIFICATION AND TRAINING

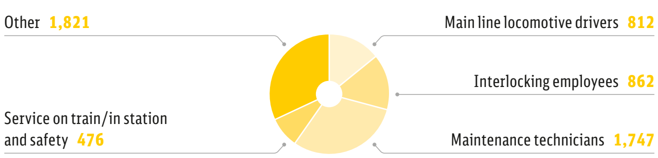
We are one of the largest companies providing training in Germany and offer training in about 50 apprenticeship professions and 25 dual-degree courses. Even in uncertain times, we provide young people with secure career prospects, and typically offer a permanent contract to vocational trainees and dual-degree students after successfully passing the final examination.

YOUNG TALENTS IN GERMANY (AS OF DEC 31) / NP	2023	2022	2021
Vocational trainees [1]	12,513	11,869	11,668
Dual-degree students [1]	1,589	1,398	1,316
Graduate trainees [2]	207	195	128
Interns [2]	581	593	667
“Chance plus” participants	140	132	184
Total	**15,030**	**14,187**	**13,963**

[1] Includes all class years of vocational training (usually three class years for both vocational trainees and dual-degree students).
[2] Companies with about 98 % of domestic employees.

We are continuously increasing our capacity so that we can qualify additional employees professionally and quickly.

EXTERNAL NEW HIRES, VOCATIONAL TRAINEES AND DUAL-DEGREE STUDENTS IN GERMANY / NP 2023



Figures correspond to respective career objective.

In 2023, a total of 5,700 vocational trainees (previous year: about 4,900) (excluding “Chance plus” participants) and dual-degree students started their vocational training and/or their studies at DB Group. We received about 100,000 (previous year: about 110,000) applications for all training pathways in the Integrated Rail System in 2023. This shows that we are an attractive employer, especially among young people, in times of discussions about climate change, sustainability and environmental protection. As before, most vocational trainees started their career as railway employees in operational services, or as electronics engineers for operation technology.

We are involved in the social partnership-based reorganization of the most important vocational training professions in the rail transport sector. This currently relates to the reorganization of management assistants in transport services.

SECURING YOUNG TALENT

GRI

YOUNG TALENTS HIRED AS PERMANENT PERSONNEL BY TYPE OF TRAINING / NP	2023	2022	2021
Vocational trainees	2,912	2,880	2,614
Dual-degree students	276	261	239

Germany (companies with about 98% of domestic employees).
Hired after completion of vocational training or dual-degree studies.

DB Group's own vocational training and the dual-degree programs are the foundation of our efforts to secure the recruitment of skilled employees. This is supplemented by the job preparation program "Chance plus" for young people who need support in accessing the labor market.

- The Social and Cultural Integration project (Soziale und kulturelle Integration; SUKI) run by the BSW&EWH Foundation Family, in collaboration with the Railway and Transport Workers Union (Eisenbahn- und Verkehrsgewerkschaft; EVG) and its social security fund, offers integration-related services to supplement professional qualification programs for people with a refugee and migration background.
- The DB Youngster Community established with the BSW&EWH Foundation Family in 2022 already has over 12,000 members. This enables young talents to network within DB Group and take part in interdisciplinary programs both in pre-boarding and during onboarding. The DB Youngster Festival took place for the first time in 2023 and will be held again on a larger scale in 2024 due to its great popularity.
- The socio-educational support service Lifehacks4U, which is implemented in cooperation with ZukunftPlus e.V., was significantly expanded once again in 2023. The scope of support per week was increased by about 150% compared to the previous year. It is an offer of individual support for young talents, career changers and vocational trainees. The objective is to prevent vocational trainees from dropping out and to support them with interdisciplinary matters.
- Services provided by the initial training community – the community for vocational trainees – were also very popular. In 2023, more than 1,800 vocational trainees took part in the 27 Coffee&Learn formats on offer, for example on Generation Z, discussion formats in dual-degree programs or the retention of young talents.
- We recognize high performance and great commitment in our entry-level programs through the Excellence Program "ausgezeichnet!" for particularly high-performing young talents.
- The social responsibility and participation of young talents is promoted through participation in the "Rail trainees against hate and violence" tolerance competition. Since 2000, more than 13,000 vocational trainees have completed about 1,500 projects and set an example for respectful and tolerant teamwork. In 2023, about 350 young talents were involved in over 50 projects.

EMPLOYEE RETENTION AND DEVELOPMENT

GRI

New approaches and efficient processes for employee retention and development are crucial to the assumption of greater responsibility, cooperation and performance at DB Group. We support employees in several key areas:

- **Employee retention**: The emotional bond between our employees and DB Group is crucial to our success. It has positive effects, such as higher productivity, while also reducing the risk of "internal dismissal" and potentially reducing employee turnover. Analysis of internal and external data shows that further development opportunities, appreciation, perceived self-efficacy (e.g. in terms of one's own working conditions), management behavior and financial framework conditions are important drivers of loyalty and staff turnover. They have a decisive impact on the long-term retention of our employees – in every phase of the employee life cycle. Our analysis of the critical success factors for employee retention forms the basis for our targeted measures to strengthen employee retention. For this reason, we began by creating transparency about the Group-wide tools and best practices for improving employee retention in our Retention Guide. We also support executives in their role in employee retention. Additional target-group-specific measures to improve employee retention will be derived from 2024 onwards on the basis of further in-depth analysis.
- **Perform:** "My Performance Management" focuses on honest dialog about performance with the objective of continuously encouraging better performance. With the

introduction of a mandatory contribution to performance in the "Women in leadership" dimension for all executives from the level of the so-called leading managers, "My performance" is also an important tool for achieving our target figure of 30% women in leadership by 2024.

- **Learning:** In 2023, the diverse portfolio of training offered by DB Training and DB Academy included about 780 learning opportunities on topics ranging from strategy and leadership to digitalization and innovation, right through to the environment and sustainability. The DB learning environment (DB Lernwelt) offers access to many of these learning opportunities as a Group-wide learning management system with more than 260,000 users. As part of the project "Learning@DB," we are also developing a modern and sustainable learning infrastructure that is oriented towards the goal of establishing a Group-wide learning environment. All employees have access to learning opportunities. The actual decision on booking and participating in training is the responsibility of the executive and is subject to existing employer/works council agreements or company regulations.
- **Monitoring qualifications and qualifying:** Qualification shortfalls for qualifications requiring verification are identified in a system-supported manner. Qualifications that do not require verification are monitored by executives to date. The new personnel data system currently being introduced creates the prerequisites for monitoring qualifications that are subject to mandatory verification and those that are not, for identifying shortfalls and for documenting the qualifications acquired. This applies both to a change of job and to obtaining qualifications over time. Gaps in qualifications are often filled by completing internal (or, alternatively, external) qualification courses (vocational training, continuing education/refresher course, regular advanced training, instruction, monitoring/review). Scheduled employees (e.g. train or workshop staff) are booked in and receive the relevant information about their duty roster. Non-scheduled employees are either booked in as well or book the relevant training courses themselves in consultation with their executive. Information on mandatory digital training courses that do not require a booking, for example on IT security, is sent via automated notifications, together with information from executives.
- **Developing and appointing:** The purpose of strategic succession planning is to identify succession risks at an early stage, plan succession scenarios and speed up appointments. The aim is to increase the quality and diversity of appointments and to orientate employees towards Group-wide professional development. In 2023, succession planning was in place for about 2,100 positions. With our three career pathways – leadership, expert and project careers – we are positioning ourselves powerfully and offer attractive alternatives to traditional management careers (focus: German-speaking countries). The DB subject-matter expert career path was introduced on January 1, 2023. The DB Career Lab focuses on personal initiative and individuality and offers all employees in German-speaking countries a blend of guidance, networking and visibility formats to explore their career options, including leadership, on their own initiative. "FrauDich!" services focus on the target group of women.
- **Onboarding and transfers:** With our onboarding platform, we provide relevant information in 12 languages about how to get started. Modern learning, qualification and discussion formats also promote initial orientation in DB Group and Group-wide networking. Personal support from executives and colleagues plays an important role in integrating and retaining employees in DB Group. Our Group-wide mentoring program and intergenerational management promotes integration in Team DB and mutual learning for experienced and new employees. The controlled transfer of knowledge also secures valuable DB know-how and settling into tasks, processes and the Integrated Rail System. The quality of onboarding and onboarding tools is evaluated in a regular onboarding survey. In addition to helping new employees get started, the reentry management system supports employees during and after a limited period of absence. In this way, we help retain women in executive positions and women with leadership ambitions. To enable early analysis and identification of retention measures, a Group-wide exit and transfer survey provides information on what motivates employees to leave the company or transfer to other positions.

Training and continuing education

GRI

As an intra-Group partner for learning, development and change processes, DB Training, Learning&Consulting conducts the vast majority of training, professional development and continuing education with some 31,000 events for about 290,000 participants per year. DB Group employees have more than 3,000 training opportunities available to them. Qualifications are offered for in-person, digital or blended learning schemes. A modern infrastructure provides space for creativity, new solutions and new digital learning formats, such as virtual reality (VR) training. Existing training formats have been further developed and adapted to a more digital everyday working environment.

Practical-oriented vocational training plays a crucial role in ensuring that employees can act with confidence, particularly in safety-related areas. Against this backdrop, we are investing in the expansion of practical facilities: for example, the new ICE 3neo full-mission simulator, a state-of-the-art training medium, has been in operation in Fulda since the beginning of 2023. Around 80 instructors, who are also certified as examiners, accompany the (prospective) traction unit drivers on their training, supervision and test journeys. Around 21,000 traction unit drivers go through training on the 20 full-mission simulators every year.

DB Academy is responsible for the qualification of about 11,600 executives and (chief) experts. The portfolio offers them training according to their individual career and development stages, enabling them to apply leadership standards and implement strategic areas of action at DB Group.

DB employees have the opportunity to study part-time at DB University and continue their academic education. The DB Bachelor's program (46 students started in 2023) and the DB Master's program (45 students started in 2023) serve as qualification programs for DB employees. The part-time study program at DB University receives financial support and is supplemented by a framework program and study support. Annual networking events serve as a forum for cross-business unit dialog and encourage professional networking. In 2023, around 120 program participants took advantage of this offer.

Vocational training is an important lever for meeting the challenges of a shortage of skilled labor. The number of apprenticeships offered by DB Group has increased steadily in recent years. Accordingly, the training workshops in the industrial-technical sector have been and will be expanded. Since 2023, it has been possible to train more than 600 additional vocational trainees due to the relocation to the new premises.

DB Academy and DB Training also developed additional online services to support employees and executives during the Covid-19 pandemic, which are now being continued. With “Gemeinsam in die neue Arbeitswelt” (Together in the new working environment; GinA), we have created virtual learning opportunities for current challenges, such as virtual (collaborative) work. This is in high demand. It was used by 48,643 employees in 2023.

DB Training supports and advises the CareNet organization, a voluntary institution of DB Long-Distance and DB Regional, in the care of those affected by major incidents or violent assaults. DB Training also trains and upskills the almost 1,200 CareNet helpers. In 2023, around 180 employees underwent new training and some 300 employees went through refresher training. The DB Training network of around 50 emergency psychologists can also provide emergency psychological intervention for passengers and employees within a day, if required.

DB Training is an approved provider for the promotion of training and is certified in accordance with the Accreditation and Approval Ordinance for Employment Promotion (AZAV) and has been working in the subsidized education market for many years. DB Training offers career changers a new professional home at DB Group, thereby helping to counteract the shortage of skilled labor. More than 9,000 participants across the Group have been supported on the basis of the Qualification Opportunities Act since 2019, including 3,316 in 2023.

DB Training also provides numerous professional exchange formats. The main topics range from the European Train Control System (ETCS) and the latest developments for railway chief operating managers to discussions on experiences with digital and modern learning formats and best practices.

TRAINING AND CONTINUING EDUCATION COSTS FOR EMPLOYEES	2023	2022	Change absolute	Change %	2021
Total (€ million)	340	289	+51	+17.6	262
Per employee (FTE) (€)	1,479	1,294	+185	+14.3	1,181

Germany, including vocational trainees and dual-degree students.

TRAINING AND CONTINUING EDUCATION DAYS IN CUSTOMER-ORIENTED JOB FAMILIES / days	2023	2022	2021
Per employee (FTE)	11.8	10.6	11.5
Per female employee (FTE)	7.5	6.2	6.5
Per male employee (FTE)	14.5	13.2	14.4

Germany (companies with approximately 77% of domestic employees).
Includes only training and continuing education days in customer-oriented job families for permanent employees, excluding vocational trainees and dual-degree students.

The training and continuing education costs for our employees rose again to a new record high in 2023, which demonstrates the importance of initial vocational training, continuous professional development and the qualification of experts at DB Group.

Performance management

GRI

The “My Performance Management” tool aims to support employees' professional and personal development to boost their personal performance. Regular feedback based on key questions from different perspectives helps employees to compare how they see themselves versus how others see them, and encourages them to reflect on their working habits in a targeted manner. Regularly reviewing key figures and how each employee contributes to achieving objectives also shows individuals and teams their strengths and areas for improvement. Supervisors give employees clear guidance on performance development once a year. In 2023, 95% of employees and executives in the Integrated Rail System in Germany received a performance appraisal from their direct executive. If the annual overall evaluation gives cause for a more detailed assessment of competence, this can be carried out, if necessary, with reference to the skills profile of the function in question.

In addition, a spontaneous feedback tool makes it possible to request and send feedback across all hierarchies at any time and, if the user so wishes, give a visible award.

Developing employees and filling vacancies

The DB role model combines specifications for different career paths (such as executive, expert and project careers), duties and responsibilities and the necessary experience, expertise and attitude from an internal standpoint. It forms the basis for staffing and diagnostic processes, among other things.

Key elements of our talent management are easy access for employees and executives, attractive offers for orientation, networking and visibility for all career paths based on initiative and individuality. The “Frau Dich!” (Woman up!) initiative also plays a role in inspiring and motivating women to aim for executive positions with individual career advice for women.

Getting (back) into work

GRI

Key elements of our return-to-work management to better support employees who are temporarily absent primarily include the provision of pooled information to improve orientation, opportunities for communication and discussion to strengthen self-reflection, and personal further development opportunities. With the Group employer/works council agreement on work, family and career path, we further optimized the operational framework for work-life balance in the previous year. Digital learning units primarily support executives, but also employees putting the lessons they have learned into practice. As an additional source of information to help plan family time and careers, the brochure “Dein starker Wiedereinstieg” (Your successful reentry) offers pregnant employees an overview of the tasks and deadlines they will come to face, helpful checklists and a summary of DB services. With JobSharing@DB, we have created an opportunity to be able to fill management positions even on a part-time basis, with two executives sharing responsibility for one role.

Knowledge transfer

GRI

New ways of working and working environments require a different approach to knowledge, staff turnover can lead to a loss of knowledge critical to success, new employees need specific knowledge to carry out their tasks, and the increase in digitalization means more knowledge for more employees. For this reason, we use various methods and processes to assist those involved in the process to transfer knowledge. At the same time, we also promote continuous knowledge transfer and support executives and employees in identifying, securing and continuously sharing knowledge in their area of responsibility. In the previous year, we transferred three building blocks on the topic of knowledge transfer from the 15 employee building blocks 54 to the strategic personnel development processes.

Securing employment

GRI

To avoid dismissals, for example, in the context of restructuring or order losses and/or changes in performance capability of individual employees for an indefinite period, there is an employment guarantee at DB Group, which is anchored in the collective bargaining agreement. Under the employment guarantee, most of the affected employees are once again directly employed within DB Group. If this is not successful, the employees in question will move to DB JobService GmbH for an indefinite period of time, where they will be further developed as part of a professional reorientation process in order to be placed in a role in their chosen field if possible at a later date.

EMPLOYEE SATISFACTION AND CORPORATE CULTURE

EMPLOYEE SATISFACTION	2023	2022	2021
Employee satisfaction [1] (SI)	–	3.9	–
Compass index [2] (%)	50	–	49

[1] The employee satisfaction survey is conducted every two years on a scale of 1 to 5 (with 5 being the best possible value).
[2] In the interim years of the employee survey, the compass index is determined for the Integrated Rail System in Germany, on a scale of 0% to 100%, as part of the culture barometer sample survey.

Following the employee survey (ES) in 2022, a two-stage follow-up process took place from January to the end of July 2023 under the motto “Implementing change together.” In a first step, executives shared and discussed the ES results with their teams by the end of February 2023. Based on the results, the teams were able to work on one of three possible key topics on a voluntary basis and in a facilitated workshop format (“Building strengths as a team,” “Dealing with challenges as a team,” “Comprehensive cooperation”). The objective was to work as a team to develop a solution for the chosen focal point and implement it as a specific measure. Relevant executives, interfaces and input providers were also invited to contribute to finding a solution. More than 1,660 workshops were held in the course of this in order to initiate change on the ground.

Subsequently, in September 2023, the DB culture barometer – a random sample survey in the Integrated Rail System in Germany – took place for the second time, providing an insight into the status and implementation of the strategic topics:

- Almost 12,000 employees took part in the culture barometer, which equates to about 43 % of those invited (+7 percentage points compared to 2021).
- At 50 %, the compass index, the most important indicator of the culture barometer, was slightly up on the 2021 figure (49 %). This measures the way in which the principles of the compass for strong teamwork are practiced in the Integrated Rail System. The compass index is a key indicator for the transformation of the organization in line with the Strong Rail strategy.
- The results regarding our strategic topics are ambivalent:
  - optimism about the future (2023: 45 % in the affirmative, 2021: 57 % in the affirmative) has fallen, as has
  - the belief in the successful implementation of Strong Rail strategy (2023: 32 % in the affirmative, 2021: 40 % in the affirmative).
  - Our Strong Rail strategy has not reached all employees and its achievements must become even more tangible.
  - Employees are also more critical of the progress of digitalization in the Integrated Rail System in Germany than they were in 2021 (2023: 40 % in the affirmative, 2021: 46 % in the affirmative).
- However, there have also been slight improvements in key areas of activity:
  - For example, the topics of “Ending unnecessary processes” (2023: 26 % in the affirmative, 2021: 19 % in the affirmative),
  - “Quick decision-making” (2023: 26 % in the affirmative, 2021: 24 % in the affirmative), and
  - our “Implementation discipline” (2023: 37 % in the affirmative, 2021: 35 % in the affirmative) were rated slightly more positively than in the 2021 culture barometer.

Work of the future

In order to strengthen our ability to innovate and prepare ourselves for the future, we intend to actively shape the work of the future. Here, it is important to us to involve all employees, especially those who make a key contribution to success in operational activities.

EMPLOYMENT CONDITIONS

We are continuing to improve employment conditions, based on current and future social developments, as well as employees’ and applicants’ expectations of a modern employer. Issues such as flexibility, participation and individualization are highly important. Further developments are communicated to employees in a way that is tailored to the target audience, and feedback options on the aspects of employment conditions are provided. The respective interest groups are always involved in the further development.

Wage increases under collective bargaining agreements

GRI

The 2023 collective bargaining negotiations between DB Group and the Railway and Transport Workers Union (EVG) came to an end on July 26, 2023, with a recommended settlement forming part of a conciliation procedure. This was followed by a ballot of the EVG, in which the trade union members accepted the outcome of the conciliation. The settlement recommendation recognizes the tremendous achievements and successful work of DB Group employees. The term of 25 months through to the end of March 2025 provides planning security. At the same time, the recommendation includes numerous contributions to improving competitiveness, thus maintaining DB Group’s readiness for the future.

The collective bargaining agreement includes an inflation adjustment bonus of € 2,850, wage increases totaling € 410 per month in two stages, restructured remuneration tables for certain service providers and special regulations for bus companies, as well as additional wage increases for employees in key rail-specific professions.

Collective bargaining negotiations with the German Train Drivers’ Union (GDL) began on November 9, 2023. In the first round, DB Group submitted an offer that included among others a wage increase of 11 %. The GDL then carried out a first “warning strike.” After the second round, the GDL announced that the negotiations had failed, carried out a second “warning strike” and initiated a ballot. An agreement could not be reached as of December 31, 2023.

Collective agreements

GRI

EMPLOYEES BY EMPLOYMENT TYPE AS OF DEC 31 / NP	2023	2022	2021
Employees subject to collective bargaining agreements	202,925	192,438	187,379
Civil servants	10,860	12,689	14,705
Employees on individual contracts [1]	13,161	12,338	11,936
Total	**226,946**	**217,465**	**214,020**

Germany (companies with about 98% of domestic employees).
[1] The figures for employees on individual contracts primarily include executives, employees paid above the wage agreement level (known as non-tariff employees) and employees with individual contractual agreements.

In addition to country-specific legislation, the working conditions and pay for our employees primarily follow the collective bargaining agreements that have been concluded with the respectively responsible trade unions. In principle, the collective bargaining agreements apply to employees in Germany. The activities of civil servants in DB Group are based on statutory allocation under Article 2, Section 12 of the Rail Restructuring Act (ENeuOG). The same collective wage agreement provisions within DB Group therefore apply on this basis to civil servants, insofar as the legal regulations governing civil servants do not conflict with this.

The employment conditions of employees not subject to wage agreements and executives in DB Group are generally not determined by collective bargaining agreements. Nevertheless, the remuneration of the great majority of employees not subject to wage agreements is based on the highest pay under collective bargaining agreements. In addition, DB Group ensures that the employment conditions of employees, both subject to and not subject to wage agreements, as well as executives, are compatible with one another with respect to personnel policy.

The collective bargaining agreements, employer/works council agreements and other DB Group regulations on employment conditions are generally gender-neutral. Job evaluations and remuneration levels are based exclusively on the requirements of the respective activity, not on the personal characteristics of the candidates.

EMPLOYEES WITH COLLECTIVE AGREEMENTS AS OF DEC 31 / NP	2023	2022	Change absolute	Change %	2021
Employees with collective wage agreements	213,770	205,110	+8,660	+4.2	202,059
Share (%)	94.2	94.3	-0.1	–	94.4

Germany (companies with about 98% of domestic employees).

The share of employees subject to collective bargaining agreements remains virtually unchanged at a very high level.

Work-life balance

GRI

We acknowledge social changes and the wishes of employees when organizing working hours. Our efforts to continuously improve flexibility in working hours help to increase our attractiveness as an employer and are therefore of great importance for employee retention and recruitment.

- With the elective working hours model, employees can decide whether to reduce their working hours by one or two hours per week, have six or 12 additional vacation days per year or receive a higher salary.
- Our employees have several options for their use of overtime. In addition to the classic options of administrative leave or remuneration, employees covered by collective bargaining agreements can add time credit from overtime, as well as vacation days and remuneration, to an individual long-term time account and take paid leave at a later date. Care is taken to ensure that statutory regulations concerning working hours are observed. In addition, overtime is only allowed with both parties' consent.
- With employer-financed contributions to the DEVK pension fund, DB Group offers an attractive retirement pension to supplement the statutory pension.
- Employees covered by collective bargaining agreements are also able, by request, to convert time credits from overtime, additional vacation for rotating shift work, shift work and night work, or vacation under a collective bargaining agreement in excess of statutory vacation into the company pension plan (CPP) in full or in part, allowing them to save for their retirement. Conversion to the CPP are additionally supported by DB Group.
- In the companies with shift and rotating shift work, we are strengthening the participation of employees in the planning and individualization of working hours within the framework of operational working hours projects.

Further information can be found in the section Social and fringe benefits 96.

EMPLOYEES BY WORKING HOURS AND GENDER AS OF DEC 31 / NP	2023	2022	2021
Full-time	304,451	304,725	304,280
thereof women	68,848	67,891	65,893
Part-time	35,649	32,159	32,710
thereof women	17,063	16,456	16,461
Total	**340,100**	**336,884**	**336,990**

Includes DB Arriva.

DB Group offers various part-time models to improve the balance between career and family.

EMPLOYEES BY CONTRACT TYPE AS OF DEC 31 / NP	2023	2022	2021
Permanent	320,308	317,306	316,012
thereof women	79,792	77,972	75,949
Fixed-term	19,792	19,578	20,978
thereof women	6,119	6,375	6,405
Total	**340,100**	**336,884**	**336,990**

Includes DB Arriva.

The share of employees with permanent employment contracts remained very high at about 94 % (in Germany: about 96 %).

UTILIZATION OF AND RETURN AFTER PARENTAL LEAVE AS OF DEC 31	2023	2022	Change absolute	Change %	2021
Employees who have taken parental leave (NP)	5,582	5,918	- 336	- 5.7	5,651
thereof women	1,629	1,722	- 93	- 5.4	1,708
Returnee from parental leave (NP)	5,541	5,895	- 354	- 6.0	5,245
thereof women	1,595	1,688	- 93	- 5.5	1,428
Return rate [1] (%)	99.3	99.6	- 0.3	–	92.8
Men	99.8	100.3	- 0.5	–	96.8
Women	97.9	98.0	- 0.1	–	83.6
Returnees from parental leave still employed after 12 months (NP)	5,017	4,706	+ 311	+ 6.6	4,086
thereof women	1,323	1,161	+ 162	+ 14.0	1,006
Retention rate [2] (%)	85.1	89.7	- 4.6	–	77.9
Men	87.8	92.9	- 5.1	–	80.7
Women	78.4	81.3	- 2.9	–	70.4

Germany (companies with approximately 92 % of domestic employees). Since parental leave can last up to three years, it is possible for employees to be recorded for up to four financial years. This means that the number of employees who returned from parental leave may exceed the number of employees who took parental leave.

[1] Employees who have returned after parental leave in relation to employees who have taken parental leave.

[2] Employees who were still employed 12 months after their return after parental leave, in relation to employees who returned to the workplace in earlier reporting periods after parental leave.

The distribution of parental leave by men and women also reflects the distribution of gender in Germany within DB Group. The return and retention rate of our employees is very high, which also reflects our attractiveness as an employer and our efforts to retain employees.

DB Group makes numerous offers related to parental leave to provide support and show our appreciation to parents. During their parental leave, employees can remain in personal contact with their team by retaining their mobile devices or via a parental leave buddy. When the child is born, the executive has the opportunity to send an appreciation package to the parents at home. In cooperation with the BSW&EWH Foundation Family (Stiftungsfamilie BSW&EWH), members are also sent a baby welcome package, and we run a parent network for exchange and networking purposes.

After parental leave, working parents will be offered free support finding day care in collaboration with the Workers' Welfare Service (AWO). In addition, the Bahnbini children's day care center in Frankfurt am Main offers qualified care for up to 90 children of employees from 12 months up to school age. The day-care center is operated by the BSW&EWH Foundation Family and the sponsor is Kita Concept Trägerschaften gGmbH (childcare agency).

In the event of a short-term and unforeseeable lack of childcare, DB Group provides a parent-child room at some locations – another way to reconcile work and family life.

EXTERNAL TEMPORARY AGENCY WORKERS AS OF DEC 31	2023	2022	2021
External temporary agency workers (NP)	2,663	2,631	2,416
Percentage of external temporary agency workers compared to DB Group employees (%)	1.2	1.2	1.1

Germany (companies with approximately 99 % of domestic employees).
External temporary workers are not counted as DB Group employees.

In the case of particular bottlenecks, we work together with external temporary employment agencies to bridge short-term or temporary personnel shortfalls in addition to the use of temporary agency workers belonging to DB Zeitarbeit GmbH (DB Temporary Work). External temporary agency workers are not counted as DB Group employees as they are employed by the respective temporary employment agency. The number of external temporary agency workers remains at the previous year's level.

EMPLOYEES BY REGION AND WORKING HOURS AS OF DEC 31 / NP	2023	2022	Change absolute	Change %	2021
Germany	231,080	221,343	+ 9,737	+ 4.4	218,705
Full-time	204,125	196,677	+ 7,498	+ 3.8	195,127
Part-time	26,955	24,666	+ 2,289	+ 9.3	23,578
Europe (excluding Germany)	77,094	82,220	- 5,126	- 6.2	88,486
Full-time	68,547	74,892	- 6,345	- 8.5	79,518
Part-time	8,547	7,328	+ 1,219	+ 16.6	8,968
Asia/Pacific	17,259	18,055	- 796	- 4.4	17,021
Full-time	17,184	17,983	- 799	- 4.4	16,923
Part-time	75	72	+ 3	+ 4.2	98
North America	11,033	11,523	- 490	- 4.3	9,311
Full-time	10,976	11,470	- 494	- 4.3	9,289
Part-time	57	53	+ 4	+ 7.5	22
Rest of world	3,635	3,743	- 108	- 2.9	3,467
Full-time	3,620	3,704	- 84	- 2.3	3,423
Part-time	15	39	- 24	- 61.5	44
DB Group	**340,100**	**336,884**	**+ 3,216**	**+ 1.0**	**336,990**
Full-time	304,451	304,725	- 274	- 0.1	304,280
Part-time	35,649	32,159	+ 3,490	+ 10.9	32,710

Includes DB Arriva.

EMPLOYEES BY REGION AND TYPE OF CONTRACT AS OF DEC 31 / NP	2023	2022	Change absolute	Change %	2021
Germany	231,080	221,343	+9,737	+4.4	218,705
Permanent	221,043	211,842	+9,201	+4.3	209,221
Fixed-term	10,037	9,501	+536	+5.6	9,484
Europe (excluding Germany)	77,094	82,220	-5,126	-6.2	88,486
Permanent	72,475	77,455	-4,980	-6.4	81,295
Fixed-term	4,619	4,765	-146	-3.1	7,191
Asia/Pacific	17,259	18,055	-796	-4.4	17,021
Permanent	12,486	13,159	-673	-5.1	13,049
Fixed-term	4,773	4,896	-123	-2.5	3,972
North America	11,033	11,523	-490	-4.3	9,311
Permanent	10,954	11,467	-513	-4.5	9,288
Fixed-term	79	56	+23	+41.1	23
Rest of world	3,635	3,743	-108	-2.9	3,467
Permanent	3,350	3,382	-32	-0.9	3,159
Fixed-term	285	361	-76	-21.1	308
DB Group	**340,100**	**336,884**	**+3,216**	**+1.0**	**336,990**
Permanent	320,308	317,306	+3,002	+0.9	316,012
Fixed-term	19,792	19,578	+214	+1.1	20,978

Includes DB Arriva.

GRI Mobile working

We are consistently taking further steps towards establishing new and flexible forms of collaboration. Since 2021, mobile work has been an integral component of everyday work for employees and executives with office activities. In addition, desk sharing and an activity-oriented office concept, with workshop rooms to foster collaboration, are being gradually introduced at all office locations throughout Germany.

GRI Social and fringe benefits

DB Group offers all employees fair, performance-based and non-discriminatory pay, which is reviewed on a regular basis. In addition to offering compensation, an employer-financed company pension scheme and support for private provision, we also offer a wide range of social and fringe benefits. Our social partners (BSW&EWH Foundation Family, BAHN-BKK, Association of German Railway Sports Clubs (Verband Deutscher Eisenbahner-Sportvereine; VDES), DEVK insurance companies and Sparda banks) also offer attractive benefits for DB employees. In cooperation with the BSW&EWH Foundation Family, we offer our employees a range of childcare options and extensive support in caring for family members.

MOBILITY SERVICES AND SUPPORTED LIVING SPACE

With our digital housing exchange, we are making it easier for our employees to access affordable housing. We have also further intensified our cooperation with housing companies. We concluded cooperation agreements with six housing companies that provide our employees with access to a pool of about 600,000 apartments. In addition, there are temporary, furnished housing offers for employees in six cities in Germany, in the form of residential homes and apartments. These comprise approximately 700 beds. In addition, we analyze the needs of our employees in order to be able to plan specific housing projects in the future and implement them if necessary.

We aim to offer our employees a varied, green, flexible and simple mobility portfolio that consists primarily of DB's own services. DB company bikes, an employee discount for our bike sharing service Call a Bike and the travel discounts form the foundation for this. Employees not subject to collective wage agreements and executive employees can also choose a mobility budget (using the Bonovo app) and BahnCard 100 as alternatives to company cars. We also provide our employees with access to favorable offers for the monthly transport association job ticket or the Germany-Ticket for their commute to work and finance these, in part or in full, depending on the specific circumstances.

EXECUTIVES AND EMPLOYEES NOT COVERED BY COLLECTIVE BARGAINING AGREEMENTS

GRI TCFD

The variable compensation of executives, employees under collective bargaining agreements and those not employed under collective bargaining agreements is geared towards the Strong Rail targets 56ff. Variable remuneration is based on a set of key figures consisting of key financial and non-financial indicators, such as customer satisfaction, punctuality, employee satisfaction, women in leadership, EBIT and – depending on the contract level – personal performance or the reduction of CO_2e emissions (for railway in Germany).

- To improve work-life balance, executives and employees not subject to collective wage agreements are able to take a sabbatical. We also support the provision of part-time executive employment, job sharing and interim management.
- The "Special semi-retirement for executives in DB Group" program is intended to reduce executives' individual workload while maintaining the employability of older executives until the statutory retirement age.

- Employer-financed contributions to the company pension plan are used to ensure post-employment benefits for executives and employees not subject to collective wage agreements.
- The BahnCard 100 and the mobility budget (using the Bonovo app) offer executives and employees not under collective bargaining agreements an eco-friendly alternative to company cars.

Modern health management

GRI

The digitalization of health services is another contribution to modern employment conditions. In addition, the follow-on effects of the Covid-19 pandemic are still a particular focus, such as long Covid or post-Covid, or ergonomics in remote workplaces. To address this, offers were developed and are continuously being adjusted, with the help of the social partnership with the BSW&EWH Foundation Family, the Association of German Railway Sports Associations (VDES), BAHN-BKK and Knappschaft-Bahn-See (social insurance for railway employees and seafarers).

We support the health of our employees from a holistic perspective and combine targeted offers for physical, mental and social health through company medical care and occupational psychological care. This covers, for example, stress management, exercise, nutrition and professional support for mental disorders. Our employees can contact their executives at any time without any formal process if they have individual needs in terms of occupational health. A Group-wide HR operation model and the resulting regular exchange between the operational executive and human resources department ensure that executives have sufficient information on the suitable health services. Access to company health promotion services is therefore available to all employees at all times and with low thresholds.

The product portfolio of company health management covers all classic areas of prevention (company medical services, healthy working conditions, health promotion and prevention, social and crisis support as well as operational integration and inclusion). In total, we provide more than 100 different offers, which are always oriented towards the needs of our employees. All products, including health promotion services, are actively managed in a standardized process and further developed if necessary.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

Aspects of occupational health and safety at DB Group are not centrally set up, but are integrated together into the business activities and taken into account within the management systems of DB companies.

The binding standards in the framework directives on occupational health and safety are defined in the Group directive on risk minimization, which is contained in the management handbook. The medical and psychological suitability framework directive defines rules for determining medical and psychological suitability. The aim is to be able to deploy applicants and employees in accordance with the health requirements of their activities and thus ensure the safety of rail and bus operations as well as third parties. The occupational health and safety manual complies with government and autonomous occupational health and safety regulations and contains a summary of the framework directives, appendices and forms for health and safety in the workplace for all employees in the Integrated Rail System. Manual components cover, among other things, occupational health and safety in DB Group, utilization of external companies, deployment abroad, biomaterials, activities involving hazardous materials, work in the rail area, personal protective equipment, procedure in the case of work accidents and commuting accidents, as well as work on or near electrical systems.

Our occupational health and safety policy is designed to continuously decrease the number and severity of accidents. The framework directives on occupational health and safety flesh out the key company obligations that are specified in accordance with Sections 1–13 of the German Occupational Health and Safety Act (ArbSchG). For example, the “Occupational health and safety in DB Group” framework directive specifies that each DB company is required to design a management system including setting up an occupational health and safety committee (Arbeitsschutzausschuss; ASA). The quarterly occupational health and safety committee considers the interests of employees via the participating stakeholder group representatives, among other things, and communicates measures regarding health and safety in the workplace. In contrast, the “Risk assessment” framework directive states that a risk assessment must be carried out and documented, using the SAP Environment, Health and Safety Management (SAP EHS) IT application in order to ensure the health and safety of employees. The documented risk assessment must be checked regularly and as necessary (e.g. in case of changes to workflows). The previous measures are defined or updated in accordance with a predefined procedure for determining and assessing risks. Relevant findings from the risk assessment is disclosed to employees as part of instructions.

DB Group provides its employees with electronic learning modules for the training. General measures for health and safety in the workplace are provided, which can be explained further in a personal meeting with the executive. Furthermore, the Ordinance on Preventive Occupational Healthcare is implemented in a framework directive, which serves as a basis for the advisory activities of our occupational medical services. The tasks of our occupational medical services are based on legal requirements (e.g. Occupational Health and Safety Act) and internal framework directives. This ensures a focus on prevention (work-related illnesses and accidents), health promotion and reintegration. Regular training sessions, digital appointments and results reporting via SAP EHS, as well as the specific professional requirements for the medical staff of occupational medical services ensure a consistently high quality of service. The use of third-party companies and external temporary workers (including the instruction of external persons by the external firm, the provider or hirer of external temporary workers) is dealt with by the "Occupational health and safety when using external firms and temporary workers." Regular testing of electrical systems and production equipment is ensured by the "Work on or near electrical systems and production equipment" framework directives.

Measures were also further developed to improve the quality of preventive occupational safety for the Integrated Rail System, with the aim of achieving zero accidents, in the working group on occupational health and safety meeting on a quarterly basis. This included, for example, the establishment of a DB learning portfolio on occupational health and safety with an electronic learning course for exercising and monitoring business obligations. In addition to the specialist occupational health and safety staff at DB companies, members of the Group Works Council also take part in the working group to participate in Group-wide measures on safety and health at work.

The joint zero-accident occupational health and safety strategy has, for the Integrated Rail System, the strategic objective of ensuring "no work accidents or work-related illnesses." The top priority is to avoid fatal and severe occupational accidents and occupational illnesses. If a fatal or serious occupational accident nevertheless occurs, we cooperate closely with the competent authorities and develop measures to prevent similar causes of accidents in future. We are represented in the Zero Accident Forum of the Occupational Health and Safety Institute of the German Statutory Accident Insurance (Institut für Arbeitsschutz der Deutschen Gesetzlichen Unfallversicherung; IFA). The forum is a network of companies learning from one other so that they can reduce the number of accidents at work, including commuting accidents, to zero.

SICKNESS RATE BASED ON HOURS / %	2023	2022	2021
DB Group	6.3	7.2	5.7
DB Long-Distance	7.0	7.8	6.0
DB Regional	7.7	8.9	7.5
DB Cargo	7.5	8.1	6.7
DB Netze Track	5.3	6.2	4.9
DB Netze Stations	6.2	6.9	5.2
DB Energy	3.9	4.6	3.3
Other	6.1	6.7	5.2
DB Schenker	5.2	6.2	5.4

Germany (companies with about 98% of domestic employees).

The sickness rate fell in 2023 and is now at pre-Covid-19 levels. In the previous year, a wave of colds and flu, the highly infectious Omicron variant and the temporary special burdens on our employees due to the 9-Euro-Ticket resulted in higher absenteeism.

OCCUPATIONAL ACCIDENTS AND LTIF	2023	2022	2021
Fatal accidents [1]	4	7	4
thereof in Germany [2]	4	7	4
Lost time injury frequency (LTIF) [2, 3]	22.2	22.9	21.8

[1] Worldwide (companies with about 98% of employees).
[2] Germany (companies with about 97% of domestic employees).
[3] Lost time injury frequency = LTIF (work accidents that cause the employee to be absent for longer than one calendar day) ×1,000,000/working hours.

Compliance with internal standards and national laws serve to protect employees. Safe work and healthy employees make an important contribution here. Digital events and active communication measures on the topic of occupational health and safety were implemented to achieve the goal of raising awareness about safety and personal responsibility. We are continuously working to optimize safety. With lost time injury frequency (LTIF), we have established an indicator to aid us in further reducing the frequency of accidents. The data on LTIF (lost time injury frequency) is largely provided via the IT platform SAP EHS, which connects the occupational medical service, occupational health and safety, accident management and hazardous materials management. In accordance with statutory provisions in Germany, occupational accidents are reported and provided to the statutory accident insurance company within three calendar days of the accident becoming known. The relevant statutory accident insurance provider is responsible for determining the damage and regulating the costs of the accident. Statistically, only fatal work accidents and not serious ones are reported or recorded. Near misses can be reported anonymously via the online accident portal.

The fatal occupational accidents occurred at DB Cargo, DB Security and DB Netze Track in 2023 (previous year: DB Rail Construction Group, DB Cargo, DB Track Services, DB Regional Bus and DB Services). Fatal occupational accidents at DB Group are systematically investigated in the affected business units, and any possible process-related improvements and further measures are identified and implemented.

About 65 DB companies in Germany are included in the LTIF calculation. A closer look at the LTIF reveals a differentiated picture, also in an international comparison, as all areas of activity within the DB Group are included in the calculation. Our goal within the scope of our occupational health and safety policy is to continuously and sustainably reduce the LTIF. Our zero-accident measures contribute to this. We involve the DB companies in the Occupational Health and Safety Working Group, thereby promoting an overall culture of safety to ensure the safety of our employees. The LTIF in Germany is at the same level as in the previous year.

In 2023, we pushed ahead with our strategy to improve the quality of preventive occupational health and safety, in particular with the digital and technological transformation of DB Group.

We are also working continuously to place greater emphasis on executives' responsibility and their function as role models. We are therefore continuing to develop further learning opportunities for executives as part of the occupational health and safety strategy for the Integrated Rail System.

Measures against discrimination

GRI

We are committed to a working environment that is free from discrimination, bullying and sexual harassment. Every incident is dealt with specifically and individually in order to ensure the correct course of action and to support those affected in a trusting manner. Capable assistance for clarifying and handling conflict situations is available from the intra-Group ombudsman's office for all employees, in addition to the rules in the Group employer/works council agreements (Konzernbetriebsvereinbarung; KBV), such as the KBV for equal treatment and protection against discrimination, the KBV for inclusion or the framework KBV for balancing work, family and life stage, as well as directives such as those on the Federal General Act on Equal Treatment (Allgemeines Gleichbehandlungsgesetz) and on company integration management, or compliance directives. The focus in all this is on non-bureaucratic and independent extrajudicial settlement of conflicts. The ombudsman's office coordinates the intra-Group pool of mediators. In addition, the topics of avoiding unconscious bias and dealing with discrimination are anchored in the training offered by the DB Executive Academy.

We do not tolerate sexual harassment or discrimination against anybody, in particular due to national, ethnic or social origin, skin color, health status, disability, sexual orientation, gender, age, political opinion, religion or belief, or membership of a trade union. This prohibition on discrimination also applies to remuneration.

We have set up various contact points for our employees and customers to combat discrimination, with the option of submitting anonymous reports or seeking assistance directly. One option is to use our complaints procedure 199. Reports can be submitted, for example, via our electronic whistleblower system, which, in 2023, informed us of four confirmed cases of discrimination.

Inclusion and reintegration measures

GRI

Operational integration management for prevention, based on a legal framework, is supplemented by two additional procedures contained in a framework directive. Company integration management and the procedures in the case of temporary non-suitability govern the continued employment of employees with permanent or limited impairments to their ability to work. As part of the digitalization initiative in the HR unit, the method for operational integration management for prevention has been supported digitally since December 2023. This simplifies process steps and facilitates a standardized implementation. Our principles for the successful inclusion of employees with disabilities are anchored in the KBV on inclusion. We also record our measures to promote inclusion in the Rail Action Plan and thus implement the objectives of the National Action Plan and the UN Convention on the Rights of Persons with Disabilities.

Together with the Group representative for severely disabled employees, we are rewarding and recognizing special inclusion measures with the DB Inclusion Award "Flagship," thereby promoting the visibility of successful inclusion within DB Group. An internal qualification for inclusion officers creates a uniform understanding and standardized communication of knowledge about this role and the tasks of the inclusion officers in DB Group. The steadily achieved progress in the area of inclusion is characterized by strong cooperation between employer, representatives of severely disabled employees and external partners. Internally, the coordination office for subsidies, pensions and compensation fees (KS FöRA) supports employees when applying for subsidies.

THE WORK OF THE FUTURE AND DIVERSITY

A systematic discussion of innovations and visions of the work of the future is taking place as part of the Group initiative "People. Make. The Future." The goal is to address important strategic issues in good time, exchange knowledge and test new ideas. To this end, we regularly develop an overview of the relevant HR future trends with the HR trend map, which are discussed at various levels in DB Group in order to derive measures, projects and initiatives.

Once again in 2023, we organized our digital conference "Week of new work." The interactive program on new work in DB Group was organized with over 60 virtual program events.

Two H-FutureLabs under the umbrella of the initiative "People. Make. The Future." are working to find new answers to important questions for the future:

- Lab 1 "Future prospects for professions in the rail industry" is developing a method for identifying future changes in DB professions and initiating timely measures to recruit and train employees. In 2023, the method was successfully applied, scaled and developed on other job profiles. The creation of strategic workforce management makes it possible to link it with other HR products and thus enables a holistic view of the future of our job profiles.
- Lab X "Perspectives for the future" is concerned with the medium and long-term development of HR topics in DB Group in the course of digitalization and other changes. In 2023, key strategic topics were identified for which it is important to provide timely stimulus and initiate measures.

In the context of the changing working environment, the promotion of diversity within the Group is of critical importance. DB Group's commitment to the diversity of its employees is anchored in the Strong Rail strategy. Every member of the Management Board has assumed responsibility for a diversity dimension. The diversity managers of the business units and HR Group functions are also available to all employees as direct contact persons for diversity topics. In the Diversity Working Group and other project teams, they regularly work jointly on overarching goals. Employees with specific diversity concerns are supported by various bodies, such as the Group representative for severely disabled persons or the Social and Cultural Integration project (SUKI) 89. DB Group's employee networks form an important strategic element, in which employees engage on a voluntary basis and which are supported and promoted by central diversity management.

In 2023, we continued to implement a wide range of measures to create an inclusive working environment for all employees under the banner of the "Einzigänder." (Uniquely Different) initiative. These measures include the introduction of extended travel discounts for employees. DB employees can now also order travel discounts for their non-spouse partners. Corporate wear can now be ordered regardless of biological sex or gender identity, which offers employees the best opportunity to feel comfortable in their workwear.

The publication of the first DB Diversity Report was also an important milestone in 2023. In addition to figures, data and facts, it also presents individual diversity initiatives in a more detailed way. It also highlights the active commitment of employee networks, which are important partners in raising awareness of diversity issues.

Learning units and extensive materials on different aspects of diversity are accessible to all employees via the intranet and the internal learning platform. In 2023, they were expanded to include the topics of the General Equality Act, anti-racism and antiziganism, as well as women in leadership. A total of more than 60 of our Group-wide training courses contribute to promoting diversity.

Active generational management helps break down generation-based stereotypes and supports the integration of all generations in DB Group through various formats such as reverse mentoring and workshops for cross-generational work.

The establishment of an inclusive working environment, in which all employees are successfully integrated and optimally equipped regardless of their physical and mental abilities, forms part of our understanding of diversity.

Inclusion management was further developed in 2023: DB language management expanded its services to include translations into simple and easy language.

DB Group also made visible progress in the area of gender equality. In March 2023, the Group took first place in the rankings of the Women's Career Index (FKi), which, as a measurement instrument for the development of successful women's careers, examines how women at different management levels develop in their careers, how cultural changes are progressing and how openness to transformation and innovation occurs.

The annual Diversity Week 2023 dealt with the topic of inclusion and belonging, under the motto "Belonging in Team DB – #Einziganders." The aim was to anchor diversity in DB Group as a topic that cuts across many different areas, to discuss it and to promote networking in the Group.

GRI 30% women in leadership

DB Group is aiming to increase the share of women in leadership positions in companies subject to the Second Act on Equal Participation of Men and Women in Management Positions (FüPoG II) to a total of 30% at the Supervisory Board, Management Board and first and second management levels by the end of 2024. The share of women in leadership positions in the companies concerned is 29.4% across all levels based on the organizational structure valid as of December 31, 2023 (as of December 31, 2022: 27.0%). External recruitment, attractive working conditions and internal measures to ensure employee retention and development are also intended to increase the share of women.

Diversity key figures

GRI In Germany, about 231,000 employees from over 100 nations work for DB Group and about 55,700 of them are women.

MANAGEMENT LEVELS OF EXECUTIVES AND MEMBERS OF THE SUPERVISORY BOARD BY GENDER AS OF DEC 31 / NP	2023	2022	2021
Supervisory Board	20	20	20
Share of women (%)	35.0	35.0	30.0
Senior executives	248	253	252
Share of women (%)	24.6	21.7	19.0
Upper management	1,115	1,063	1,072
Share of women (%)	23.7	21.7	19.9
Middle management	2,648	2,508	2,464
Share of women (%)	24.8	24.0	22.2
Total executives (excluding Supervisory Board)	**4,011**	**3,824**	**3,788**
Share of women (%)	24.5	23.2	21.3

Germany (companies with about 98% of domestic employees).

The share of women among executives increased in 2023, demonstrating our efforts to increase the share of women in leadership.

WOMEN AS OF DEC 31 / NP	2023	2022	2021
DB Group	85,911	84,347	82,354
Share (%)	25.3	25.0	24.4
Germany	55,620	52,394	51,129
Share (%)	24.1	23.7	23.4

Includes DB Arriva.

EMPLOYEES BY AGE AS OF DEC 31 / NP	2023	2022	2021
< 30 years	34,144	31,342	30,312
30 - 49 years	103,862	97,117	94,064
≥ 50 years	88,940	89,006	89,644
Total	**226,946**	**217,465**	**214,020**

Germany (companies with about 98% of domestic employees).

Due to the continued high number of new hires, the share of employees over 50 years has continued to fall and as of December 31, 2023, was about 39% (as of December 31, 2022: about 41%).

EMPLOYEES WITH SEVERE DISABILITIES BY AGE AS OF DEC 31 / NP	2023	2022	2021
< 30 years	489	427	377
30 - 49 years	2,704	2,537	2,488
≥ 50 years	9,226	9,269	9,419
Total	**12,419**	**12,233**	**12,284**

Germany (companies with about 98% of domestic employees). Includes employees and vocational trainees with severe disabilities or equivalent circumstances.

The employment rate of severely disabled employees in Germany was 5.3% as of December 31, 2023, above the 5% quota required by law on average. The severely disabled employees are spread over numerous different fields of activity.

Other employee key figures

GRI

EMPLOYEES AS OF DEC 31 / FTE	2023	2022	Change absolute	Change %
DB Long-Distance	20,966	19,139	+1,827	+9.5
DB Regional	39,587	37,738	+1,849	+4.9
DB Cargo	31,359	31,167	+192	+0.6
DB Netze Track	56,084	52,510	+3,574	+6.8
DB Netze Stations	7,786	6,997	+789	+11.3
DB Energy	2,055	1,943	+112	+5.8
Other	61,876	59,992	+1,884	+3.1
Integrated Rail System	**219,713**	**209,486**	**+10,227**	**+4.9**
DB Schenker	72,710	76,591	-3,881	-5.1
DB Group [1]	**292,423**	**286,077**	**+6,346**	**+2.2**
DB Group - comparable	292,423	285,760	+6,663	+2.3
Changes in the scope of consolidation	-	-317	+317	-100
DB Group (incl. discontinued operations)	326,781	324,136	+2,645	+0.8
thereof discontinued operations	34,358	38,059	-3,701	-9.7

To guarantee better comparability, the number of employees is converted into full-time equivalents (FTE). Figures for part-time employees are measured in accordance with their share of the regular annual working time.
[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

EMPLOYEES AS OF DEC 31 / NP	2023	2022	Change absolute	Change %
DB Long-Distance	22,132	20,206	+1,926	+9.5
DB Regional	41,962	39,862	+2,100	+5.3
DB Cargo	31,918	31,755	+163	+0.5
DB Netze Track	57,986	54,118	+3,868	+7.1
DB Netze Stations	8,276	7,381	+895	+12.1
DB Energy	2,147	2,024	+123	+6.1
Other	64,718	62,740	+1,978	+3.2
Integrated Rail System	**229,139**	**218,086**	**+11,053**	**+5.1**
DB Schenker	74,871	78,886	-4,015	-5.1
DB Group [1)]	**304,010**	**296,972**	**+7,038**	**+2.4**
DB Group (incl. discontinued operations)	340,100	336,884	+3,216	+1.0
thereof discontinued operations	36,090	39,912	-3,822	-9.6

[1)] Value for 2022 adjusted due to reclassification of DB Arriva 106.

As of December 31, 2023, the number of employees in the Integrated Rail System and therefore also in DB Group has increased. Key drivers for this were:

- **DB Long-Distance:** Employee growth was mainly in the operational areas to improve robustness. In addition, there was an intake of employees through transfer of activities from DB Sales 126.
- **DB Regional:** Increased recruitment activities and permanent employment of vocational trainees at DB Regional (rail). Expansion of services and commissioning of bus services as well as the integration of ioki in DB Regional Road.
- **DB Netze Track:** Personnel increases, especially in the areas of project management, maintenance and operation. This feeds in particular into the improvement of operational quality and the general modernization of the infrastructure.
- **Other:** Increased business activities at DB E.C.O. Group, expansion of innovative topics and increased vertical integration at DB Systel, and expansion of construction volume at DB Bahnbau.

In contrast, the number of employees at DB Schenker has declined. This resulted from lower transport volumes in air and ocean freight as well as in land transport and the implementation of efficiency measures in contract logistics.

EMPLOYEES BY REGIONS AS OF DEC 31 / FTE	2023	2022	Change absolute	Change %
Germany	221,114	212,188	+8,926	+4.2
Europe (excluding Germany) [1)]	39,624	40,849	-1,225	-3.0
Asia/Pacific	17,191	18,006	-815	-4.5
North America	10,853	11,299	-446	-3.9
Rest of world	3,641	3,735	-94	-2.5
DB Group [1)]	**292,423**	**286,077**	**+6,346**	**+2.2**

[1)] Value for 2022 adjusted due to reclassification of DB Arriva 106.

The share of employees outside of Germany fell to about 24% (previous year: about 26%).

EMPLOYEE LOYALTY / years	2023	2022	2021
Average length of service	15	16	16
Average age	44	44	45

Germany (companies with about 98% of domestic employees).

EMPLOYEE TURNOVER

GRI

EMPLOYEE TURNOVER / NP	2023	2022	2021
Retirement-related turnover	3,442	3,557	3,614
thereof women	613	663	694
Other employee turnover	13,966	13,050	11,166
thereof women	2,936	2,738	2,296
Total	**17,408**	**16,607**	**14,780**

Germany (companies with about 98% of domestic employees).

EMPLOYEE TURNOVER / %	2023	2022	2021
Retirement-related turnover	1.5	1.6	1.7
thereof women	1.1	1.3	1.4
Other employee turnover	6.0	5.8	5.1
thereof women	5.4	5.3	4.6
Total	**7.5**	**7.4**	**6.8**

Germany (companies with about 98% of domestic employees).

The figures show non-restructuring-related turnover of permanent employees. Part-time working in the lead-up to retirement is also included in retirement-related employee turnover. The increase in employee turnover is mainly due to employee-initiated turnover. This reflects the increased flexibility on the labor market and the shortage of skilled labor.

BUSINESS DEVELOPMENT

GRI

Overview of key figures

Economic

REVENUES ADJUSTED / € billion

2023	**45.2**
2022[1]	52.1
2021	47.3
2020	39.9

EBIT ADJUSTED / € million

2023	**-964**
2022[1]	1,225
2021	-1,552
2020	-2,903

STRONG RAIL **ROCE** / % — Target: ≥5.7

2028	>6
2023	**-2.0**
2022[1]	2.7
2021	-3.6
2020	-7.0

STRONG RAIL **DEBT COVERAGE** / % — Target: ≥20

2028	20
2023	**5.2**
2022[1]	11.8
2021	4.3
2020	0.8

GROSS CAPITAL EXPENDITURES / € billion

2023	**16.9**
2022[1]	15.1
2021	15.4
2020	14.4

NET CAPITAL EXPENDITURES / € billion

2023	**7.6**
2022[1]	6.5
2021	6.3
2020	5.9

NET FINANCIAL DEBT AS OF DEC 31 / € billion

2023	**34.0**
2022	28.8
2021	29.1
2020	29.3

EQUITY RATIO AS OF DEC 31 / %

2023	**15.6**
2022	19.2
2021	14.8
2020	11.1

[1] Value adjusted due to reclassification of DB Arriva 106.

Short-/mid-term target — Long-term target

Overview

REVENUES ADJUSTED / € million	Total revenues 2023	2022	Change absolute	Change %	External revenues 2023	2022	Change absolute	Change %
DB Long-Distance	5,896	4,980	+ 916	+ 18.4	5,729	4,845	+ 884	+ 18.2
DB Regional	9,706	9,039	+ 667	+ 7.4	9,536	8,921	+ 615	+ 6.9
DB Cargo	5,582	5,244	+ 338	+ 6.4	5,279	4,998	+ 281	+ 5.6
DB Netze Track	6,340	6,266	+ 74	+ 1.2	2,157	2,035	+ 122	+ 6.0
DB Netze Stations	1,449	1,384	+ 65	+ 4.7	662	593	+ 69	+ 11.6
DB Energy	3,970	4,200	- 230	- 5.5	1,952	2,451	- 499	- 20.4
Other	6,829	6,123	+ 706	+ 11.5	775	696	+ 79	+ 11.4
Consolidation of the Integrated Rail System	- 13,591	- 12,576	- 1,015	+ 8.1	-	-	-	-
Integrated Rail System	**26,181**	**24,660**	**+ 1,521**	**+ 6.2**	**26,090**	**24,539**	**+ 1,551**	**+ 6.3**
DB Schenker	19,127	27,604	- 8,477	- 30.7	19,104	27,545	- 8,441	- 30.6
Consolidation other[1]	- 114	- 179	+ 65	- 36.3	-	1	- 1	- 100
DB Group[1]	**45,194**	**52,085**	**- 6,891**	**- 13.2**	**45,194**	**52,085**	**- 6,891**	**- 13.2**
DB Group (incl. discontinued operations)	49,212	56,296	- 7,084	- 12.6	49,212	56,296	- 7,084	- 12.6
thereof discontinued operations	4,018	4,214	- 196	- 4.7	4,018	4,212	- 194	- 4.6

OPERATING PROFIT FIGURES / € million	EBITDA adjusted 2023	2022	Change absolute	Change %	EBIT adjusted 2023	2022	Change absolute	Change %
DB Long-Distance	483	389	+ 94	+ 24.2	- 43	- 39	- 4	+ 10.3
DB Regional	634	619	+ 15	+ 2.4	- 22	- 31	+ 9	- 29.0
DB Cargo	- 74	- 257	+ 183	- 71.2	- 497	- 665	+ 168	- 25.3
DB Netze Track	- 435	1,244	- 1,679	-	- 1,098	601	- 1,699	-
DB Netze Stations	20	195	- 175	- 89.7	- 150	29	- 179	-
DB Energy	242	185	+ 57	+ 30.8	163	103	+ 60	+ 58.3
Other/consolidation Integrated Rail System	118	- 85	+ 203	-	- 429	- 598	+ 169	- 28.3
Integrated Rail System	**988**	**2,290**	**- 1,302**	**- 56.9**	**- 2,076**	**- 600**	**- 1,476**	**-**
DB Schenker	1,909	2,512	- 603	- 24.0	1,129	1,841	- 712	- 38.7
Consolidation other[1]	- 20	- 19	- 1	+ 5.3	- 17	- 16	- 1	+ 6.3
DB Group[1]	**2,877**	**4,783**	**- 1,906**	**- 39.8**	**- 964**	**1,225**	**- 2,189**	**-**
Margin[1] (%)	6.4	9.2	- 2.8	-	- 2.1	2.4	- 4.5	-
DB Group (incl. discontinued operations)	3,272	5,210	- 1,938	- 37.2	- 865	1,253	- 2,118	- 169
thereof discontinued operations	375	411	- 36	- 8.8	80	12	+ 68	-

CAPITAL EXPENDITURES / € million	Gross capital expenditures 2023	2022	Change absolute	Change %	Net capital expenditures 2023	2022	Change absolute	Change %
DB Long-Distance	1,657	1,667	- 10	- 0.6	1,657	1,666	- 9	- 0.5
DB Regional	606	716	- 110	- 15.4	581	695	- 114	- 16.4
DB Cargo	319	452	- 133	- 29.4	308	403	- 95	- 23.6
DB Netze Track	10,746	8,969	+ 1,777	+ 19.8	2,830	1,738	+ 1,092	+ 62.8
DB Netze Stations	1,595	1,434	+ 161	+ 11.2	505	397	+ 108	+ 27.2
DB Energy	329	303	+ 26	+ 8.6	88	75	+ 13	+ 17.3
Other/consolidation Integrated Rail System	665	611	+ 54	+ 8.8	662	604	+ 58	+ 9.6
Integrated Rail System	**15,917**	**14,152**	**+ 1,765**	**+ 12.5**	**6,631**	**5,578**	**+ 1,053**	**+ 18.9**
DB Schenker	950	946	+ 4	+ 0.4	947	946	+ 1	+ 0.1
Consolidation other	-	-	-	-	-	-	-	-
DB Group[1]	**16,867**	**15,098**	**+ 1,769**	**+ 11.7**	**7,578**	**6,524**	**+ 1,054**	**+ 16.2**
thereof investment grants[1]	9,289	8,574	+ 715	+ 8.3	-	-	-	-
DB Group (incl. discontinued operations)	17,184	15,353	+ 1,831	+ 11.9	7,855	6,750	+ 1,105	+ 16.4
thereof discontinued operations	318	255	+ 63	+ 24.7	278	227	+ 51	+ 22.5

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

Business environment

DEMAND FOR MOBILITY AND LOGISTICS

The environmental conditions in 2023 were characterized by economic weaknesses, high inflation rates and geopolitical crises, such as the wars in Ukraine and Gaza. Demand for mobility rose again, but was still below pre-Covid-19 levels. Demand in freight transport was characterized by a weak trend in this industrial sector.

GLOBAL ECONOMY

DEVELOPMENT OF IMPORTANT MACROECONOMIC INDICATORS COMPARED WITH THE PREVIOUS YEAR / %	2023	2022	2021
WORLD TRADE (IN REAL TERMS)			
Trade in goods	-1.0	+4.5	+12.1
GDP			
World	+2.7	+3.1	+6.3
USA	+2.5	+1.9	+5.8
China	+5.2	+3.0	+8.5
Japan	+2.0	+0.9	+2.6
Europe	+0.8	+3.3	+6.5
Eurozone	+0.5	+3.4	+5.9
Germany	-0.2	+1.9	+3.1

The data for 2021 to 2023, adjusted for price and calendar effects, are based on information and estimates available as of January 2024.
Source: Oxford Economics

Uncertainties in global value-added chains and weak investment demand had a negative impact on the global economy, in particular on freight trade in 2023. Although global gross domestic product (GDP) recorded solid growth, due in part to robust development in the USA and China, this growth was lower than in the previous year. The revival of the Chinese economy that started in the spring following the zero-Covid policy was weaker than expected in terms of its impact on the global economy, while economic development in the USA proved to be surprisingly resilient despite a restrictive monetary policy by the US Federal Reserve.

World trade decreased in 2023. While container handling grew in Chinese ports, many ports in America and Europe recorded stagnant or falling volumes. The reversal of growth still expected at the start of the year can be explained in particular by the weak global economic environment. Structural changes in global production and supply chains are having a dampening effect on the growth of trade as well as the global economy in the medium term.

ENERGY MARKETS

The central hedging policy of DB Group aims to reduce energy price fluctuations. Our activities were therefore not exposed to the full impact of changes in market prices in 2023, at least not in the short term.

Brent oil

BRENT CRUDE / USD/bbl	2023	2022	Change absolute	Change %
Average price	82.2	99.0	-16.8	-17.0
Highest price	97.7	139.1	-41.4	-29.8
Lowest price	70.1	75.1	-5.0	-6.7
Year-end price	77.0	85.9	-8.9	-10.4

Figures are based on information and estimates available as of January 2024.
Source: Refinitiv

- Oil prices have been falling steadily since summer 2022. Overall, the price of oil in 2023 was about 17% below the previous year's figure in dollar terms, although it remained at a comparatively high level. The weak euro reinforced this trend in the Eurozone.
- The CO_2 price was kept at a constant level in 2023 as part of the third package of relief measures.
- Fuel prices in Germany in 2023 were only 5.6% below the previous year's highs.

Electricity and emissions certificates

	2023	2022	Change absolute	Change %
BASE LOAD POWER (FOLLOWING YEAR) (€/MWH)				
Average price	137.2	298.3	-161.1	-54.0
Highest price	219.3	1,050	-830.7	-79.1
Lowest price	86.2	108.8	-22.6	-20.8
Year-end price	95.5	215.0	-119.5	-55.6
EMISSIONS CERTIFICATES (€/T CO_2)				
Average price	85.3	81.2	+4.1	+5.0
Highest price	101.3	99.2	+2.1	+2.1
Lowest price	66.0	55.0	+11.0	+20.0
Year-end price	80.4	84.0	-3.6	-4.3

Figures are based on information and estimates available as of January 2024.
Source: Refinitiv

Prices on the futures market for electricity with deliveries for the following year halved in 2023 compared to the previous year. The reasons for the sharp fall in prices have been the significant fall in gas prices, the gradual return of French nuclear power plants to the electricity market and the major expansion of renewable energies. After the drastic reduction in deliveries of natural gas from Russia, the supply was secured by means of other imports and the expansion of liquefied natural gas terminals. Gas storage levels in Germany were brought to a record level. Even though electricity prices fell significantly compared to the previous year, the price level is higher than before the war in Ukraine. In DB Group's operating business, the activities undertaken to secure prices are stabilizing the effects on profit caused by energy price fluctuations.

Income situation

- *Revenues and profits declined, despite the continuing recovery in passenger transport.*
- *It was mainly the normalization of freight rates that was driving revenues, but operating profit of DB Schenker remains substantially above pre-Covid-19 levels.*
- *High expense burdens due to the expansion of quality measures, especially for infrastructure and effects of collective bargaining agreements.*
- *Pre-financing of infrastructure measures for the Federal Government had a negative impact on operating profit.*

GRI

COMPARABILITY WITH THE PREVIOUS YEAR

The income, financial and net assets situation of DB Group were still significantly influenced by the Covid-19 pandemic in the first quarter of 2022. The complete removal of Covid-19 restrictions in passenger transport led to continued recovery in demand as well as a further improvement in performance figures.

Agreement on the sale of DB Arriva

After activities of DB Arriva in Denmark, Poland, Portugal, Sweden and Serbia were sold in 2022 and 2023, DB AG signed an agreement with I Squared Capital on October 19, 2023, to sell all the remaining DB Arriva companies operating at country level. The transaction is expected to be completed in 2024. The sale is still subject to the customary implementation conditions.

Due to the expected disposal, DB Arriva has no longer been shown as a business unit / segment in DB Group reporting since 2023, but reported as a discontinued operation 231 f. The previous year's figures (with the exception of the consolidated balance sheet) were adjusted accordingly. The continuing operations of DB Group include the remaining seven business units and the Other area.

Further information on changes in the scope of consolidation 230 ff. are presented in the consolidated financial statements.

Group charges introduced in DB Group

DB Group management includes various governance functions 191 ff. that carry out their tasks for the entire DB Group with some regulatory exceptions (including Group development, finance and treasury, and human resources). Since 2023, the costs for these functions have no longer been charged to the business units as an aspiration to profits, but as explicit costs. Within the scope of Group charges, only services that are provided for several companies within the integrated Group structure are charged using a user-oriented allocation key. As a result, the profit of the Other area improved by € 335 million in 2023. This was offset by a corresponding deterioration in profit for the individual business units (DB Netze Track: € –157 million, DB Regional: € –50 million, DB Long-Distance: € –44 million, DB Cargo: € –30 million, DB Netze Stations: € –23 million, DB Schenker: € –15 million). Overall, this results in negligible limitations in terms of comparability with previous years' figures at business unit level.

A contractual agreement and the clearing of Group charges ensures the settlement of chargeable services of DB Group functions, including against the background of regulatory and tax requirements.

The Group charge agreement was concluded with the management companies of the business units and the main internal service providers of DB Group. The agreement regulates the allocation of costs and the assessment of them for the services included.

REVENUES

REVENUES / € million	2023	2022	Change absolute	Change %
Revenues [1]	45,191	52,085	-6,894	-13.2
± Special items	3	0	+3	-
Revenues adjusted [1]	**45,194**	**52,085**	**-6,891**	**-13.2**
thereof Integrated Rail System	26,181	24,660	+1,521	+6.2
± Changes in the scope of consolidation	-412	-295	-117	+39.7
± Exchange rate changes	463	-	+463	-
Revenues comparable	**45,245**	**51,790**	**-6,545**	**-12.6**
thereof Integrated Rail System	26,189	24,652	+1,537	+6.2
Revenues adjusted (incl. discontinued operations)	49,212	56,296	-7,084	-12.6
thereof discontinued operations	4,018	4,214	-196	-4.7

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

The decline in revenues was due mainly to the freight rate development at DB Schenker 172. In contrast, the revenues of the business units in the Integrated Rail System 121 ff. increased. The main drivers in the Integrated Rail System were the ongoing recovery in demand, price effects at DB Long-Distance and DB Cargo as well as higher concession fees at DB Regional.

Special items continued to be irrelevant for revenue development.

Changes in the scope of consolidation 230 ff. and exchange rate changes also had no material impact:

- The effects of changes to the scope of consolidation in 2023 affected DB Schenker (€ +410 million) and DB Regional (€ +2 million) and in the previous year they also affected DB Schenker (€ −287 million) and the Other area (€ −8 million).
- The effects of exchange rate changes were attributable mainly to DB Schenker(€ -453 million).
- The decline in revenues at the discontinued operations 231 f. was mainly driven by the sale of activities in non-core countries of DB Arriva. Among other things, a continuing recovery in demand and higher concession fees had a partially compensating effect.

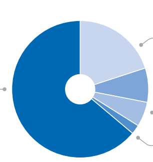
Revenue structure

EXTERNAL REVENUE STRUCTURE ADJUSTED (CONTINUING OPERATIONS) / %	2023	2022
DB Long-Distance	12.7	9.3
DB Regional	21.1	17.1
DB Cargo	11.7	9.6
DB Netze Track	4.8	3.9
DB Netze Stations	1.4	1.2
DB Energy	4.3	4.7
Other	1.7	1.3
Integrated Rail System	**57.7**	**47.1**
DB Schenker	42.3	52.9
DB Group	**100**	**100**

Values for 2022 adjusted due to reclassification of DB Arriva 106.

In 2023, the revenue structure shifted significantly again in favor of the Integrated Rail System, due in particular to the normalization of freight rates at DB Schenker. The ongoing recovery in demand in passenger transport had a supporting effect.

EXTERNAL REVENUES ADJUSTED BY REGIONS / % **2023** / 2022



Values for 2022 adjusted due to reclassification of DB Arriva 106.

EXTERNAL REVENUES ADJUSTED BY REGIONS / € million	2023	2022	Change absolute	Change %
Germany	28,843	29,003	- 160	- 0.6
Europe (excluding Germany) [1]	9,063	11,681	- 2,618	- 22.4
Asia/Pacific	3,822	5,983	- 2,161	- 36.1
North America	2,746	4,417	- 1,671	- 37.8
Rest of world	720	1,001	- 281	- 28.1
DB Group [1]	**45,194**	**52,085**	**- 6,891**	**- 13.2**

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

As a result of the freight rate normalization at DB Schenker, regional revenue development has also undergone a shift:

- In Germany, significant declines in revenues at DB Schenker were almost entirely offset by revenue growth in the Integrated Rail System.
- In Europe (excluding Germany), a significant factor was the reclassification of DB Arriva in addition to the freight rate normalization.
- In the other regions, the significantly weaker revenue development was driven by declines at DB Schenker, due in particular to the freight rate normalization.

INCOME DEVELOPMENT

The economic trend of DB Group in 2023 was marked by additional burdens, primarily from the expansion of measures to improve the quality and availability of the rail infrastructure, which were prefinanced 150 to a considerable extent (> € 1 billion) for the Federal Government. Higher costs due to inflation (including for personnel and purchased services) also had an effect. The result for passenger transport was at the same weak level as in the previous year. At DB Schenker, profit development was weaker than in the exceptionally strong previous year, although it remained well above the pre-Covid-19 level. A price-related improved development at DB Cargo and DB Energy had a positive effect.

Operating profit figures fell noticeably; adjusted EBIT was negative. In passenger and rail freight transport the profit situation remained under pressure.

- In the Integrated Rail System, higher expenses, in particular for materials (especially additional infrastructure measures prefinanced for the Federal Government), and personnel (capacity expansion and collective bargaining agreement effects) exceeded revenue growth as a result of performance gains in passenger transport, higher concession fees at DB Regional as well as price effects at DB Energy and DB Cargo.
- Operating profit development at DB Schenker was weaker, driven mainly by the development of freight rates in air and ocean freight, but remained well above the pre-Covid-19 levels.

Additional information is available in the section "Development of business units" 121 ff.

Transition to the adjusted statement of income

- Special issues are eliminated in the adjusted statement of income. The transition to the adjusted statement is a two-step process: firstly, standard reclassifications are carried out, then the figures are adjusted for individual special items.
- The reclassifications essentially relate to two issues.
  - The first issue is the reclassification of net interest income components not related to net financial debt and pension provisions: predominantly the compounding

and discounting effects of long-term provisions (excluding pension obligations) and non-current liabilities (excluding financial debt). The non-operational character of these components can also be seen in the fact that their influence on net interest income very much depends on the interest rates as of the balance sheet date.

  — The second reclassification relates to the amortization of intangible assets capitalized in the course of purchase price allocation (PPA) of acquisitions conducted during the assessment of long-term customer contracts. Existing transport contracts are an essential component of the purchase price valuation, in passenger transport in particular. In order to safeguard the operating assessment and to prevent these contracts from being treated differently from other transport contracts, these amortization components are eliminated from the operating profit.

— Adjustments for special items involve issues which are extraordinary based on the reasons for them and/or the amounts involved, and which would effect a material change on operating development over time. Book profits and losses from transactions with subsidiaries/financial assets are adjusted regardless of their amounts. Individual items are adjusted if they are extraordinary in character, can be accounted for and assessed precisely, and are significant in volume.

Development in the year under review

The income situation declined overall:

— **Revenues (–13.2%/€ –6,891 million):** significant decline in revenues driven by DB Schenker 172.

— **Other operating income (–11.8%/€ –442 million):** Decline mainly due to the absence of income from the sale of real estate and lower Government grants for the rectification of flood damage at DB Netze Track as a result of the flood in Ahrtal in 2021. At DB Regional and DB Long-Distance, the loss of Covid-19-related Government grants also had a negative impact on income.

Expenses also fell, driven, among other things, by freight rate development at DB Schenker. However, as a result of higher personnel expenses and the implementation of additional

TRANSITION TO THE ADJUSTED STATEMENT OF INCOME / € million	**2023**	**Reclassifications**	**Adjustment for special items**	**2023 adjusted**	2022 adjusted	Change absolute	Change thereof scope of consolidation effects	Change thereof exchange rate effects	Change %
Revenues	45,191	–	3	45,194	52,085	-6,891	+117	-463	-13.2
Inventory changes and other internally produced and capitalized assets	4,626	–	–	4,626	4,115	+511	–	+1	+12.4
Other operating income	3,354	–	-63	3,291	3,733	-442	+80	-5	-11.8
Cost of materials	-25,276	–	-148	-25,424	-32,017	+6,593	-28	+298	-20.6
Personnel expenses	-19,604	–	273	-19,331	-18,153	-1,178	-68	+82	+6.5
Other operating expenses	-5,652	–	173	-5,479	-4,980	-499	-106	+48	+10.0
EBITDA	2,639	–	238	2,877	4,783	-1,906	-5	-39	-39.8
Depreciation	-3,912	10	61	-3,841	-3,558	-283	-89	+18	+8.0
Operating profit/loss (EBIT) | EBIT adjusted	**-1,273**	**10**	**299**	**-964**	**1,225**	**-2,189**	**-94**	**-21**	**–**
Net interest income | Operating interest balance	-617	-12	9	-620	-467	-153	-8	-0	+32.8
Operating income after interest	**-1,890**	**-2**	**308**	**-1,584**	**758**	**-2,342**	**-102**	**-21**	**–**
Result from investments accounted for using the equity method | Net investment income	9	4	–	13	-4	+17	-0	-0	–
Other financial result	-78	8	–	-70	129	-199	-14	+16	–
PPA amortization customer contracts	–	-10	–	-10	-5	-5	–	-0	+100
Extraordinary result	–	–	-308	-308	212	-520	–	+8	–
Profit/loss before taxes on income	**-1,959**	**–**	**–**	**-1,959**	**1,090**	**-3,049**	**-128**	**+3**	**–**
Taxes on income	-73	–	–	-73	-1,143	+1,070	–	–	-93.6
Actual taxes on income	-265	–	–	-265	-447	+182	–	–	-40.7
Deferred tax expense (–)/income (+)	192	–	–	192	-696	+888	–	–	–
Net loss for the year (continuing operations)	**-2,032**	**–**	**–**	**-2,032**	**-53**	**-1,979**	**-128**	**+3**	**–**
Net loss for the year (discontinued operations)	-319	–	–	-319	-174	-145	–	–	+83.3
Net loss for the year	**-2,351**	**–**	**–**	**-2,351**	**-227**	**-2,124**	**-128**	**+3**	**–**
DB AG shareholders	-2,399	–	–	-2,399	-274	-2,125	–	–	–
Hybrid capital investors	25	–	–	25	25	–	–	–	–
Other shareholders (non-controlling interests)	23	–	–	23	22	+1	–	–	+4.5
Earnings per share (€ per share)									
Undiluted	-5.58	–	–	-5.58	-0.64	-4.94	–	–	–
Diluted	-5.58	–	–	-5.58	-0.64	-4.94	–	–	–

Values for 2022 adjusted due to reclassification of DB Arriva 106.

infrastructure measures that were prefinanced for the Federal Government, expenses in relation to income fell disproportionately overall:

- **Cost of materials (–20.6%/€ –6,593 million):** The noticeable decline was primarily driven by lower freight rates at DB Schenker. This was partly offset by significantly higher expenses in the Integrated Rail System. The main drivers were the expansion of measures to improve the quality and availability of the rail infrastructure, some of which were prefinanced for the Federal Government, as well as increases in energy prices. Furthermore, expenses for rail replacement services increased, due in part to the increased volume of construction in the rail network.
- **Personnel expenses (+6.5%/€ +1,178 million):** Sharp increase, driven by the Integrated Rail System. In addition to collective bargaining agreements, the higher average number of employees also had an impact here. The slight performance-related decline in expenses at DB Schenker had a dampening effect.
- **Other operating expenses (+10.0%/€ +499 million):** Significant increase, due among other things to a greater requirement for IT services. The resumption of growth in travel activities, which decreased significantly during the Covid-19 pandemic, and higher rental expenses for buildings, among other things, had an additional impact.
- **Depreciation (+8.0%/€ +283 million):** Increase due to capital expenditures.

Additional information is available in the section Development of business units 121ff.

There was a corresponding notable decline in adjusted EBIT as well as the adjusted EBITDA.

- **Operating interest balance:** Negative development resulted from the higher interest rate level, which led above all to increased expenses in connection with financial liabilities and pensions.

Operating income after interest also fell noticeably.

- **Net investment income:** A significant increase at a low level was mainly driven by GHT Mobility GmbH, which had a negative impact on the development of net investment income in the previous year.
- **Other financial result:** Significant decline, mainly due to negative effects from the compounding and discounting of provisions, exchange rate effects and the market valuation of the holding in Volocopter GmbH. This was counteracted by the positive effects of hedge transactions concluded, which resulted in an income on balance (previous year: expense).
- **Extraordinary result:** Declined significantly and was negative, due mainly to the adjustment of provisions and restructuring measures. In contrast, positive effects among others due to the energy price brake 46 had a partially compensating effect. In the previous year, the extraordinary result was positive, driven by the implemented Covid-19-related train-path price support (Integrated Report 2022 44f.).

EXTRAORDINARY RESULT / € million	2023	thereof affecting EBIT	2022	thereof affecting EBIT
DB Long-Distance	112	112	337	337
DB Regional	-4	-4	0	0
DB Cargo	-94	-94	-20	-20
DB Netze Track	-23	-14	-9	-2
DB Netze Stations	13	13	-	-
DB Energy	-	-	-	-
Other/consolidation Integrated Rail System	-170	-170	-90	-90
Integrated Rail System	**-166**	**-157**	**218**	**225**
DB Schenker	-142	-142	-6	-6
Consolidation other [1]	-	-	-	-
DB Group [1]	**-308**	**-299**	**212**	**219**
thereof restructuring measures	-332	-332	-88	-88
thereof additions to provisions for ecological burdens/environmental risks	-67	-67	-	-
thereof electricity price brake	163	163	-	-
thereof reimbursements of train-path prices	-	-	316	316

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

Accordingly, profit before income taxes also declined significantly and was negative.

Although the development of the income tax position was significantly better, it nevertheless had a negative impact on development:

- Actual income taxes fell due to declining profits at some foreign Group companies (primarily at DB Schenker).
- Deferred tax income resulted from improved estimates relating to the future use of loss carry-forwards, in particular at DB AG.

As a result, net loss for the year (net loss after income taxes) from continuing operations increased less significantly, but remained noticeably negative. The net loss for the year for discontinued operations 231f. was weaker, driven by higher depreciation on held-for-sale assets.

DEVIATIONS FROM THE FORECAST

OUTLOOK FOR THE 2023 FINANCIAL YEAR	2022	2023 (Mar 2023 forecast)	2023 (Jul 2023 forecast)	2023 (incl. discontinued operations)	2023 (continuing operations)
Revenues adjusted (€ billion)	56.3	>56	~51	49.2	45.2
EBIT adjusted (€ billion)	1.3	~-1	>-1	-0.9	-1.0
ROCE (%)	2.8	~-2	~-2	-1.8	-2.0
Debt coverage (%)	13.1	~6	~6	6.3	5.2

Our forecast was based on DB Group including discontinued operations 231f. On this basis, there was one significant deviation:

- Revenue development was weaker than forecast, as freight rates at DB Schenker fell stronger than expected. In addition, effects from strikes 93 also had a negative impact on development in the Integrated Rail System.

GRI

Financial position

⟶ *A total of six bond transactions (€ 3.0 billion).*
⟶ *Utilization of credit facilities (€ 2.0 billion).*
⟶ *Credit ratings and outlooks remain unchanged.*

INTEREST RATE ENVIRONMENT

YIELD ON TEN-YEAR GERMAN FEDERAL BONDS / %	2023	2022	Change (percentage points)
Average yield	2.46	1.19	+ 1.27
Highest yield	3.02	2.57	+ 0.45
Lowest yield	1.90	- 0.19	+ 2.09
Year-end yield	2.03	2.56	- 0.53

Source: Thomson Reuters (daily closing prices)

In 2023, the interest rate environment was characterized by inflation that was slowing although still relatively high, in a weak economy. Developments were also influenced by the comparatively high financing requirements of countries, some of which were caused by the war in Ukraine, and the end of the central banks' government bond purchase program. As a result, yields on government bonds showed high volatility in a limited range. Money market interest rates increased steadily in the first three quarters of 2023 and remained at their highest levels in the fourth quarter of 2023. EUR 3-month money market interest rates rose from 2.1 % to almost 4 %. This resulted in an inverse yield curve in the Eurozone.

FINANCIAL MANAGEMENT SYSTEM

FINANCIAL INSTRUMENTS AS OF DEC 31 / € billion	Volume 2023	thereof utilized	Utilization rate	Volume 2022	thereof utilized	Utilization rate
European debt issuance program	35.0	28.9	83 %	35.0	27.9	80 %
Australian debt issuance program (AUD 5 billion)	3.0	1.0	33 %	3.2	0.9	28 %
Multi-currency commercial paper program	3.0	0.4	13 %	3.0	-	-
Guaranteed credit facilities	4.1	2.0	49 %	2.0	-	-

In addition to aiming for a sustained rise in enterprise value, DB Group's financial management focuses on maintaining a capital structure that is in line with very good credit ratings.

DB AG contains DB Group's Treasury center. Before obtaining funds from external sources, we first conduct intra-Group financing transactions. When borrowing external funds, DB AG takes out short-term loans in its own name, whereas long-term capital is generally obtained through DB Group's financing company, Deutsche Bahn Finance GmbH (DB Finance).

The funds are passed on to the Group companies as short-term credit lines, which can be utilized as part of cash pooling on internal current accounts and / or through fixed short-term credit, or in the form of long-term loans at risk-adjusted conditions. Further advantages of this concept arise from the consolidation of our know-how, realized synergy effects and minimized refinancing costs.

Bond issues

DB Group has a European debt issuance program (EDIP) and an Australian debt issuance program (Kangaroo Program) available for long-term debt financing.

ISIN	Issuer	Currency	Volume (million)	Volume (€ million)	Coupon (%)	Maturity	Term (years)
XS2577042893	DB Finance	EUR	750	750	3.625	Dec 2037	14.9
XS2624017070	DB Finance	EUR	600	600	3.250	May 2033	10.0
CH1277080508	DB Finance	CHF	275	287	1.885	Sep 2035	12.0
XS2689049059	DB Finance	EUR	600	600	3.500	Sep 2027	4.0
AU3CB0304483	DB Finance	AUD	250	149	6.016	Nov 2033	10.0
XS2722190795	DB Finance	EUR	650	650	4.000	Nov 2043	20.0

- **EDIP:** In 2023, five senior bonds (total volume: € 2.9 billion) were issued and four senior bonds (total volume: € 1.9 billion) were repaid.
- **Kangaroo program:** A senior bond was issued in 2023 (volume: € 0.1 billion). No senior bond was due for repayment in 2023.

The funds were raised to refinance liabilities due and for ongoing general Group financing. All proceeds from senior bonds not issued in euros were converted into euros. In 2023, demand for our bonds came primarily from institutional investors in Europe and Asia.

Other financing instruments

- **Commercial paper program:** In the short-term, we have access to a multi-currency commercial paper program, which had seven issues with residual terms of two weeks as of December 31, 2023.
- **Credit facilities:** As of December 31, 2023, we also had guaranteed credit facilities with a residual term of up to 2.9 years. It was used in part to prefinance infrastructure measures (bridge financing).
- **Credit lines:** In addition, as of December 31, 2023, we were able to rely on credit lines of € 2.7 billion for the operating business (as of December 31, 2022: € 2.6 billion). These credit lines are made available to our subsidiaries worldwide and include provisions for financing working capital as well as sureties for payment.

Rolling stock financing

Sale and leaseback contracts are also concluded for the financing of rolling stock in regional rail passenger transport. In 2023, the Franconia-Southern Thuringia transport contract and the second stage of the east electrical network entered into force. Both transport contracts are based on a sale and leaseback agreement.

CREDIT RATINGS

DB AG CREDIT RATINGS	First issued	Last published	Ratings Short-term	Ratings Long-term	Ratings Outlook
S&P Global Ratings	May 16, 2000	Nov 23, 2023	A-1+	AA-	stable
Moody's	May 16, 2000	Jul 11, 2023	P-1	Aa1	stable

The creditworthiness of DB Group is constantly monitored and assessed by the rating agencies S&P Global Ratings (S&P) and Moody's. Credit ratings provide an independent, up-to-date assessment of a company's creditworthiness. Due to the ownership structure of DB AG, the approaches of the rating agencies take into account not only the quantitative and qualitative analysis of DB Group, but also an assessment of the relationship with our owner, the Federal Government, and the potential support possibilities for DB AG by the Federal Government. This means that the ratings given to the Federal Government are also significant for the ratings given to DB AG.

S&P and Moody's did not make any changes to the ratings of DB AG in 2023.

Additional information on the subject of ratings and the rating agencies' full analyses of DB AG are available on our Investor Relations Web site.

Key economic performance indicators

GRI

⟶ *Operating profit development leads to significantly negative development of ROCE and debt coverage.*

VALUE MANAGEMENT TARGETS / %	ROCE	Debt coverage
DB Group	≥ 5.7	≥ 20
Integrated Rail System	≥ 5.1	≥ 15
Passenger transport	≥ 11.0	–
Freight transport and logistics	≥ 13.0	–
Infrastructure	–	≥ 15
DB Netze Track	3.41	–
DB Netze Stations	3.40	–
DB Energy [1]	6.50	–

[1] Calculated using a capital asset pricing model (CAPM), as the Federal Network Agency has not set any weighted cost of capital (WACC), but system-specific costs of equity.

At DB Group, financial stability is a material requirement for financing capital expenditures in our core business, further developing our businesses and seizing opportunities for future growth. In the context of our value management, we intend to manage DB Group's profitability in the long term so that we can finance capital expenditures in our core business and so that the assets retain their value. DB Group's financial steering and management – and therefore also the monitoring of the success of our economic targets – is carried out via a value management system based on key figures. The results are an important factor for our strategic approach, our capital expenditure decisions and employee and executive remuneration 96 f.

- **Financial stability** is essential for sustainable economic activity. For DB Group with its asset-intensive business, it is essential that it has access to the capital market under good conditions at all times. A major objective is therefore to achieve adequate key debt ratios. To manage indebtedness, we use debt coverage 112. The target value is derived from key credit rating figures and annual benchmarking with companies with a strong creditworthiness.
- **Profitability** as an overarching target in value management aims to ensure a long-term reasonable rate of return over several economic cycles. On the basis of market values, we calculate the annual cost of capital 113 f. as a weighted average of risk-adequate market returns on equity and debt capital. The actual yield, the return on capital employed (ROCE), is calculated as the ratio of operating profit before interest and taxes (EBIT adjusted) to capital employed. The ROCE target is set higher than the cost of capital. The long-term target is to achieve

a multi-year ROCE average that reaches the target value, ensuring that the cost of capital is covered. The target value corresponds to the minimum required rate of return (MRR). The respective business characteristics result in different target values for our activities:
  - The cost of capital and therefore also the expected return in the infrastructure business units have been based on the capital costs approved by the Federal Network Agency.
  - The derived target value of the Integrated Rail System is based on the value-weighted return expectations for the allocated business units.
- The operating business is always steered before taxes and, accordingly, the reporting of key figures is based mainly on pre-tax figures.

The following ROCE targets were adjusted in 2023:
- Target values for the Integrated Rail System and DB Group fell, driven, among other things, by lower fluctuations in yields by the relevant peer companies compared to the market portfolio (betas) when determining the cost of capital 113f. This was counteracted by the slight rise in interest 110.
- In freight transport and logistics, there was an increase in the target value as a result of increased industry-specific profitability requirements.
- The costs of capital (before taxes) approved by the Federal Network Agency are considered target values for the regulated infrastructure areas. DB Netze Stations showed a slight decline.
- The target value for DB Energy rose, as there was a slight increase in beta in addition to the increase in interest rates.

DEBT COVERAGE

DEBT COVERAGE / € million	2023	2022	Change absolute	Change %
EBITDA adjusted [1]	2,877	4,783	- 1,906	- 39.8
+ Operating interest balance	- 620	- 467	- 153	+ 32.8
+ Original tax expenses [1]	- 265	- 447	+ 182	- 40.7
Operating cash flow after taxes [1]	**1,992**	**3,869**	**- 1,877**	**- 48.5**
Net financial debt as of Dec 31	33,953	28,827	+ 5,126	+ 17.8
+ Pension obligations as of Dec 31	3,492	2,970	+ 522	+ 17.6
+ Hybrid capital [2] as of Dec 31	1,001	1,001	-	-
/ Net debt as of Dec 31	**38,446**	**32,798**	**+ 5,648**	**+ 17.2**
Debt coverage [1] (%)	**5.2**	**11.8**	**- 6.6**	**-**

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.
[2] As assessed by the rating agencies, half of the hybrid capital shown on the balance sheet is taken into account in the calculation of the adjusted net debt.

As of December 31, 2023, debt coverage (including the net debt from discontinued operations) decreased significantly, due in part to profits:
- Operating cash flow after taxes fell as a result of the weaker operating profit.
- The increase in net debt resulted mainly from higher net financial debt 114f.

Taking into account a complete adjustment of DB Arriva, the debt coverage for DB Group in 2023 was 5.4% (previous year: 12.2%).

ROCE

ROCE	2023	2022	Change absolute	Change %
EBIT adjusted [1] (€ million)	- 964	1,225	- 2,189	-
/ Capital employed as of Dec 31 (€ million)	48,300	45,289	+ 3,011	+ 6.6
ROCE [1] (%)	**- 2.0**	**2.7**	**- 4.7**	**-**

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

The decline in ROCE was mainly due to the significantly weaker adjusted EBIT. The significant increase in capital employed (including discontinued operations) resulted mainly from the increase in property, plant and equipment 117f.

Taking into account the complete adjustment of DB Arriva, the ROCE for DB Group in 2023 was -2.0% (previous year: 2.8%).

YIELD SPREAD / %	2024	2023	2022	2021	2020
ROCE [1]	-	- 2.0	2.7	- 3.6	- 7.0
− Cost of capital (pre-tax WACC [2])	5.7	6.0	6.2	6.2	5.9
Spread [1] (percentage points)	**-**	**- 8.0**	**- 3.5**	**- 9.8**	**- 12.9**

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.
[2] Each value taken at the beginning of the year.

The deviation between ROCE and the cost of capital increased again. This was mainly due to the declining income situation in the Integrated Rail System, which was strengthened by the income development at DB Schenker.

CAPITAL EMPLOYED

CAPITAL EMPLOYED AS OF DEC 31 / € million	2023	2022	Change absolute	Change %
Capital employed	48,300	45,289	+ 3,011	+ 6.6
thereof property, plant and equipment	54,037	52,268	+ 1,769	+ 3.4

Capital employed 232f. equates to the assets deemed necessary for business and subject to the cost of capital, as derived from the balance sheet. The growth in capital employed (including discontinued operations) resulted mainly from a capital expenditure-related increase in property, plant and equipment in the Integrated Rail System. Among other things, higher provisions, in particular for revenue discounts, and negative effects in connection with the planned sale of DB Arriva 106 were largely offset by lower trade liabilities.

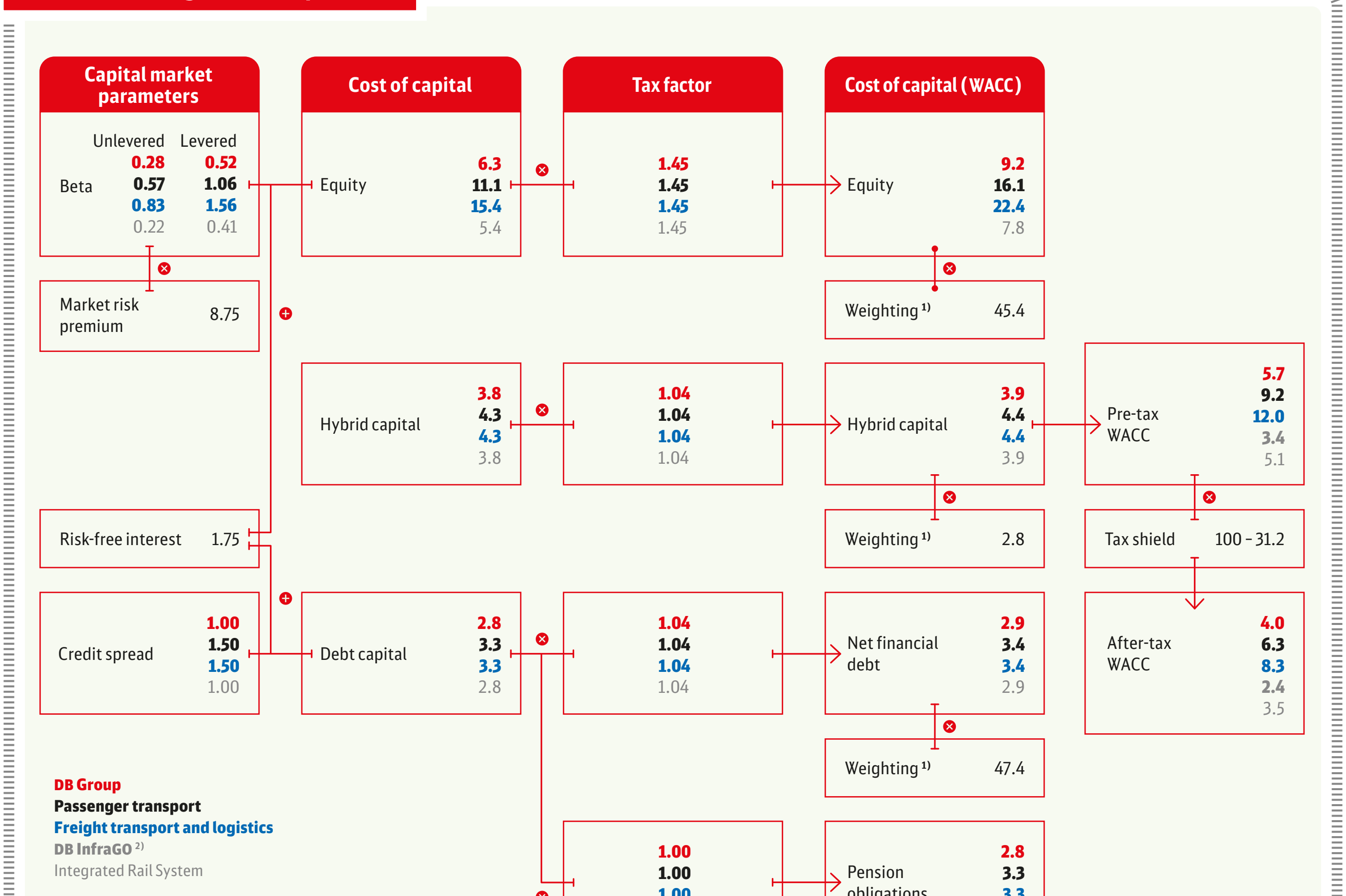
COST OF CAPITAL

The cost of capital is updated annually to take account of changes in market parameters. We take the long-term focus of the controlling concept into consideration and balance out short-term fluctuations. The decline in the cost of capital before and after taxes for DB Group and the Integrated Rail System in 2023 resulted from the stronger weighting of the infrastructure business units as a result of additional capital expenditures on infrastructure.

We calculate DB Group's cost of capital as a weighted average interest rate of equity, hybrid capital, net financial debt and pension obligations. Determined annually, this reflects current capital market parameters, the prevailing tax framework and the value share of methods used to finance capital employed.

When determining the company-independent capital market parameters, market risk premium and risk-free interest rate, short-term fluctuations in debt and equity market yields are smoothed out in line with the long-term focus of our value management concept. The parameters are determined on the basis of the yields on long-term German Federal bonds as well as the long-term average returns of the German DAX equity index. As the period of low interest rates ended, we have put more emphasis on the recent past more strongly since the previous year. The parameters used are also validated on the basis of up-to-date recommendations of recognized valuation experts. The company-dependent capital market parameters, beta and credit spread, measure the risk of our debt and equity financing in comparison with

Determining cost of capital



1) Impact of capital structure is reflected only in the tax shield; because DB Group is a consolidated tax group, the capital structure of DB Group is used. Individual figures are rounded and therefore may not add up.
2) DB InfraGO is based on the current determination of BNetzA.
As of December 31, 2023 (%).

alternative forms of investment. Beta reflects the risk of equity capital relative to the risks of the equity markets. The determination is based on international peer companies at business unit level. The credit spread corresponds to DB Group's current issue costs relative to German Federal bonds (term of about 12 years). The credit spread for the transport and logistics area is determined in line with market conditions, using the current capital market data of companies with comparable creditworthiness.

Tax factors are calculated using a taxation rate of 31.2% (previous year: 30.5%). The tax factor for net financial debt reflects the trade tax applied to fixed debt interest to be credited. The taxes remaining after this are fully allocated to cost of equity. The weighting of forms of financing is based on market values. Net financial debt and pension obligations are valued at their carrying amounts. Equity weighting is based on recognized business valuation methods.

The weighting of forms of financing is standardized, as the tax shield resulting from the tax-deductible status of debt interest arises, as a rule, from the fact that DB Group is a consolidated tax group.

GRI Asset situation

⟶ *Net financial debt increased as expected, including through prefinancing of infrastructure measures.*

⟶ *Significant increases in infrastructure capital expenditures in Germany to improve quality and availability.*

⟶ *Weaker equity ratio, mainly due to profits.*

STATEMENT OF CASH FLOWS

SUMMARY STATEMENT OF CASH FLOWS / € million	2023	2022	Change absolute	Change %
Cash flow from operating activities	3,044	5,644	-2,600	-46.1
Cash flow from investing activities	-7,381	-6,600	-781	+11.8
Cash flow from financing activities	2,330	1,561	+769	+49.3
Net change in cash and cash equivalents	-2,507	547	-3,054	-
Cash and cash equivalents as of Dec 31	2,631	5,138	-2,507	-48.8

- The significant decline in cash flow from operating activities was mainly due to the weak profit development 107ff. Negative working capital effects also had an adverse impact.
- The increase in cash outflow from investing activities resulted mainly from higher net capital expenditures 115ff. Lower payments for investments in financial assets, due in part to the omission of the first-time acquisition of short-term available securities (money market funds) in the previous year, countered this impact. In addition, the omission of payments for the acquisition of companies had a countervailing effect.
- Cash inflow from financing activities increased significantly:
  - The net inflow of funds from the taking out and redemption of financial loans (€ +2,082 million) increased cash flows mainly as a result of the taking out of bank loans, including for prefinancing infrastructure measures (bridge financing). In the previous year, there was still a net outflow of funds (€ -645 million).
  - This was partly offset by the lower cash inflow from capital measures taken by the Federal Government as a result of the omission of measures to partially compensate for Covid-19 losses in the previous year (€ -860 million) and the payment of dividends to the Federal Government (€ -650 million). The decline in net inflow of funds from senior bonds 110 (€ -363 million) also had an inflow reduction.
- On balance, as of December 31, 2023, cash and cash equivalents had increased significantly.

NET FINANCIAL DEBT

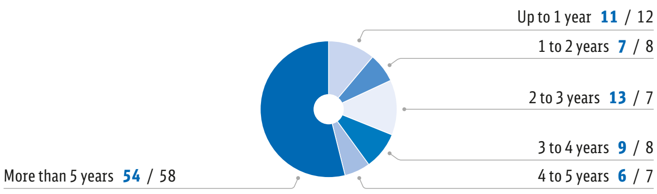
NET FINANCIAL DEBT AS OF DEC 31 / € million	2023	2022	Change absolute	Change %
Senior bonds	30,042	28,802	+1,240	+4.3
Leasing liabilities	4,787	5,180	-393	-7.6
Commercial paper	358	-	+358	-
Interest-free loans	152	298	-146	-49.0
Other financial debt	2,769	993	+1,776	-
Financial debt	**38,108**	**35,273**	**+2,835**	**+8.0**
− Cash and cash equivalents, highly liquid cash investments and financial receivables	-3,934	-6,323	+2,389	-37.8
± Effects from currency hedges	-221	-123	-98	+79.7
Net financial debt	**33,953**	**28,827**	**+5,126**	**+17.8**

Net financial debt rose significantly as of December 31, 2023. A particularly negative effect was the continued high demand for funds for capital expenditures, weak profitability, the prefinancing 150 of additional infrastructure measures and the payment of dividends to the Federal Government. This was offset, in part, by the cash inflow from a capital measure by the Federal Government (Climate Action Program).

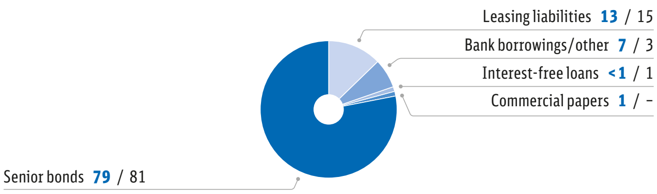
The increase in financial debt was increased by the reduction of cash and cash equivalents (including cash investments close to liquidity).

- The financial debt increased significantly:
  - The euro value of the outstanding senior bonds 110 was somewhat higher due to issuing. Exchange rate effects did not play a key role here as a result of closed hedging transactions.
  - Leasing liabilities decreased compared to the end of the previous year, driven by the reclassification of DB Arriva 106 and repayments. The conclusion of new leasing contracts and the extension of existing leasing contracts had a partially offsetting effect.
  - Commercial paper liabilities increased significantly due to issues.
  - Interest-free loans decreased further as a result of repayments.
  - Other financial debt increased significantly, mainly as a result of the bridge financing 111.
- The foreign currency senior bonds are almost entirely hedged by corresponding derivatives against exchange rate fluctuations, so that exchange rate effects are mainly compensated through the offsetting position of the hedging transaction.

MATURITY OF FINANCIAL DEBT AS OF DEC 31 / % — **2023** / 2022



COMPOSITION OF FINANCIAL DEBT AS OF DEC 31 / % — **2023** / 2022



The maturity structure of financial debt has shifted towards maturity of 2–3 years, due in part to bridge financing 111. In contrast, the proportion of long-term maturities in particular declined.

The composition of financial debt has shifted somewhat towards bank debt due to bridge financing. The share of commercial paper also increased due to emissions. The share of senior bonds and leasing liabilities was down.

CAPITAL EXPENDITURES

CAPITAL EXPENDITURES / € million	2023	2022	Change absolute	Change %
Gross capital expenditures [1]	16,867	15,098	+1,769	+11.7
thereof Integrated Rail System	15,917	14,152	+1,765	+12.5
− Investment grants [1]	9,289	8,574	+715	+8.3
thereof Integrated Rail System	9,286	8,574	+712	+8.3
Net capital expenditures [1]	**7,578**	**6,524**	**+1,054**	**+16.2**
thereof Integrated Rail System	6,631	5,578	+1,053	+18.9

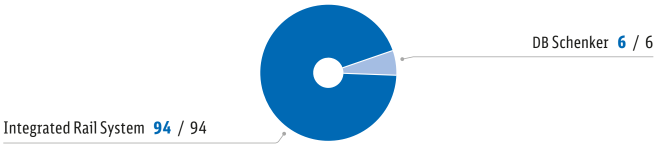
[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

Gross capital expenditures increased significantly, driven by higher capital expenditures to improve the quality and availability of the track infrastructure in the Integrated Rail System. DB Long-Distance continued to invest at the high level of the previous year, particularly in the vehicle fleet. DB Schenker's capital expenditure activities (especially leasing assets in Europe, America and Asia) were also at the previous year's level. In rail freight and local passenger transport, capital expenditures in the vehicle fleet declined due to performance and tenders.

Investment grants, which are almost exclusively attributable to the Integrated Rail System, increased as a result of higher capital expenditures in the new construction and expansion of the rail network.They accounted for about 55% of gross capital expenditures (previous year: about 57%).

Net capital expenditures increased significantly, driven by the development of the Integrated Rail System. This was primarily due to the implementation of additional measures to improve the quality and availability of infrastructure, particularly at DB Netze Track. The main driver was the prefinancing of measures for the Federal Government.

GROSS CAPITAL EXPENDITURES BY DIVISIONS / % — **2023** / 2022



Values for 2022 adjusted due to reclassification of DB Arriva 106.

The focus of our capital expenditure activities continues to center on the Integrated Rail System for measures to improve performance and efficiency in the track infrastructure area as well as measures to develop our vehicle fleet.

Regional capital expenditure priorities

GROSS CAPITAL EXPENDITURES BY REGIONS / € million	2023	2022	Change absolute	Change %
Germany	16,062	14,273	+1,789	+12.5
Europe (excluding Germany) [1]	600	546	+54	+9.9
Asia/Pacific	180	247	-67	-27.1
North America	121	106	+15	+14.2
Rest of world	23	39	-16	-41.0
Consolidation	-119	-113	-6	+5.3
DB Group	**16,867**	**15,098**	**+1,769**	**+11.7**

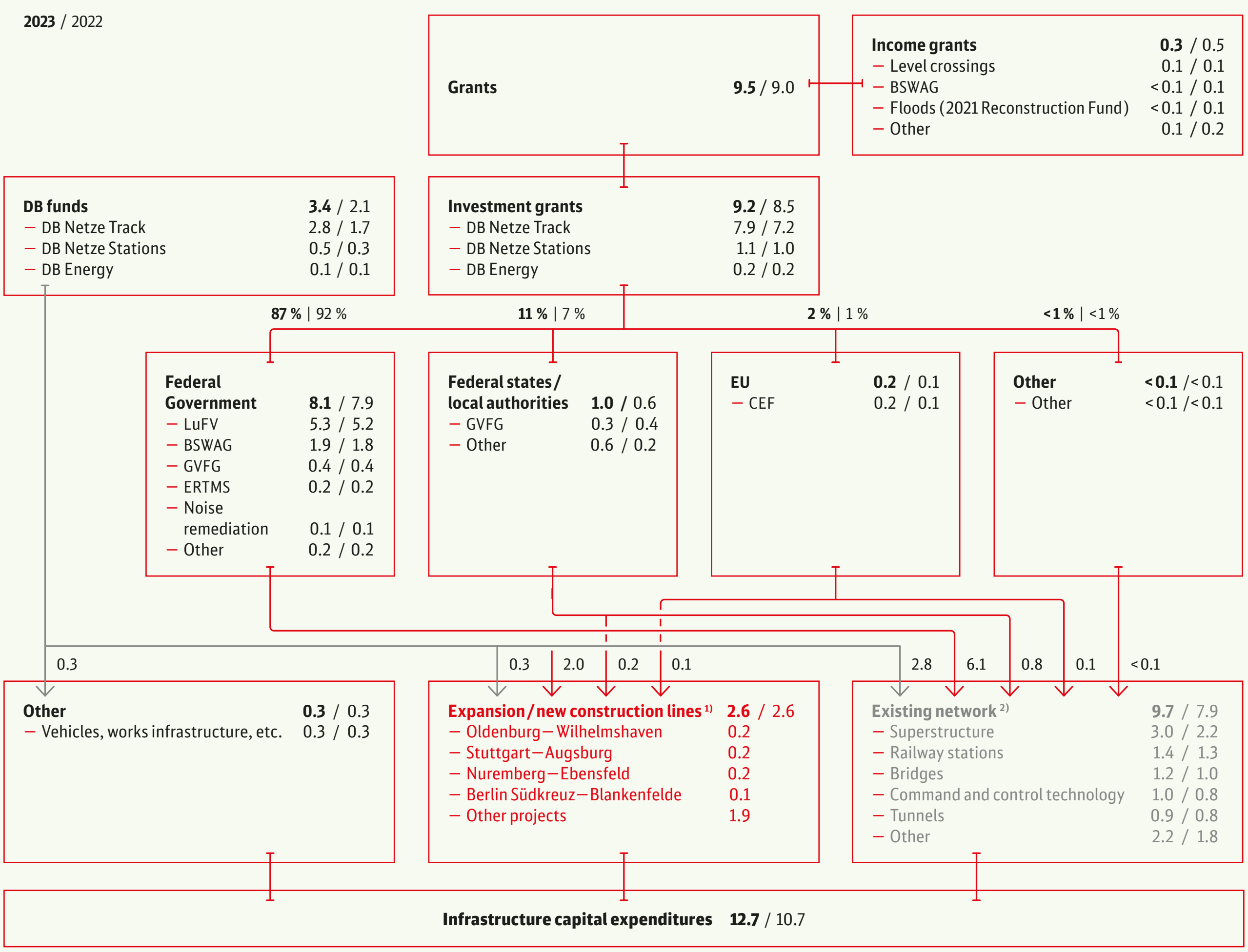
[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

NET CAPITAL EXPENDITURES BY REGIONS / € million	2023	2022	Change absolute	Change %
Germany	6,782	5,709	+1,073	+18.8
Europe (excluding Germany) [1]	595	536	+59	+11.0
Asia/Pacific	176	247	-71	-28.7
North America	121	106	+15	+14.2
Rest of world	23	39	-16	-41.0
Consolidation	-119	-113	-6	+5.3
DB Group	**7,578**	**6,524**	**+1,054**	**+16.2**

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

In the regional breakdown of gross and net capital expenditures, the focus remained on Germany. They rose significantly as a result of higher infrastructure capital expenditures.

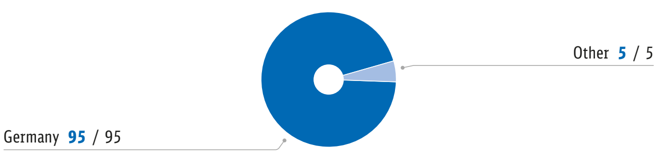
Infrastructure grants and capital expenditures (€ billion)



Individual figures are rounded and therefore may not add up.
[1] Includes projects under the requirement plan.
[2] New and expansion projects may also include replacement capital expenditures within the framework of existing network measures.

The development of capital expenditures in the remaining regions was driven by regional developments at DB Schenker.

GROSS CAPITAL EXPENDITURES BY REGIONS / % — **2023** / 2022



Values for 2022 adjusted due to reclassification of DB Arriva 106.

Investment grants

The most important funding sources for capital expenditures on infrastructure are grants, mostly from the Federal Government and from Federal states and local authorities. Of the investment grants received by DB Group in 2023, the vast majority related to infrastructure.

- The main bases for these grants are the LuFV 273f. and the Federal Rail Infrastructure Extension Act (Bundesschienenwegeausbaugesetz; BSWAG).
- Additional investment grants are received in accordance with the Municipal Transport Financing Act (Gemeindeverkehrsfinanzierungsgesetz; GVFG),
- the noise remediation program of the Federal Government 82f., and
- to equip the infrastructure with the European Rail Traffic Management System (ERTMS).
- Funds are also available from the 2021 Reconstruction Fund to remedy flood-related infrastructure damage.
- The European Union allocates grants (Connecting Europe Facility; CEF) for infrastructure capital expenditures on Trans-European Networks (TEN).

In addition to investment grants, DB Group also receives (significantly lower) grants recognized as income, also mainly in respect of infrastructure.

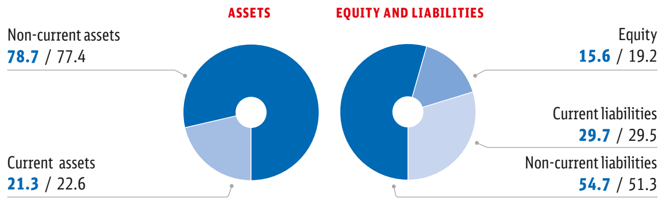
On the balance sheet, investment grants are directly deducted from the acquisition cost and cost of production 242ff. of the assets to which they relate. All grants are reported in such a way that the competent Federal agencies can conduct comprehensive checks to ensure that they are spent in accordance with their purpose and the law.

A description of the various forms of grants is available online.

BALANCE SHEET

BALANCE SHEET AS OF DEC 31 / € million	2023	2022	Change absolute	Change %
Total assets	77,472	76,303	+1,169	+1.5
ASSETS				
Non-current assets	60,966	59,044	+1,922	+3.3
Current assets	16,506	17,259	–753	–4.4
EQUITY AND LIABILITIES				
Equity	12,126	14,679	–2,553	–17.4
Non-current liabilities	42,369	39,145	+3,224	+8.2
Current liabilities	22,977	22,479	+498	+2.2

BALANCE SHEET STRUCTURE AS OF DEC 31 / % — **2023** / 2022



In 2023, there were no material changes to the International Financial Reporting Standards (IFRS) regulations for DB Group's consolidation and accounting principles that would result in any changes to the consolidated financial statements.

In 2023, as a result of the planned sale of DB Arriva 106, the corresponding current and non-current assets and liabilities were classified as discontinued operations 231f. and shown separately as current held-for-sale assets or as liabilities which are due to mature in the short term relating to held-for-sale assets. The comparability of individual balance sheet items is limited in this regard.

Total assets were slightly higher:

- Non-current assets increased significantly, driven primarily by higher property, plant and equipment (€ +1,769 million). Continuously high net capital expenditures had an effect here. In addition, deferred tax assets (€ +142 million) and long-term derivative financial instruments increased (€ +120 million), mainly as a result of the expansion of hedging transactions for foreign currencies. This was partly offset by the decline in other subsidiaries and securities (€ –72 million) due to valuations and the reclassification of DB Arriva.
- In contrast, current assets fell overall, despite the reclassification of DB Arriva. The main factors were:
  - the decline in cash and cash equivalents, mainly due to capital expenditures (€ –2,507 million),
  - lower trade receivables (€ –887 million), due in part to freight rate development at DB Schenker, and

- lower other receivables and assets (€ –471 million) for, among other things, debt acknowledgements in connection with vehicle procurement.
- Higher held-for-sale assets (€ +3,154 million) as a result of the reclassification of DB Arriva had a largely compensating effect.

The structure of the assets side remained almost unchanged, with a very slight shift in favor of non-current assets.

On the equity and liabilities side, equity fell, mainly due to:

- the decline in net loss for the year (€ –2,399 million),
- the payment of dividends to the Federal Government (€ –650 million),
- the decline in the changes recorded in the reserves in connection with the revaluation of pensions (€ –450 million), and
- lower changes recorded in the reserves in connection with the market valuation of cash flow hedges (€ –99 million).
- This was partly offset by the equity increase by the Federal Government as part of the Climate Action Program (€ +1,125 million).

The decline in equity led to a lower equity ratio, with a slight increase in total assets.

- Non-current liabilities increased significantly. For the most part, this development was shaped by:
  - higher non-current financial debt 114f. (€ +2,785 million), and
  - an increase in pension obligations (€ +522 million), in particular as a result of a lower interest rate in the revaluation.
  - The reclassification of DB Arriva had a partially compensating effect.
- Current liabilities increased slightly. In essence, this development was characterized by:
  - higher liabilities held for sale (€ +1,996 million) as a result of the reclassification of DB Arriva, and
  - increased other provisions (€ +846 million), mainly due to additions for revenue discounts at DB Regional.
  - Lower trade liabilities (€ –1,716 million) at DB Schenker, among others, and
  - lower other liabilities becoming due in the short term (€ –465 million) among others in connection with the accounting for acknowledgement of debt partly offset this.

The structure of the equity and liabilities side has shown a shift toward, in particular, an increased share of non-current liabilities, due to the decrease in equity.

OFF-BALANCE-SHEET FINANCING INSTRUMENTS AND NON-RECOGNIZED ASSETS

In addition to the assets shown in the consolidated balance sheet, DB Group also uses off-balance-sheet financial instruments and assets that are not recognized in the balance sheet.

- To a small extent, we lease assets of low value on a short-term basis or with a variable fee structure for which no right of use or leasing liability must be taken into account under IFRS 16.
- We also sell smaller volumes of trade receivables, in which case the main opportunities and risks are split between DB Group and the purchasing bank. Under such factoring agreements, as of December 31, 2023, receivables amounting to € 260 million were (unchanged from last year) completely derecognized, and € 432 million (as of December 31, 2022: € 435 million) partially derecognized.
- With regard to the company pension scheme for employees, the liabilities under each retirement scheme are, to some extent, covered and netted by plan assets which are capable of being netted. As of December 31, 2023, total obligations amounted to € 5,643 million (as of December 31, 2022: € 7,173 million) and the fair value of plan assets was € 2,310 million (as of December 31, 2022: € 4,253 million). The balancing process leads to a reduction in total assets. The net obligation recognized as of December 31, 2023, on the balance sheet was € 3,492 million (as of December 31, 2022: € 2,970 million).
- Additional information is available in the basic principles and methods 228ff. section of the consolidated financial statements.

DEVIATIONS FROM THE FORECAST

OUTLOOK FOR THE 2023 FINANCIAL YEAR / € billion	2022	2023 (Mar 2023 forecast)	2023 (Jul 2023 forecast)	2023
Gross capital expenditures [1]	15.1	> 18	~ 18	16.9
Net capital expenditures [1]	6.5	> 8.5	> 8	7.6
Maturities	2.2	2.4	2.4	2.4
Bond issues (senior)	3.1	> 3	> 3	3.0
Net financial debt as of Dec 31	28.8	> 33	> 33	34.0

[1] Value for 2022 adjusted due to reclassification of DB Arriva 106.

Overall, development in 2023 was in line with our expectations.

- Due to delays, gross capital expenditures were slightly below our expectations.
- Indebtedness increased significantly as forecast, as cash outflows for capital expenditures and working capital increased.

Procurement

High procurement volume.

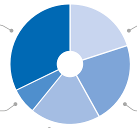
DB Group supply secured in a difficult environment.

PROCUREMENT VOLUME

The procurement volume corresponds to the projections and forecasts of requirements of the business units and the contractual obligations to suppliers that DB Group has entered into. On subsequent realization these become capital expenditures or expenses (mainly cost of materials and other operating expenses). The total procurement volume in 2023 was € 48.2 billion (previous year: € 46.7 billion):

- **Freight and freight-forwarding services** fell to € 15.4 billion (previous year: € 18.7 billion), particularly due to price factors.
- **Industrial products** increased to € 9.5 billion (previous year: € 8.5 billion), driven by the procurement of ICE L trains.
- **Construction and engineering services** rose significantly to € 10.7 billion (previous year: € 8.9 billion) due to increased capital expenditures in track infrastructure, including the reconstruction after the flood in Ahrtal in 2021 and the start of general modernizations in 2024.
- **Third-party services** rose to € 9.1 billion (previous year: € 7.6 billion), which is due in part to digitalization projects and maintenance and revision of high-speed trains.
- **Cable- and pipe-bound power and fuel** rose to € 3.5 billion (previous year: € 3.1 billion) due to the development of energy prices.

PURCHASING VOLUME STRUCTURE / % — **2023** / 2022



The share of local procurement volume in Germany was € 23.8 billion in 2023 (previous year: € 21.5 billion).

PROCUREMENT VOLUME / € million	**2023**	2022	2021
Procurement volume in Germany [1]	28,009	23,885	21,137
Share of local procurement volume (%)	85	90	87

The procurement volume is the total of all the net order values – from individual orders and from framework contracts – that have been completed.

[1] Excluding DB Schenker.

The purchase commitment 272 (contractual liabilities for future capital expenditures) as of December 31, 2023, amounted to € 24.3 billion (as of December 31, 2022: € 21.0 billion). The future financing needs should continue to be covered by internal funds, external financial instruments and investment grants from the Federal Government.

MATERIAL TOPICS IN 2023

- In 2023, we further intensified our close communication with the construction and rail industries to find solutions for the upcoming ramp-up, in particular for infrastructure projects and digital rail in Germany 65 f. to be developed.

DIGITALIZATION AND INNOVATION IN PROCUREMENT

The further development of procurement is closely linked to digitalization and (partial) automation of processes based on a modern, networked IT landscape. The aim is to produce intuitive, digitalized and highly user-oriented end-to-end processes that provide guidance throughout. The user groups are demand carriers from all DB companies, suppliers of procurement and strategic and operational purchasing customers.

SUSTAINABILITY IN THE SUPPLY CHAIN

We make the greatest possible contribution to sustainable development through strong partnerships in transparent supply chains. Our suppliers take an active role in ensuring mutual business success with their sustainability performance and capacity to innovate.

We have refined our social and environmental responsibility in many product group strategies across DB Group's targets and have embedded it in our contract awarding practices in the form of suitability, performance, evaluation and implementation criteria. Our DB Code of Conduct for Business Partners (CoC BP) serves as a starting point for the sustainable design of supply chains and the specific procurement decisions and the procurement policy. Suppliers agree to the CoC BP during registration. In it, suppliers declare, among other things, that they respect human rights, including the core labor standards of the International Labor Organization (ILO). On this basis, we check compliance with the requirements of our strategic partners with event-related on-site audits.

Since January 1, 2023, we have also been legally obliged to establish responsible supply chain management in accordance with the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz; LkSG) 198 f. In this context, a risk analysis was carried out in 2023 in accordance with the LkSG for the DB Group supply chain in order to identify potential and actual risks of our business activities for people and the environment. Based on the results of the

LkSG risk analysis, we develop and take risk-based prevention and remedial measures, including individual discussions with suppliers and on-site audits. In addition, our complaints procedure 199 provides the opportunity to point out any deficiencies in our supply chain.

The risk-based approach is being continuously developed. From 2024, an IT solution will be implemented for the systematic and risk-oriented assessment of suppliers.

We place great importance on conducting comprehensive sustainability assessments on our suppliers with regard to their management system, activities and results. The aspects we look at are environment, working conditions, human rights, fair business practices and sustainable supply chain management. Each of these aspects is subject to minimum requirements.

The step plan for a sustainable supplier landscape has been in progress since 2023. In the procurement processes, our contractors are gradually obliged to present sustainability ratings and to achieve minimum requirements defined therein. Accordingly, in 2023, we made a sustainability assessment mandatory in all EU tenders (without defined minimum requirements). These should be submitted by the contractual partners within six months of concluding the contract. The expansion is gradual:

- **From 2024 onwards, in tenders over € 100,000:** Commitment to submit a sustainability rating after conclusion of the contract (without defined minimum requirements).
- **From 2025 onwards in EU tenders:** Commitment to present a sustainability rating with industry-defined minimum requirements.
- **From 2026 onwards, in tenders over € 100,000:** Commitment to present a sustainability rating with industry-defined minimum requirements.

In 2023, more than 689 suppliers (previous year: 778 suppliers) presented us with a current sustainability assessment. This corresponds to a proportion of about 60 % (previous year: about 56 %) of our purchasing volume. Since 2023, only sustainability assessments that are no older than two years have been taken into account. The previous year's figure was adjusted accordingly. The majority of suppliers who undergo repeated sustainability assessments have improved results. This allows us to work together to reduce risks and increase resilience in DB Group's supply of goods and services. In many product groups, our suppliers can benefit from a simplified qualification process if they submit an up-to-date sustainability assessment (e.g. EcoVadis). The improved information basis through the transparency of sustainability assessments and insights into the sustainability performance of suppliers also supports the LkSG risk analysis in particular.

We are continuing to develop sustainable performance and decision-making criteria in a continuous dialog with industry associations and the Railsponsible initiative. All 17 Railsponsible members play a key role in making supply chains more transparent with more than 3,300 supplier assessments. Climate protection and safeguarding social minimum standards are the strategic focal points for responsible procurement management with Railsponsible.

NATIONAL AND INTERNATIONAL ACTIVITIES

We continue to focus our procurement activities in Europe. For competition reasons and to ensure reliability of supply, we also work together with suppliers outside the EU. The focus here is on Asia.

Since it opened, our International Procurement Office Asia (IPO) in China has identified over 860 suppliers for us and supported their development and participation in tenders in accordance with the applicable processes. In addition, the IPO identifies innovations in the Asian market for DB Group, for example in the areas of sustainability and renewable energies. In 2023, we have, for example, supported the majority of our active suppliers on their path to a sustainability assessment by EcoVadis.

In the spare vehicle parts project business in particular, we regularly work in partnership with established suppliers in China. We are also in contact regarding the expansion of maintenance and infrastructure measures, to ensure that the targets set are achieved. DB quality assurance employees monitor production on-site on an ongoing basis. The reliable supply of products from our international suppliers despite the difficult geopolitical conditions played an important role in maintaining the stable operation of our fleet.

DEVELOPMENT OF BUSINESS UNITS

Business units in the Integrated Rail System

DEVELOPMENTS IN THE RELEVANT MARKETS

German passenger transport market

In passenger transport our objective is to maintain our strong market position in the rail and bus transport market in Germany in the long term.

PASSENGER TRANSPORT MARKET IN GERMANY / % based on volume sold	Growth rate		Market share	
	2023	2022	**2023**	2022
Motorized individual transport	+1.8	+3.2	83.9	84.6
Rail passenger transport	+7.6	+65.3	9.8	9.3
DB Group	+8.5	+65.5	7.9	7.5
Non-Group railways	+4.1	+64.6	1.9	1.9
Public road passenger transport	+6.4	+30.2	5.9	5.7
DB Group	+19.1	+11.9	0.6	0.5
Air transport (domestic)	+21.1	+93.2	0.5	0.4
Overall market	**+2.7**	**+8.5**	**-**	**-**

The data for 2022 and 2023 is based on information and estimates available as of February 2024.

In 2023, the volume sold of German passenger transport increased significantly once again, but was still characterized by the changing mobility behavior in the wake of the Covid-19 pandemic. Overall, demand for transport remained below the pre-Covid-19 level. Transport policy measures such as the Germany-Ticket 47 also boosted passenger transport. Overall, the German passenger transport market recorded growth, although the extent and momentum of development in the individual market segments varied:

- Motorized individual transport continued on the path to recovery in 2023. As in the previous year, volume sold increased slightly in 2023. It benefited from increased demand for mobility compared to previous years, which were more heavily influenced by the impact of the Covid-19 pandemic.
- Domestic air transport also recorded an increase in demand in 2023. The high amount of travel in the summer months in particular led to a significant increase in volume sold. Despite the strong recovery, the market share remains at a very low level.
- Rail passenger transport recorded a further increase in volume sold in 2023.
  - From May 2023, regional rail passenger transport in particular benefited from the introduction of the Germany-Ticket.
  - Demand for long-distance rail passenger transport was characterized by the return of private and business travelers. Volume sold in the long-distance rail passenger transport market was significantly higher than in the corresponding quarter of the previous year, especially in the first quarter of 2023. In the subsequent quarters, volume sold continued to increase and even exceeded the pre-Covid-19 level for 2023 as a whole. This was due to catch-up effects in the private travel segment and the expansion of services offered by DB Group, FlixTrain and other non-Group railways.
- Public road passenger transport was also up in 2023. The Germany-Ticket led to an increase in volume sold over the course of the year, although public road passenger transport continued to suffer from lower commuting journeys. The increase in the sub-segment of local bus transport significantly exceeded the growth rate of public road passenger transport and was similar for intra- and non-Group providers.
  - Long-distance bus transport also increased in terms of volume sold in 2023. This was due to the still very restricted services, particularly at the beginning of 2022 due to the Covid-19 pandemic.

German freight transport market

FREIGHT TRANSPORT MARKET IN GERMANY / % based on volume sold	Growth rate		Market share	
	2023	2022	**2023**	2022
Rail freight transport	-5.9	+2.8	19.1	19.2
DB Group	-12.2	-1.1	7.3	7.9
Non-Group railways	-1.5	+5.8	11.7	11.3
Road freight traffic	-4.5	-0.5	72.2	71.9
Inland waterways	-7.0	-8.4	6.2	6.3
Long-distance pipelines	-4.0	+12.6	2.5	2.5
Overall market	**-4.9**	**-0.1**	**-**	**-**

Data is based on information and estimates available as of February 2024.
Volume sold in rail freight transport according to the Destatis definition of transport services that are primary freight carriers.

German freight transport performance was continuously below the previous year's level during 2023. The increased factor costs adversely affected transport operators in terms of costs and forced them to make significant price increases. This exposed smaller transport companies in particular to an existential threat. High inflation led to negative consumer sentiment. This was mainly expressed in declining volumes in combined transport. In addition to the high price level, the increase in interest rates led to a slump in demand in the construction industry. Industrial activity was also weak. The chemicals industry reduced production due to sales difficulties, and the decline in steel production, including products along the value-added chain, also led to reduced demand for transport. The supply problems in previous years due to the Covid-19 crisis dissipated to a large extent over the course of the year. Companies are focusing increasingly on supplier diversification in the procurement of raw materials and preliminary products.

In addition to the economic challenges, there was an ongoing acute shortage of personnel in the transport industry. Freight transport volume sold in Germany in 2023 was significantly below that of the previous year.

RAIL FREIGHT TRANSPORT

Rail freight transport was also consistently below the previous year's level during 2023, with the sharpest declines recorded in the third quarter. Heavy losses were incurred in transport for the coal and steel industry, such as ore, coke, crude steel, metal products and scrap. Chemical transport also recorded significant declines due to weak sales, especially for basic chemicals on the global market. Coal transport, which was so strong in previous years, lost out significantly due to changes in the framework conditions for energy supply. The automotive industry recorded a positive trend in transport, which is still in catch-up mode following material bottlenecks in previous years. Mineral oil transport also increased significantly.

The market share of rail freight transport declined slightly. DB Group railways had a below-average performance, while non-Group railways recorded only slight declines.

ROAD FREIGHT TRAFFIC

Road freight traffic, like rail, has been below the previous year's level since the beginning of the year. In addition to the negative trend in the industrial sectors, the low demand for consumer goods as well as the weak construction economy due to high interest rates and the associated low order books in particular led to significant declines. In contrast to rail, the price increases for trucks in 2023 were at a normal level, as the transport companies had already applied significant increases in the previous year. Overall, road freight traffic lost a similar volume to rail in percentage terms. Trucks registered in Germany lost more than trucks registered abroad.

The market share of road freight traffic increased slightly due to even greater losses of other modes of transport.

INLAND WATERWAYS

After significant declines in performance in the previous year, inland waterway transport in 2023 was unable to benefit from the positive baseline effects of the extreme low water in the previous year and, on the contrary, lost even more quantity. The main drivers of the declines were the loss in volume of coal transport by more than one-third and a decline in grain and steel transport. In contrast to the market situation, construction and consumer goods, stone and earth transport and container transport, which are less relevant for the overall volume of inland waterway transport, improved. Mineral oil transports developed positively in line with the market trend. Due to the lower declines overall in intermodal terms caused by the already very low volume, inland waterway transport recorded slight gains in market share in 2023.

European rail freight transport market

Volume sold in European rail freight transport (EU 27, Switzerland, Norway and the United Kingdom) declined significantly in 2023. The weak economic environment, combined with high inflation and high costs, especially in traction current prices, also had a substantial impact on the European rail freight transport market in 2023. As a result, there was a significant decline in demand for transport, especially in energy-intensive sectors such as chemicals and steel. Weak European foreign trade led to significant declines in container volumes in the North Sea ports of Antwerp, Rotterdam and Hamburg, resulting in a double-digit decline in combined transport. DB Cargo was unable to escape this negative market environment. The volume sold also declined significantly in line with the market trend.

	Growth rate	
INTERNATIONAL FREIGHT TRANSPORT AND LOGISTICS MARKETS / %	**2023**	2022
European rail freight transport (based on tkm)	-6.9	-0.1

Figures are based on information and estimates available as of February 2024.

DB LONG-DISTANCE BUSINESS UNIT

Business model

DB Long-Distance offers passengers comfortable and environmentally friendly travel within Germany and into neighboring countries. Regularly scheduled daily services with the ICE/Intercity/EC fleet form the backbone of long-distance transport.

The most important target figures are volume sold, passenger satisfaction, punctuality (operational and whole journey), employee satisfaction and operating profit (EBIT). Steering is particularly based on the performance figures of volume produced and seat utilization ratio on trains. Costs largely correlate with the planned volume produced, which is derived from the services offered. Some of the costs, such as for train-paths, station stops and energy, depend on the actual volume produced. Resource assignments of personnel and facilities are aligned with the annual schedule in order to optimize the cost per unit per train kilometer traveled. The key cost drivers here are vehicle, personnel and infrastructure expenses for which reason the business is fixed-cost-intensive. Only a small portion of expenses varies with the load factor.

The most important sources of income for long-distance transport which is operated on a purely commercial basis are revenues from the sale of tickets and BahnCards.

The employees, a modern vehicle fleet and a high-quality infrastructure are crucial for the success of DB Long-Distance. This is why intra-Group infrastructure companies and service providers as well as the vehicle industry are important partners. Furthermore, cooperation with other European train operating companies is of great importance for cross-border connections and night train services.

Markets and strategy

GRI

Following a Covid-19-related decline in volume sold in 2020 and 2021, DB Long-Distance continued on its path of growth in 2023. In order to achieve the climate policy targets and against the backdrop of increasing environmental awareness, DB Long-Distance intends to further expand its rail market share through attractive offers despite increasing intermodal competition. The proportion of the population living in urban metropolitan areas in Germany will increase until 2050, making fast and direct connections between major cities ever more important. At the same time, the connection of people in rural regions to long-distance transport must be ensured.

As an integral component of the Strong Rail strategy 52ff., DB Long-Distance makes an important social contribution. The number of passengers was significantly increased due to target-group-specific offers, capacity expansion of the fleet and service staff as well as a wide range of marketing measures.

In order to achieve the strategic objectives, both the increase and the stabilization of production and the further development of attractive travel services are necessary. Through this, DB Long-Distance contributes significantly to the desired shift in the mode of transport towards rail and to tackling climate change. DB Long-Distance's core identity – "Our imperative: connecting people, overcoming distances," "Our mission: the best possible journey – together with passion and excellence," "Our promise: arriving by the time of boarding" – continues to be of central importance. By continuously developing the project portfolio along the strategic areas of the Strong Rail strategy, we are continuing to drive the implementation of our strategic targets.

- **More robust:** In order to meet growing demand, DB Long-Distance is expanding its vehicle fleet and maintenance capacity 54ff. In 2023, DB Long-Distance put an average of three new ICE trains into operation per month, which is more than ever before. The fleet age is expected to fall to an average of 12 years by 2030. The maintenance capacities required for this growth will be ensured, among other things, by expanding the existing depots in Hamburg and Berlin and by opening new depots in Dortmund. Talent acquisition 87f. and the qualification and retention of employees have an important part to play in this staff expansion and in compensating for fluctuations and age-related departures. There is a particular focus on filling operational and service-critical positions, such as traction unit drivers and train attendants, as well as establishing a health-promoting corporate culture.
- **More powerful:** Improved processes are intended to provide all long-distance trains with high-quality equipment and competitive costs. To increase vehicle availability and quality 125, production will be digitalized and optimized further. Digitalization gives employees and passengers significant added value, e.g. by supporting decisions with real-time data. In 2023, pioneering projects were launched that will improve processes in traffic control centers and maintenance depots over the long term, thereby increasing reliability, punctuality and vehicle availability.
- **More modern:** DB Long-Distance aims to build a flexible, reliable and high-frequency long-distance transport network in line with Germany in sync 47. DB Long-Distance is

GRI

DB Long-Distance – at a glance

Products

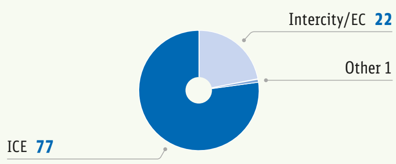
ICE (Intercity Express)
- ICE trains are our high-speed trains, connecting major cities and conurbations. DB Long-Distance offers national and cross-border transport in Europe with the ICE fleet.

Intercity
- The Intercity trains are primarily used on routes within Germany. They connect cities and conurbations with regional locations. Since 2015, the fleet has been supplemented by double-deck Intercity 2 trains, and since 2019 by additional Stadler (KISS) trains.

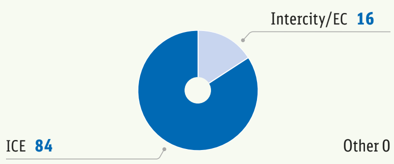
EC (Eurocity)
- EC trains enable fast, cross-country travel. In cooperation with other railways, we offer numerous connections between major European cities.

Structure

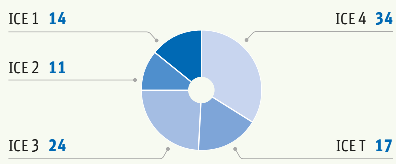
PASSENGERS / %



VOLUME SOLD / %



ICE FLEET (TRAINS) / %



Business model

INPUTS

Employees
- About 21,000

Vehicles
- 401 ICE
- 169 locomotives
- 971 passenger cars

Networks and infrastructure
- 10 depots
- 12 works facilities

Electricity and fuel
- 2.6 billion kWh of traction current
- 6.1 million liters of diesel fuel
- 2.2 million liters of HVO (biodiesel)

Additional production factors
- 158 million train-path km
- 2.9 million station stops

↧

BUSINESS ACTIVITIES

Customer segments
- Private customers
- Business customers

Value proposition
- DB Long-Distance offers easy, relaxed, reliable and environmentally friendly travel.

Customer access and retention
- Online, mobile, travel centers, ticket machines, agencies, call centers
- BahnCard, BahnBonus program and apps

Key activities
- Providing rail services
- Serving passengers
- Providing and maintaining vehicles
- Planning networks and services

↧ ↧

OUTPUTS[1]

Passengers
- 140 million

Volume sold
- 45 billion pkm

OUTCOMES[2]

EBIT adjusted
- € - 43 million

Employee satisfaction
- SI of 3.6 (2022)

Customer satisfaction
- Grade 2.7

Final energy consumption
- - 29.8% compared with 2006 (specific)

Punctuality
- Punctuality (operational): 64.0%
- Punctuality (whole journey): 68.9%

Status for 2023, or as of December 31, 2023.
[1] Key products and services.
[2] Internal and external consequences and results from business activities and outputs along the entire value-added chain.

creating attractive and competitive offers by expanding its lines, increasing frequencies and shortening travel times. The continuous modernization of the fleet 55f. will also increase the vehicle availability of the ICE fleet over the long term. The digital customer channels support passengers on their journey. As a digital platform, DB Navigator provides access to the system and facilitates modern and timely travel support along the entire travel chain.

With the new bahn.de and the improved DB Navigator 126, in 2023 Germany's most used mobility app was completely renewed and made fit for the future. At the station itself, the redesign of 13 DB Lounges so far is contributing to the well-being of passengers. Furthermore, in 2023, with the opening of the first newly designed travel center at Düsseldorf central station, the foundation has been laid for even more personal advice and more digital services.

The innovative redesign of travel centers as an important personal point of contact for passengers combines digital services with personal advice in a feel-good setting. Passengers also find a new interior design 125 in the first ICE trains. In future, the customer contact points at the travel center, lounge and ICE will bear the same handwriting, which ensures a point of recognition for passengers. DB Long-Distance is therefore consistently working on renewing the vehicle fleet and improving travel comfort.

TCFD

- **Greener:** Environmental protection is a matter of course for DB Long-Distance as a pioneer of green mobility in Germany. Since 2018, DB Long-Distance trains have been running on 100% eco-power green. No. 1. To ensure that passengers can rely on this promise, since 2023 TÜV has certified that they use 100% eco-power. The aim is to switch to climate-friendly biofuel 74f. on non-electrified lines. Our new maintenance depots green. No. 48 are operating climate-neutrally. There are also further measures to achieve greater sustainability 126 to complement these activities.

DEVELOPMENT OF THE NETWORK

DB Group and the Austrian Federal Railways (ÖBB) are expanding their cross-border long-distance transport offer. Since the timetable change in December 2023, there has been an additional ICE connection between Berlin and Vienna via Nuremberg. ÖBB and DB Group are also expanding their cooperation on night transport. Nightjet connections from Berlin and Vienna to Paris and Brussels have been offered three times a week since December 2023.

Fleet development

VEHICLE PROJECTS AND PURCHASES

- The ICE 4 fleet continued to grow in 2023: 23 new ICE 4 trains (7 13-car trains and 16 7-car trains) have been added. In 2024, two further ICE 4 trains will be added, which means that the fleet will then consist of a total of 137 ICE 4 trains. This is DB Long-Distance's largest fleet.
- The gradual acceptance of ICE 3neo trains also progressed further in 2023 – a further 12 ICE 3neo trains were received. This means that 16 ICE 3neo trains are already in operation.
- Another 14 Intercity 2 double-deck trains from Alstom Transport will be available by 2024.
- The ICE 1 modernization is progressing further. By the end of 2023, 29 ICE 1 trains had been modernized and the robustness of the drives had been optimized.
- The comprehensive modernization of the total ICE 3 fleet was completed in 2023. All 50 ICE 3 trains have had a contemporary makeover with newly designed seats, new colors and modern, durable materials.
- The ICE T customer program will address the measures that are important from the customer's point of view to improve customer satisfaction by replacing seats, partially refurbishing WCs, upgrading the vehicle interior, and carrying out repainting work by the end of 2025.

VEHICLE AVAILABILITY

Due to the modernization of the existing fleet and the commissioning of new vehicles, the vehicle availability of the ICE fleet was improved again in 2023 compared to the previous year. Functionality in the passenger sector (e.g. WiFi, air-conditioning systems and passenger information) is also developing positively.

In order to provide passengers with a high-quality and reliable vehicle fleet in the future, projects for the procurement and modernization of vehicles will continue to be implemented. This includes, among other things, the inflow of new vehicles 55f. as well as optimization of the existing fleet.

NEW ICE INTERIOR DESIGN

The first ICE 3neo trains went into operation at the end of 2023 with a new interior design characterized by numerous innovations: the completely newly developed seats are designed as a personal retreat, offering better adjustment options and therefore even more comfort. We are creating a new appearance with a harmonious design, modern materials such as wooden decor, and seat covers made from high-quality fabric with 85% wool in subtle colors. Elements such as an integrated tablet holder or coat hooks in each backrest offer more functionality.

Digitalization and innovation

Digitalization at DB Long-Distance is geared in particular to providing our customers with easy access to our mobility services, supporting our employees in their day-to-day work and reducing the downtime for our trains, thereby enabling more and more punctual journeys. The following selected measures help to achieve this:

- Strengthening the infrastructural base and the train services by quicker availability and use of business-critical, management-related data for efficient and effective decisions.
- Simplified use of the mobility service.
- Optimization of connectivity on board trains.
- Expansion of digital services on board trains as a contribution to sustainability and promotion of environmental protection.
- Support for employees in all areas in the transformation to the digital working environment with respective programs and a greater focus on the user experience of digital applications.

The following progress was made in 2023:

- **More information about train journeys:** Since June 2023, all interested sales partners have been provided with the predicted arrival and departure times of their ICE and IC trains. This includes live operational reports such as track changes at the station or information in the event of severe weather restrictions. This data is provided via an interface and can be used by sales partners for their own presentation of information. The innovation is part of a Europe-wide package to improve the rights of rail passengers, and is being rolled out within the framework of existing sales cooperations.
- **Revised DB Navigator:** Since November 2023, DB Navigator has had numerous improved functions. This will make passenger information even simpler and more intuitive. In recent years, DB Group has invested in the three-digit million euro range in its sales systems for more digital services.
- **Better connectivity:** Since 2023, all new fleets, such as the ICE 3neo, have been equipped ex-works with mobile signal-permeable windows 65.

Environmental measures

GRI

- DB Long-Distance and the Federal Association of the German Air Transport Industry have taken an initial positive assessment of the joint action plan from 2021. Demand for feeder transport by rail to the Frankfurt am Main hub increased significantly in 2023. As the first intermodal partner of Star Alliance, DB Long-Distance has contributed to attracting more people to climate-friendly mobility chains.
- Since February 2023, DB Long-Distance trains have consistently been paperless green. No. 137: digital versions of newspapers and magazines are now being used on board instead of printed ones, saving several tons of paper.
- DB Long-Distance is also committed to sustainability with its new interior design: the use of real leather has been halved on ICE 3neo trains, as well as with the introduction of ICE L, compared to the previous approach. Furthermore, when selecting seat covers, great emphasis was placed on robust, durable materials that are easy to clean.
- The external cleaning systems in Frankfurt-Höchst and Berlin-Rummelsburg were converted for the use of neutral cleaning agents, which has significantly reduced the use of chemicals for waste water treatment.
- DB Long-Distance has been operating a new island ferry to Wangerooge since June 2023. The "Watt Sprinter I" is faster and more climate-friendly than previous liners.
- As part of a restructuring of the diesel phase-out project, the changeover to DB Long-Distance gas stations has been reprioritized within the Group, resulting in a delay in the target achievement of DB Long-Distance in relation to the complete switch to HVO.

Subsidiaries

- **Inclusion of long-distance sales division by DB Sales:** The Long-Distance Sales division was split off from DB Vertrieb GmbH on January 1, 2023 (effective on March 31, 2023) and included in the Marketing and Sales division of the DB Long-Distance business unit. As a result, product development, marketing and sales are to be even more closely interlinked, and improvements for our customers are to be implemented more quickly.
- **DB Reise&Touristik Suisse SA:** DB Reise&Touristik Suisse SA, Basel/Switzerland, which is in liquidation, was removed from the trade register of the canton of Basel City on December 18, 2023.

Development in the year under review

GRI

⟶ *Punctuality was severely affected in particular by construction-related capacity restrictions in the infrastructure.*

⟶ *Noticeable ongoing recovery in demand is leading to a significantly more positive revenue development. Strikes and announcements of strikes had a negative effect.*

⟶ *Higher expenses for energy and personnel, among other things, had a negative impact on profit development.*

⟶ *Continued high capital expenditures for the modernization of the vehicle fleet.*

GRI

DB LONG-DISTANCE	2023	2022	Change absolute	Change %
Punctuality (%)	64.0	65.2	- 1.2	-
Punctuality (whole journey) (%)	68.9	69.3	- 0.4	-
Customer satisfaction (grade)	2.7	2.7	-	-
BahnCards (thousand)	5,019	5,107	- 88	- 1.7
Passengers (million)	140.3	132.0	+ 8.3	+ 6.3
Volume sold (million pkm)	45,459	41,720	+ 3,739	+ 9.0
Volume produced (million train-path km)	157.7	158.9	- 1.2	- 0.8
Load factor (%)	49.1	45.9	+ 3.2	-
Total revenues (€ million)	5,896	4,980	+ 916	+ 18.4
External revenues (€ million)	5,729	4,845	+ 884	+ 18.2
EBITDA adjusted (€ million)	483	389	+ 94	+ 24.2
EBIT adjusted (€ million)	- 43	- 39	- 4	+ 10.3
Gross capital expenditures (€ million)	1,657	1,667	- 10	- 0.6
Employees as of Dec 31 (FTE)	20,966	19,139	+ 1,827	+ 9.5
Employees annual average (FTE)	20,394	18,931	+ 1,463	+ 7.7
Employee satisfaction (SI)	-	3.6	-	-
Share of women as of Dec 31 (%)	27.2	26.7	+ 0.5	-
Specific final energy consumption compared to 2006 (based on pkm) (%)	- 29.8	- 23.1	- 6.7	-

The punctuality of DB Long-Distance declined in 2023 compared to the previous year. The reasons for this were, in particular, the poor condition of the rail infrastructure due to outdated and fault-prone facilities, as well as the high volume of short-term construction requirements. In addition, disruptions on the highly utilized sections and transport hubs led to disproportionately high congestion that had an impact on the entire rail network. In addition, the replacement of damaged concrete ties 149f. and the associated setting up of restricted speed sections is a core challenge for operational quality. A positive point worth mentioning is that the number of vehicle faults has decreased, while vehicle availability is increasing. As a result, the punctuality (whole journey) was also somewhat weaker.

As part of digitalization, DB Long-Distance switched to an online survey when enquiring about customer satisfaction. In the online survey after the trip, about 150,000 customers were continuously surveyed in 2023 concerning their satisfaction with their long-distance journey. Customer satisfaction did not improve in 2023 due to the difficult operating environment compared to the previous year. After a positive start to the year, customer satisfaction fell in the middle of the year and remained at the previous year's level despite better assessment of comfort and service due to unsatisfactory punctuality and the strike situation.

Decreasing new sales and increasing cancelation figures as a result of the tense operating situation, among other things, led to a slightly lower number of BahnCards. This affected all types of BahnCard.

The positive trend in performance development continued in 2023:

- **Number of passengers and volume sold:** Significant increase, driven mainly by recovery effects, as the first quarter of 2022 was still significantly influenced by measures to contain the Covid-19 pandemic. The EVG and GDL strikes 93 and extreme weather conditions had a dampening effect.
- **Volume produced:** Timetable adjustments due to construction on the network as well as strike-related cancellations resulted in a slight decline.
- **Utilization rate:** Marked improvement as a result of the increased number of passengers.

The economic trend remained challenging. Revenues increased disproportionately compared to expenses (excluding depreciation), so adjusted EBITDA improved significantly. Due to capital expenditures, depreciation increased very noticeably, and adjusted EBIT therefore developed slightly below the previous year's level and remained negative.

The income side recorded significant gains:

- **Revenues (+18.4%/€ +916 million):** Price and performance-related growth were significant. The strike measures had a dampening effect.

- **Other operating income (+7.8 % / € +36 million):** Increase due to higher compensation payments and positive effects from the transfer of activities from DB Sales 126. The increase was largely offset by the Federal Government's lower train-path price reimbursement for the partial compensation of damages in connection with the Covid-19 pandemic.

Expenses increased noticeably, especially as a result of energy cost increases and measures to improve performance quality.

- **Cost of materials (+14.0 % / € +427 million):** The increase was mainly due to price-related higher energy expenses (partially compensating effects from the electricity price brake 46 are reported in the extraordinary result 107 ff.). Additional increases resulted, for example, from higher costs for inspections and maintenance due to increases in price and quantity, increased project costs (e.g. to improve WiFi quality), higher goods procurement for onboard catering due to higher sales, and increased expenses for vehicle cleaning. Weak operating quality and a higher number of passengers also led to additional customer service expenses.
- **Other operating expenses (+36.3 % / € +267 million):** The increase resulted, among other things, from the implementation of IT projects and digitalization measures as well as the Group charges 106 introduced in 2023. Furthermore, an increase in employee qualification measures, higher service and project costs, increasing travel activity and the positive performance development, also had the effect of increasing expenses.
- **Personnel expenses (+14.2 % / € +180 million):** The development resulted mainly from a higher number of employees and from the results of collective bargaining.
- **Depreciation (+22.9 % / € +98 million):** The increase was due in particular to the expansion of the high-speed fleet and the redesign of ICE 1 and ICE 3 trains. This was counteracted by ICE 2 and Intercity 1 trains reaching the end of their useful life.

Capital expenditures were at the same high level as in the previous year and resulted from continuing vehicle projects 125.

As of December 31, 2023, the number of employees increased, in particular as a result of implementing measures to improve quality and increase capacity and as a result of the transfer of activities from DB Sales 126.

The share of women increased slightly.

The decline in specific final energy consumption compared to 2006 (based on pkm) increased further. This improvement is mainly due to the higher capacity utilization. In addition to the utilization of capacity, there has also been a significant improvement in energy efficiency. This is due, among other things, to the continuous sensitization of the traction unit drivers to use the electrodynamic brakes with Intercity 2 (147 series). Training was also carried out for energy-efficient driving. In addition, average consumption was further reduced due to the implementation of numerous measures.

DB REGIONAL BUSINESS UNIT

Business model

The core service of DB Regional is to bring millions of passengers in regional transport to their destination every day on time and in a safe, punctual, comfortable and environmentally friendly manner, and in doing so, to meet the requirements of the respective transport contracts.

Our offerings cover regional rail passenger transport with regional express, regional railway and S-Bahn (metro) lines as well as regional and urban bus transport services.

These core products are supplemented with concepts for new forms of mobility. Examples of such forms of mobility are, in particular, on-demand transport services and mobility hubs. A high level of customer acceptance of such offers requires progressive integration on three levels: physical, digital and regarding tariffs.

The focus of DB Regional's vision of sustainable everyday mobility is an intelligent linking of the entire mobility portfolio towards fully integrated mobility solutions in large-scale transport areas. Together with our public transport services and contracting organizations, we are pursuing the progressive, long-term expansion of integrated transport concepts: seamless door-to-door offers for our passengers, which will be facilitated by the intelligent combination of scheduled rail and road transport services with sharing and on-demand services. With this holistic approach, we offer our passengers comprehensive mobility services, not only in metropolitan regions and conurbations but also in rural areas with public mobility. Our regional structure ensures a modern local transport service that is oriented equally towards local customer needs as well as ordering requirements.

DB Regional – at a glance

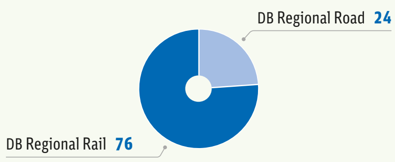
Lines of business

DB Regional Rail
Bundles the regional rail passenger transport activities in Germany and includes regional express, regional railway and S-Bahn (metro) lines. This line of business is divided into seven regions (North, North-East, Central, South-East, Baden-Württemberg, Bavaria and North Rhine-Westphalia), the five directly managed S-Bahn (metro) lines Berlin, Hamburg, Munich, Rhine-Main and Stuttgart, the five regional networks and the regional transport services Start Germany.

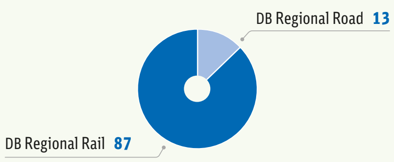
DB Regional Road
Bundles the regional and urban bus transport activities and the integration of on-demand transport and rail replacement services in Germany. There are just under 30 bus companies, which are divided into six regions: North, East, Central, North Rhine-Westphalia, Baden-Württemberg and Bavaria.

Structure

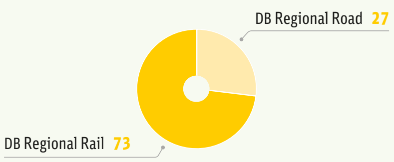
PASSENGERS / %



REVENUES / %



EMPLOYEES / %



Business model

INPUTS

Employees
- About 39,600

Vehicles
- 487 locomotives
- 4,066 multiple units
- 11,936 rail cars
- 1,844 passenger cars
- 11,553 buses (including external buses)

Networks and infrastructure
- 40 workshops (rail)
- 65 workshops (road)
- 210 depots

Electricity and fuel
- 2.9 billion kWh traction current
- 328 million liters of diesel fuel[1] (road including external and rail)
- 3.6 million liters of HVO (biodiesel)
- 0.4 million kg natural gas

Additional production factors
- 108 million station stops

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BUSINESS ACTIVITIES

Customer segments
- Private customers
- Business customers
- Contracting organizations

Value proposition
- DB Regional offers customer-focused, punctual, reliable and environmentally friendly mobility services.

Customer access and retention
- Local sales outlets, travel centers, agencies, ticket machines, online, call center, on-board sales
- Subscriptions, apps

Key activities
- Providing train and bus services
- Looking after customers
- Providing and maintaining vehicles
- Creating competitive offers
- On-demand services

↧ ↧

OUTPUTS[2]

Passengers
- 2.2 billion (rail and bus)

Volume sold
- 37.5 billion pkm (rail)
- 6.0 billion pkm (bus)

Volume produced
- 0.4 billion train-path km (rail)
- 0.5 billion bus km (bus)

OUTCOMES[3]

EBIT adjusted
- € - 22 million

Hit rate
- 61% (rail)
- 46% (bus)

Customer satisfaction
- Grade 2.2 (rail)
- Grade 2.0 (bus)

Employee satisfaction
- SI of 3.7 (2022)

Punctuality
- 91.0% (rail)
- 85.2% (bus)

Energy consumption compared with 2006 (specific)
- - 31.7% (rail)
- - 1.1% (bus)

Status for 2023, or as of December 31, 2023.
[1] Includes admixtures.
[2] Key products and services.
[3] Internal and external consequences and results from business activities and outputs along the entire value-added chain.

As a rule, DB Regional provides its regional rail passenger transport services within the framework of the Regionalization Act as a public service and on behalf of the competent contracting organizations. The contracting organizations are either the Federal states or state-owned companies, or municipal special-purpose associations. The contracting organizations conclude long-term transport contracts in the framework of mostly competitively awarded tenders or grant corresponding route concessions to transport companies. These contracts determine the volume produced and contain detailed specifications on quality and fare pricing. With integrated transport concepts, high-quality mobility services and targeted investments in our fleet as well as product development and digitalization, DB Regional intends to safeguard its leading market position and further strengthen its role as a quality and innovation leader in regional rail passenger transport.

Important performance figures are volume sold and volume produced, with transport contracts usually relating to volume produced. In addition to concession fees, revenues from ticket sales are traditionally the most important source of income. Contracts where fare proceeds remain directly with the contracting organization, while the transport company is fully compensated by the contracting organization for the entire range of services (gross contracts), are of increasing importance.

Predefined periods in transport contracts and route concessions, combined with the necessity of an extensive production system, result in a cost structure characterized by fixed costs. The key drivers are personnel, maintenance, energy and infrastructure expenses. Only a small portion of expenses varies with the load factor.

In the rail sector, integrated offerings covering vehicle procurement, financing, fleet management, operation and maintenance were generally required by the contracting organizations in the past. There are now also fragmented tender models. In such models, modular partial services or even just solely the operation are put out to tender. In these models, other partial services remain the responsibility of the contracting organizations (financing, for example) or the responsibility of the vehicle suppliers (maintenance, for example). Based on the performance capability of DB Regional in all value-added levels, partial services can also be assembled as required so that DB Regional also successfully holds its ground on the market as a provider of partial services and/or subcontractor of competitors.

Competition in the regional bus segment remains strong in the national bus market. The intensity of competition in this small-scale and regional market (approximately 400 contracting organizations in Germany) results both from Europe-wide tenders and from licensing competition. In the area of tenders, volume sold is predominantly represented in gross contracts (compensation by concession fees) with a period of eight to ten years. In urban transport, bus services are often awarded to local municipal companies through in-house tenders, and are (in part) provided as subcontractor services by regional transport companies. The biggest challenges facing the bus business are the need for personnel/a shortage of skilled labor, especially for passenger transport staff, as well as the price trend with the most important factor costs, fuel (diesel/energy).

At the same time, the integration of scheduled and on-demand transport provides the opportunity to make local transport on the road more efficient. In the future, this will require functional tenders that make it possible to design transport services from the customer's point of view: smaller, often electric vehicles, especially on less busy lines and at daytime off-peak times, run as required and operate a strong line network on road and rail in a feeder system, facilitating public door-to-door travel chains.

DB Regional recognized this development at an early stage and, in collaboration with internal and external partners, it offers holistic solutions from the first to the last mile under the umbrella of DB Regional Road.

Markets and strategy

GRI

In 2023, the growth trend in local public transport continued, after a collapse in passenger numbers during the Covid-19 pandemic. The Germany-Ticket 47 has replaced the 9-Euro-Ticket in terms of its national validity. For the long-term maintenance and also for the expansion of the offer from 2024, a permanent financing basis with reliable planning is required.

The Germany-Ticket offers additional potential in terms of attracting new customers from among students, employees in companies with job ticket offers and subscribers of other products.

In addition to the ongoing trend towards the use of modern public transport offers in metropolitan regions and the increased influx of families to suburban areas, accompanied by professional commuting within the metropolitan regions, environmental and climate protection are also gaining in importance. Over the medium term, it can therefore be assumed that the trend of traffic growth in local public transport will continue.

In order to resume the short-term stabilization of local public transport through the industry solution of the Federal Government and Federal states in the Covid-19 pandemic, the annual dynamic rate of regionalization funds was increased at the beginning of 2023.

DB Regional, the largest provider, aspires to profit from this positive market environment. In addition to orientation towards the Strong Rail group strategy under the motto "regional and urban mobility," DB Regional is in particular pursuing the vision of becoming a "comprehensive system provider" for integrated everyday mobility. For this purpose, DB Regional has overhauled its organizational structure in 2023 with its two strong mobility pillars rail and road, with the aim of offering a reliable, seamless and demand-orientated offer of door-to-door mobility solutions from a single source for the city and rural areas.

To implement the strategy, DB Regional is working on the following strategic areas of the Strong Rail strategy:

- **More robust:** To strengthen its robustness, DB Regional is working in particular on the fleet, employees and business model. The modernization and digitalization of the fleet are key factors for sustainable quality improvement and upgrades of regional rail passenger transport. For this reason, DB Regional is investing in a gradual expansion of its fleet strength and a consistent redesign of the vehicles 56. Sufficient and qualified personnel are an equally important success factor for robust operations. DB Regional is continuously working on the recruitment and qualification of employees and develops solutions to meet the challenges of the market. These include increased efforts to target group-specific qualification and recruitment, optimization of employee recruitment processes as well as the productive deployment of employees. DB Regional is responding to changing market conditions, for example due to the increasing fragmentation of transport contracts, with new business concepts and cooperation projects: with the expansion of offers for third parties, such as maintenance and pool and life cycle management, DB Regional is enhancing its capacity for cooperation and its competitiveness.
- **More powerful:** Stable processes are the basis for the impact power of DB Regional and for reliable provision of services. Quality standards and control capability are performance-critical indicators of operating quality. If this is not a given, the result will be concession fees and contractual penalties. This will have a negative impact on profitability. With the implementation of the DB excellence system, DB Regional is focusing on increasing operating quality and vehicle availability, thereby creating the basis for reliability and punctuality and therefore greater customer satisfaction. Automation, industrialization and digitalization as well as platform solutions and intelligently linked data in high quality and availability are the essential levers here.
- **More modern:** To modernize DB Regional, the focus is on developing new forms of mobility, creating digital platform solutions and strengthening the role of innovation driver in the industry. The development of new mobility concepts is becoming increasingly important. Cities, outskirts and rural areas each have different mobility requirements and make close integration between modes of transport and cooperation with partners imperative. Through the consistent further development of new mobility solutions, such as on-demand transport services, DB Regional intends to develop a seamless and needs-oriented mobility service for the city and rural areas: in particular, metropolitan transport services must be enhanced by the expansion of offers for a shift in the mode of transport and by increasing vehicle attractiveness and capacity. In order to inspire new target groups to take local public transport, sustainable, compelling concepts are needed, such as the implementation of large-scale model regions. Customer needs, user behavior and the emergence of new mobility habits and thus the effects of shifts in the mode of transport can be examined there on a large scale. The findings will make it possible to make more efficient use of funding in future.

– **Greener:** DB Regional is taking numerous measures for the purpose of climate protection. The use of electric multiple units achieves the highest levels of efficiency, especially when using 100% eco-power green. No. 1. The consumption of fossil fuels is continuously reduced by our traction unit drivers' energy-efficient driving style and the use of supportive assistance systems green. No. 8. We are also testing the use of trains with alternative drive technologies 74f. DB Regional is a technology partner in the industry for all options; it has gained initial experience and has already won tenders. One challenge is that the use of such trains requires a high level of investment and takes (lead) time. At the same time, DB Regional is committed to the use of biofuel HVO green. No. 164, which is used as a bridge technology. Since 2022, HVO has been used in several sub-networks in passenger transport operations. DB Regional undertakes its own inquiries to ensure that the alternative fuel is compatible with engines for vehicles in regional rail passenger transport. DB Energy ensures the necessary infrastructure as well as reliable procurement and supply of climate-friendly biofuels.

Development of the order book

AWARDED TRANSPORT CONTRACTS

GERMAN REGIONAL RAIL PASSENGER TRANSPORT MARKET / million train-path km	2023 p. a.	2023 total	2022 p. a.	2022 total
Tender procedures (number)	33	–	24	–
thereof to DB Regional	17	–	8	–
Awarded tender volume	106.1	867.3	59.2	715.5
thereof DB services (%)	53	–	37	–
thereof to DB Regional	65.1	568.7	30.4	397.5
Hit rate (%)	61	66	51	56
SIGNIFICANT CONTRACTS WON				
Line star Mühldorf 2025+ [1]	7.8	86.7	–	–
Expresskreuz Bremen/Lower Saxony [1]	6.2	76.0	–	–
Saxony-Anhalt II diesel network (DISA II)	9.4	75.2	–	–
Baltic Sea-Alster (OSTA) sub-network [1]	4.2	57.5	–	–
Werdenfels 2028+	4.7	56.3	–	–
Oberelbe II e-network [1]	3.1	47.1	–	–
Rhine-Ruhr S-Bahn (metro) subnetwork B	7.2	37.2	–	–

[1] Over the term of the contract, the annual performance is to be adjusted in accordance with the relevant contractual provisions.

The volume of contracts awarded for regional rail passenger transport increased in 2023. The hit rate (entire contract term) developed positively.

GERMAN PUBLIC ROAD PASSENGER TRANSPORT MARKET / million commercial vehicle km	2023 p. a.	2023 total	2022 p. a.	2022 total
Tender procedures (number)	139	–	148	–
thereof including participation by DB Regional	117	–	111	–
Awarded tender volume	93.7	733.8	91.0	590.0
thereof DB services (%)	30	–	29	–
thereof including participation by DB Regional	90.7	722.6	77.9	520.7
Hit rate (%)	46	–	46	–

The volume of contracts awarded in bus transport increased slightly in 2023. The hit rate was also above average in 2023. DB Regional Road was able to expand its market share.

NEW COMMISSIONS AND CESSATIONS

COMMISSIONINGS / rail [1] 2022 to 2023	Period	Million train-path km p. a.	thereof versus 2022 [2]
Rhine-Ruhr S-Bahn (metro) lot B transfer	Feb 2022 to Dec 2023	7.1	+0.6
Ruhr-Sieg network transfer	Feb 2022 to Dec 2023	3.4	+0.3
EBO area Karlsruhe Network Grid 7b	Dec 2022 to Dec 2035	4.6	+4.3
2023-Taunus	Dec 2022 to Dec 2034	2.1	+2.0
Network 59 pre-commissioning on new construction line (Stg-) Wendlingen–Ulm	Dec 2022 to Dec 2027	0.8	+0.8
Express Transport East Bavaria Transition (EVOÜ) lot 1	Dec 2023 to Dec 2026	1.2	+0.1
RE 62 Rheine – Osnabrück – Löhne	Dec 2023 to Dec 2030	0.6	< +0.1
Network 54 – regional railway Bodensee-Oberschwaben	Dec 2023 to Dec 2033	0.4	< +0.1
Total		**20.2**	**+8.1**

[1] Services or parts of the network were previously provided by non-Group train operating companies.
[2] Effect of the change on the year-on-year comparison. The linear calculation is carried out on a weekly basis due to commissioning in the middle of the month.

CESSATIONS / rail [1] 2022 to 2023	Change	Million train-path km p. a.	thereof versus 2022 [2]
Hanover S-Bahn (metro)	Jun 2022	9.3	-4.3
Augsburg network lot 1	Dec 2022	6.6	-6.2
XMU network SH lot east	Dec 2022	4.2	-4.0
Network 19 Singen – Schaffhausen	Dec 2022	0.5	-0.5
Chiemgau – Berchtesgaden	Dec 2022	0.2	-0.2
XMU network SH lot north	Dec 2023	4.3	-0.2
2024-Mittelhessen	Dec 2023	3.4	-0.2
Ruhr-Sieg network	Dec 2023	2.5	-0.1
Total		**31.0**	**-15.7**

[1] Services or parts of the network were previously provided by DB Regional.
[2] Effect of the change on the year-on-year comparison. The linear calculation is carried out on a weekly basis due to commissioning in the middle of the month.

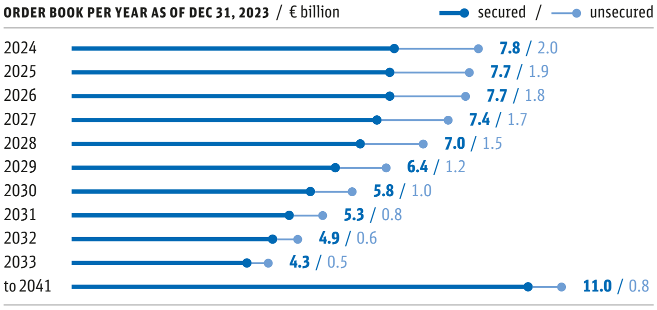
ORDER BOOK

ORDER BOOK AS OF DEC 31 / € billion	2023	2022	Change absolute	Change %
DB Regional	89.0	83.1	+5.9	+7.1
secured	75.3	69.6	+5.7	+8.2
unsecured	13.7	13.5	+0.2	+1.5

Revenues that are directly connected with transport contracts or concessions are either independent of (secured revenues, primarily concession fees) or dependent on (unsecured revenues, primarily revenues from fares) the number of passengers.

In 2023, DB Regional's order book increased. The additions from transport contracts of about € 14.9 billion were partly offset by disposals – mainly as a result of services rendered – of about € 9.9 billion. In addition, changes to assumptions had a positive impact of about € 0.9 billion (mainly due to energy price and tariff developments). As the transport contracts won predominantly include secured revenues, the growth in the secured order book is more significant than for unsecured revenues, which have only increased slightly.

ORDER BOOK PER YEAR AS OF DEC 31, 2023 / € billion



Individual figures are rounded and therefore may not add up.

Fleet development

In 2023, we continued to pursue comprehensive measures to improve our vehicle fleet.

- These include the redesign of the interior, the installation of passenger information and video recording systems, the integration of WiFi, and new paintwork. In total, 224 vehicles were rebuilt and modernized.
- We are further focusing on the procurement of new vehicles for awarded transport contracts. In total, 85 new vehicles were delivered in 2023. Of those, 30 were deployed through a leasing model. The majority of the new vehicles delivered (66) were allocated to the Berlin and Stuttgart S-Bahn (metro) networks and the regional transport network of Franconia-South Thuringia.

In 2023, vehicle availability was improved again due to further additions. However, there were also delays and restrictions relating to the delivery of new trains. In addition, 142 new multiple units were ordered.

Digitalization and innovation

Digitalization is already an important factor in the German local transport market today. The increasing demand for integrated mobility concepts, the growing importance of passenger information, and sustainability efforts create positive momentum for innovation and digital solutions. In some parts, these innovations are driven by the tender, passenger or supplier market. In addition, DB Regional itself is a driving force in innovation as innovation leader.

In this context, DB Regional has solidified its role as the market leader through a consistent digitalization strategy. The focus is on customer innovation needs, for example in the area of integrated mobility or personalized passenger information, as well as potential for the further development of core processes, which are strengthened by the automation and use of new technologies in terms of performance capability, speed and efficiency. DB Regional aims to create innovative digital solutions that quickly create visible, specific added value and meet demand. The cooperation of the DB Regional Rail and DB Regional Road lines of business in 2023 – including at the IT level – particularly supports the strategic direction of integrating mobility services in urban and rural areas more strongly and aligning them to specific needs.

The digitalization of DB Regional is sustainable: specific applications in the area of green IT, an environment-oriented approach to the procurement, development, use and disposal of computer hardware and software applications, are making a measurable contribution to achieving the climate protection targets.

The following progress was made in 2023:

- **Train portal:** The DB Zugportal (DB Train Portal) app was scaled further across Germany in 2023. The continuous expansion of functions and user experience results in constant reach growth and a consistent user base for the app.
- **Route agent:** The DB Streckenagent (DB Route Agent) app directly benefits customer satisfaction with digital services for improved passenger information. The app users receive an easy and intuitive app with real-time information about delays and alternative routes via push notifications. In 2023, the Germany-Ticket and the first multimodal services were integrated into the app.
- **Digital maintenance:** AI-supported camera portals, mobile robots and digital wheel set measuring systems enable a more efficient maintenance and ensure that the trains are available to passengers more quickly. In the future, for example, up to 20 hours of time-consuming routine work can be omitted per S-Bahn (metro) facility every day,

and more capacity will be created for the targeted maintenance of the growing vehicle fleets. The S-Bahn (metro) facility in Munich-Steinhausen is a pilot facility for digital maintenance at DB Regional. Munich's S-Bahn (metro) fleet alone grew by 16 to 289 vehicles in 2023, which are additionally being serviced in Steinhausen.

- **Cell reception:** In 2023, the first DB Regional trains were deployed with windows that had been altered using a laser to make them permeable to mobile signals. This is improving cell reception on trains by 100 times. This is a pilot project for which further transport associations and contracting organizations are to be sought as partners. Passengers on the Südostbayernbahn (Southeast Bavaria Railway) and the Elbe-Spree network are currently benefiting from this.
- **Real-time utilization displays:** On the first regional transport lines, the utilization rate of each carriage is determined and passed on directly to customers on the platform, on board the vehicle, and on the app. The utilization indicators are made possible thanks to a comprehensive capacity management system.

Environmental measures

GRI

- **Alternative drives:**
  - At the end of June 2023, a newly constructed depot with 27 electric buses green. No. 63 was commissioned in Frankfurt am Main.
  - Since February 2023, 22 new electric buses have gradually started operation in Schleswig-Holstein, undertaking low-emissions journeys.
  - In Baden-Württemberg, the first five electric buses of RAB started running between Ravensburg and Weingarten.
- **Alternative fuels:** In addition to operating hydrogen and electric buses, biofuel is a central component of the withdrawal from diesel on the road. The replacement of conventional diesel with the biofuel HVO green. No. 164 produced from biological residues and waste reduces accounted CO_2e emissions by about 90 %. The objective is to continue and expand HVO deployments. However, this is only possible with public transport services acting as contracting organizations.
  - In 2023, the biofuel HVO was used by DB Regional in various diesel networks, including the Kurhessen Railway, the Schwarzatal Railway, the Sauerland network, the Prignitz Express, and the Gäuboden Railway and the Rottal Railway in the Mühldorf Star Network.
  - Since July 2023, DB Regional has been using buses with the climate-friendly biofuel HVO in Schleswig-Holstein.

Subsidiaries

- To offer integrated mobility ioki is increasingly collaborating with DB Regional. In 2023, ioki was pooled with DB Regional's bus activities in the new DB Regional Road line of business.

Other events

- **On-demand transport:** ioki green. No. 142 successfully continues to develop its solutions for local public transport: about 60 national and international mobility projects were implemented on the on-demand platform and in the area of transport planning. These include the current local transport plan for Wiesbaden, as well as restarts and expansions of existing on-demand transport services. By switching on call shared and scheduled taxi services to the ioki platform in several regions, ioki is significantly supporting the digitalization of DB Regional Road. With the new ioki Route product – a system for bus line navigation – ioki is counteracting the pressing challenge of the lack of drivers in the industry.
- **New S-Bahn (metro) trains for Munich:** Siemens Mobility will supply 90 new S-Bahn (metro) trains for more than € 2 billion. The financing is guaranteed by the Free State of Bavaria using a leasing model. The new S-Bahn (metro) trains feature more space, better comfort and many innovations. The first trains are scheduled to start operation from the end of 2028. For the first time, fully walk-through S-Bahn vehicles with a length of more than 200 m will then be in use in Germany. They can accommodate 1,841 passengers. The trains consume particularly little energy, are low-maintenance and receive software updates online via the cloud.

Development in the year under review

GRI

⟶ *The development was marked by a further increase in passenger numbers, new transport contracts and the introduction of the Germany-Ticket.*

⟶ *Additional impact from higher costs – especially for energy and personnel, as well as strikes and heavy construction on the network.*

⟶ *Operating profit development still under pressure.*

The punctuality of DB Regional decreased slightly for both regional transport and S-Bahn (metro) services overall. The main drivers are high levels of construction activities with capacity bottlenecks in the network, higher infrastructure disruptions and many restricted speed sections. In some regions, unoccupied interlockings led to further capacity bottlenecks and punctuality losses. In addition, the high

GRI

DB REGIONAL	2023	2022	Change absolute	Change %
Punctuality (rail) (%)	91.0	91.8	- 0.8	-
Punctuality (bus) (%)	85.2	86.0	- 0.8	-
Customer satisfaction (grade) – rail	2.2	2.2	-	-
Customer satisfaction (grade) – bus	2.0	2.2	- 0.2	-
Passengers (million)	2,244	2,072	+ 172	+ 8.3
thereof rail	1,697	1,605	+ 92	+ 5.7
Volume sold (million pkm)	43,495	39,804	+ 3,691	+ 9.3
thereof rail	37,485	34,754	+ 2,731	+ 7.9
Volume produced (rail) (million train-path km)	420.3	433.7	- 13.4	- 3.1
Volume produced (bus) (million bus km)	529.0	502.1	+ 26.9	+ 5.4
Total revenues (€ million)	9,706	9,039	+ 667	+ 7.4
External revenues (€ million)	9,536	8,921	+ 615	+ 6.9
Rail concession fees (€ million)	6,759	6,508	+ 251	+ 3.9
EBITDA adjusted (€ million)	634	619	+ 15	+ 2.4
EBIT adjusted (€ million)	- 22	- 31	+ 9	- 29.0
Gross capital expenditures (€ million)	606	716	- 110	- 15.4
Employees as of Dec 31 (FTE)	39,587	37,738	+ 1,849	+ 4.9
Employees annual average (FTE)	38,763	37,599	+ 1,164	+ 3.1
Employee satisfaction (SI)	-	3.7	-	-
Share of women as of Dec 31 (%)	17.1	16.9	+ 0.2	-
Specific final energy consumption (rail) compared to 2006 (based on pkm) (%)	- 31.7	- 23.8	- 7.9	-
Specific final energy consumption (bus) compared to 2006 (based on bus km) (%)	- 1.1	- 0.4	- 0.7	-

Figures for 2022 correspond to the values for DB Regional published in the 2022 Integrated Report. Intra-Group reallocations 134 had no material effect on key figures.

number of external individual events continues to affect the operating quality of S-Bahn (metro) trains in metropolitan regions.

Punctuality in bus transport also declined slightly, partly due to the tense personnel situation.

The development of customer satisfaction was inconsistent:

- **DB Regional Rail:** Passenger satisfaction with the current journey (formerly overall satisfaction) remained stable overall in 2023. While regional transport remained unchanged at 2.2, the current journey satisfaction figure for the S-Bahn (metro) services fell slightly to 2.2. This was driven by a development in punctuality.
- **DB Regional Road:** For bus companies, satisfaction with the current journey has improved slightly.

Performance development was very pleasing:

- **DB Regional Rail:** The number of passengers and volume sold developed positively, driven largely by the recovery in demand after measures to contain the Covid-19 pandemic in 2022 and the introduction of the Germany-Ticket in May 2023. The omission of the 9-Euro-Ticket (available in the period from June to August 2022) had a dampening effect.
- **DB Regional Road:** The negative effects of Covid-19 also continued to decline in this line of business. Winning tenders had a supporting effect, meaning that bus performance development was also very positive.

The economic development of DB Regional was better but remained under pressure. The increase in income was partially offset by additional burdens, particularly in the DB Regional (rail) line of business, due to higher energy costs and strikes, for example. Operating profit figures continued to improve, but adjusted EBIT remained negative.

Income development was positive:

- **Revenues (+7.4%/€ +667 million):** The increase was primarily due to higher concession fees, demand-related higher income from fares in rail transport, and performance gains in bus transport. Fare revenue effects in connection with the introduction of the Germany-Ticket in May 2023 were almost completely compensated by offsetting payments.
- **Other operating income (−15.1%/€ −145 million):** Decrease, mainly as a result of the loss of Government grants from the industry solution for local public transport, which was intended to compensate for Covid-19 damage. This was offset by the effects of a change in cost allocation as a result of the introduction of the Germany tariff association (countereffect in cost of materials), as well as increased compensation for damage.

On the expense side, there were additional pressures primarily from demand and price-related increases in the cost of materials and higher personnel expenses, partly as a result of collective bargaining agreements:

- **Cost of materials (+4.8%/€ +298 million):** Significant increase mainly due to higher energy expenses due to price effects (also taking into account payments from the electricity price brake) and higher purchased transport services. In addition, the expenses for maintenance and inspections increased due to price- and volume-related reasons. Lower expenses for the use of train paths and stations due to volume development had a dampening effect in rail transport in some cases.
- **Personnel expenses (+6.9%/€ +163 million):** Noticeable increase, above all as a result of collective bargaining agreements and a higher average number of employees.
- **Other operating expenses (+8.8%/€ +80 million):** Driven by the Group charges 106 introduced in 2023 and the implementation of digitalization, vehicle availability improvement and passenger care measures increased due to the tense infrastructural situation. Lower additions to provisions for impending losses had a dampening effect.
- **Depreciation (+0.9%/€ +6 million):** Capital expenditure-related increase driven by the DB Regional Road line of business.

Capital expenditure activities decreased in line with the requirements of awarded transport contracts.

The number of employees was above the level as of December 31, 2022, for performance-related reasons. The integration of ioki had an additional increasing effect.

The share of women was slightly above the level at the end of the previous year.

In 2023, the specific final energy consumption on rail fell compared to 2006. Capacity utilization has not yet returned to pre-Covid-19 levels, but significant improvements have been achieved in the field of energy efficiency. This was mainly due to the further development of the regional energy savings system (RESY), which resulted in savings of 2.9 million liters of diesel in 2023. In addition, traction unit drivers were made aware of the topic of energy efficiency monthly through an extract on their energy-saving driving. Furthermore, accompanying trips, regular further training and communication measures on energy saving and driving strategies took place.

DB REGIONAL RAIL LINE OF BUSINESS

⟶ *Further increase in passenger numbers, mainly due to the introduction of the Germany-Ticket.*

⟶ *Additional impact from higher costs, especially for energy, as well as strikes and heavy construction on the network.*

⟶ *A tense personnel situation led to train cancellations.*

DB REGIONAL RAIL LINE OF BUSINESS	2023	2022	Change absolute	Change %
Passengers (million)	1,697	1,605	+92	+5.7
Volume sold (million pkm)	37,485	34,754	+2,731	+7.9
Volume produced (million train-path km)	420.3	433.7	-13.4	-3.1
Total revenues (€ million)	8,371	7,878	+493	+6.3
External revenues (€ million)	8,254	7,769	+485	+6.2
Rail concession fees (€ million)	6,759	6,508	+251	+3.9
EBITDA adjusted (€ million)	626	698	-72	-10.3
EBIT adjusted (€ million)	63	134	-71	-53.0
Gross capital expenditures (€ million)	414	589	-175	-29.7
Employees as of Dec 31 (FTE)	28,883	28,076	+807	+2.9

The recovery in demand continued in 2023. The introduction of the Germany-Ticket 47 had a noticeably positive effect on volume sold, which was dampened by the omission of the 9-Euro-Ticket. As a result, number of passengers and volume sold rose significantly. The volume produced fell slightly as a result of the loss of transport services and strikes.

Economic development continued to be challenging. The positive revenue development was more than consumed by cost increases:

- Income increased at a disproportionately low rate: this was mainly driven by performance-related higher fare revenues and higher concession fees. The main dampening effects were the omission of the compensation mechanism for the industry solution for local public transport, increased compensation payments due to weaker operating quality, and strikes by the EVG and the GDL.
- The expense side, on the other hand, increased significantly. This was mainly due to higher personnel expenses as a result of collective bargaining agreements and performance reasons, as well as increased construction-related expenses for rail replacement services. Energy price increases, the Group charges introduced in 2023 and digitalization measures also increased expenses.

Capital expenditure activities developed in line with the requirements from transport contracts awarded and were down significantly.

The number of employees increased slightly as a result of continued high human resources requirements.

DB REGIONAL ROAD LINE OF BUSINESS

- *Pooling of ioki and bus activities into an integrated mobility service.*
- *Performance gains are driving revenue development.*
- *Increased expenses due to higher costs due to inflation, in particular for purchased transport services and for personnel as a result of collective bargaining agreements.*

DB REGIONAL ROAD LINE OF BUSINESS	2023	2022	Change absolute	Change %
Passengers (million)	546.8	467.2	+79.6	+17.0
Volume sold (million pkm)	6,010	5,049	+961	+19.0
Volume produced (million bus km)	529.0	502.1	+26.9	+5.4
Total revenues (€ million)	1,601	1,344	+257	+19.1
External revenues (€ million)	1,282	1,152	+130	+11.3
EBITDA adjusted (€ million)	7	-79	+86	–
EBIT adjusted (€ million)	-86	-165	+79	-47.9
Gross capital expenditures (€ million)	192	126	+66	+52.4
Employees as of Dec 31 (FTE)	10,704	9,661	+1,043	+10.8

Values for 2022 correspond to the values for the DB Regional Bus line of business published in the 2022 Integrated Report. **Intra-Group reallocations** 134 did not have a significant effect on the key figures.

The significantly positive performance development in bus transport resulted from performance gains and the progressive recovery in demand.

The operating profit figures improved significantly. However, the economic situation remains challenging:

- Income increased as a result of performance development, in particular as a result of tender wins and rail replacement services as well as contractual agreed price adjustments due to higher costs. Lower Government grants had a dampening effect.
- Expenses rose significantly weaker than income. The increase was mainly driven by higher expenses for purchased transport services and maintenance due to price and volume effects. Personnel expenses also increased due to the higher average number of employees, and as a result of collective bargaining agreements. Regarding expenses for diesel negative volume effects were almost completely offset by positive price effects. A lower addition to provisions for impending losses had a dampening effect.

Capital expenditures increased significantly due to performance gains.

The number of employees increased due to performance and as a result of the integration of ioki.

DB CARGO BUSINESS UNIT

Business model

DB Cargo offers its customers in 17 European countries access to rail transport as far afield as China, and is a leading provider of European rail freight transport.

Across its international network, DB Cargo

- transports freight cars and groups of freight cars in the single wagon transport system,
- enables transport chains for containers or truck trailers belonging to shipping and freight forwarding companies using multiple means of transport (railway, ships, trucks) in combined transport, and
- operates direct connections from sidings to sidings in block train transport.

In addition to the pure transport service, DB Cargo creates individual solutions with additional logistical services for its customers. Owned or rented traction units and freight cars, terminals and train formation yards, as well as own personnel resources, are used to provide services. Customers include the manufacturing industry in the automotive, steel, recycling and commodities, chemicals and mineral oil, building materials, industrial and consumer goods sectors, as well as shipping companies, freight forwarding companies and combined transport operators throughout Europe. Customers make a conscious decision to use DB Cargo to replace the more environmentally harmful option of transport by truck.

Since DB Cargo generates the majority of its income by transporting goods by rail, the leading performance indicator is volume sold in ton kilometers. In addition to the depreciation of locomotives and freight cars, as well as personnel expenses, the main cost components are energy, infrastructure and maintenance expenses. The intra-Group infrastructure companies and service providers are important suppliers in this respect.

Markets and strategy

GRI

With the Strong Rail strategy, DB Cargo is committing to its social responsibility and making a meaningful contribution to the transport and climate policy targets in Germany and Europe. It is DB Cargo's target to shift transport from road to rail for its customers. This is in line with the guiding principle of the Strong Rail strategy 52ff., namely a shift in the mode of transport to rail for a sustainable climate and mobility transition.

The aim of the Strong Cargo strategy is to strengthen DB Cargo's position in the long term so that it can make the necessary contribution to achieving the goals. The action plan is designed according to the slogan "Europe needs a strong rail logistics provider. For the climate and for a sustainable economy." In this way, DB Cargo makes a significant contribution to increasing the modal share of rail in the German and European transport market, while also improving its own economic sustainability.

In order to achieve profitability and competitiveness, DB Cargo will transform its business model. It shows that the highly complex joint production system has not yet been able to respond flexibly to customer requirements within the framework of the current infrastructure sufficiently. The result is shrinking productivity and heavy additional financial burdens, which have a drastic impact on profits. DB Cargo must transform itself in order to become profitable and competitive again. In order to enable DB Cargo to respond more quickly to these challenges and customer requests, the business model is to be adapted in such a way that smaller, more focused business areas will emerge in the future. This customization is based on business sectors/customer groups. In addition, single wagon transport is carrying out a close exchange of services with all business areas. These business areas receive comprehensive autonomy, responsibility and all the resources for their business. This drastically reduces the complexity of the production model, which significantly reduces costs and improves competitiveness.

- **Rail logistics:** To strengthen its market presence as a rail logistics service provider, DB Cargo systematically offers its customers industry-specific services in its customers' supply chains. These are logistics solutions that essentially include a rail service and supplement it with additional modules (for example road transport, warehousing and other individual logistics services). DB Cargo consistently renews structures and develops commercial models of responsibility for this purpose.
- **Single wagon transport:** The single wagon network is a key component of today's rail freight transport in Germany and Europe, but cannot be operated on a purely commercial basis as a full-coverage network given the current general framework. As a result, single wagon transport will be further developed into a supply-oriented, standardized and resilient network, taking into account the funding provided for in the 2024 Federal budget, and will be organized significantly more cost-efficiently. In the medium and long term, the efficiency of the system will also increase with new technologies such as the digital automatic coupling (DAC).
- **Combined transport:** Despite the economic declines, combined transport is the market of the future in rail freight transport. In order to be able to offer its customers a competitive service, DB Cargo also intends to implement structural measures in the coming years.

In addition, DB Cargo will invest in modern multisystem locomotives and new car technologies. Due to the progress made in digitalization and automation, DB Cargo will also be able to carry out processes in rail transport, i.e. train formation, car treatment and maintenance, much more effectively and quickly, thereby increasing its competitiveness.

Thanks to modern transport equipment that meets market and customer requirements, DB Cargo is able to integrate itself deep into customers' logistics chains. DB Cargo is therefore advancing the development of its freight cars intensively. In addition to freight cars and superstructures, loading and unloading facilities as well as handling technologies are designed and implemented together with customers. DB Cargo relies both on its own developments and on cooperations with strategic partners.

Digitalization and innovation

DB Cargo has developed a comprehensive digitalization and automation strategy. The target is to provide customers with easier access to the rail system and more transparency about shipment status, as well as to significantly speed up processes in rail transport, such as train formation and maintenance. The following selected measures help to achieve this:

- DB Cargo is developing Germany's first digital freight station in the Munich-North marshaling yard. Capacity is to be increased by up to 40% through largely automated train handling. In addition, DB Cargo is testing automated freight car diagnosis with AI, and the automated brake probe and the automated shunting locomotive with partners from science and industry.
- An important project is the DAC. DAC simplifies the coupling of freight cars and the brake test: the cars are pushed together by a locomotive and connect automatically. Mounting the coupling and the time-consuming running down the hump of the train is eliminated. Thanks to automation and digitalization, train composition is becoming faster and is revolutionizing rail freight transport. Important operational knowledge is collected through the test train financed by the BMDV as part of the DAC4EU project. As a next step, the basis for the introduction of DAC must now be laid at European level. Through the European Union's rail transport research and innovation partnership (Europe's Rail Joint Undertaking), the sector currently identifies up to 100 existing commercial train connections, the locomotives and freight cars of which are to be fitted with DAC. These pilot trains are to test the functions of DAC in practice in order to prepare for the nationwide rollout of the technology. The first commercial pilot trains with DAC shall run in Europe from the end of 2026.

GRI

DB Cargo – at a glance

Business segments

Block train transport
- Direct siding-to-siding connections for high-volume industrial products, raw materials, etc.
- Share of volume sold: 51 %
- Share of revenues: 48 %

Single wagon transport
- Transport of freight cars and groups of freight cars in a predominantly multi-level collection and distribution network
- Share of volume sold: 28 %
- Share of revenues: 26 %

Combined transport
- Transport of standardized load units (such as containers and trailers) by rail in long-distance runs for transport services that do not generally have sidings in reception and shipping
- Share of volume sold: 21 %
- Share of revenues: 17 %

Full Load Solutions (FLS)
- Multimodal door-to-door transport for large-volume full loads
- Share of revenues: 9 %

Lines of business

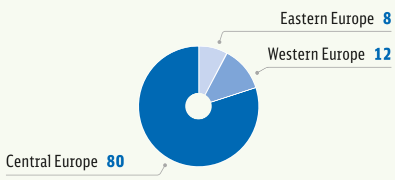
Central Europe
Includes activities in Germany, Sweden, Denmark, the Netherlands, Belgium, Switzerland, Italy and DB Cargo Eurasia for the Trans-Eurasian corridor. In addition, there are companies geared to special markets.

Western Europe
Includes activities in the United Kingdom, France and Spain.

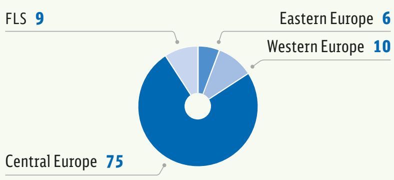
Eastern Europe
Includes activities in Poland, Romania, Bulgaria, Hungary and the Czech Republic.

Structure

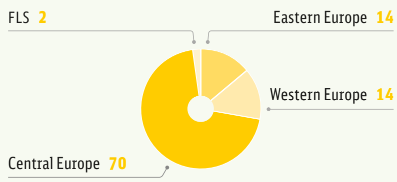
VOLUME SOLD / %



REVENUES / %



EMPLOYEES / %



Business model

INPUTS

Employees
- About 31,400

Vehicles
- 2,536 locomotives
- 78,661 freight cars (68,039 own cars and 10,622 rented / leased cars)

Networks and infrastructure
- Active in 17 European countries
- 2,167 customer sidings in Germany
- 9 train formation yards
- 27 maintenance depots

Electricity and fuel
- 2.1 billion kWh traction current
- 102 million liters diesel fuel [1)]
- 7.9 million liters of HVO (biofuel)

Additional production factors
- 147 million train-path km

BUSINESS ACTIVITIES

Customer segments
- Business customers with a focus on automotive, construction materials, chemicals, industrial goods, intermodal, consumer goods and iron, coal and steel (montan)

Value proposition
- DB Cargo offers customer-oriented, reliable and efficient transport and logistics solutions across Europe.

Customer access and retention
- Segment sales with key account management
- Regional sales
- Customer service center

Key activities
- Providing rail services
- Designing European multimodal logistics solutions
- Providing and maintaining vehicles
- Planning and operating networks
- Providing supplemental logistical services

OUTPUTS [2)]

Freight carried
- 198 million t

Volume sold
- 74 billion tkm

OUTCOMES [3)]

EBIT adjusted
- € - 497 million

Employee satisfaction
- SI of 3.8 (2022)

Customer satisfaction
- Grade 2.8

Final energy consumption
- - 22.5 % compared with 2006 (specific)

Punctuality
- 69.7 %

Quiet freight cars
- 74,550 [4)]

Status for 2023, or as of December 31, 2023.
[1)] Includes admixtures.
[2)] Key products and services.
[3)] Internal and external consequences and results from business activities and outputs along the entire value-added chain.
[4)] Includes the entire fleet in Germany.

General framework

PROMOTION OF SINGLE WAGON TRANSPORT

The Federal budget item, which has created the financial conditions for the further promotion of single wagon transport, is endowed with almost € 300 million in the 2024 Federal budget 212. In 2024, facility price support, which also serves to strengthen single wagon transport, will be endowed with € 20 million, meaning that just under € 320 million in total is planned for the promotion of single wagon transport in the 2024 Federal budget.

Environmental measures

DB Cargo is making a significant contribution to shifting traffic to the rails, and thus to the achievement of German and European climate protection targets.

- **Biofuel HVO:** In mid-2022, the climate-friendly biofuel HVO green. No. 164 was approved for the entire DB Cargo Germany diesel locomotive fleet. Since then, customers have been able to use transport also on non-electrified lines within Germany in a climate-friendly way. By the end of 2023, 14 gas stations throughout Germany had been reequipped. In 2023, DB Cargo replaced almost 8 million liters of fossil diesel with HVO. In addition to refitting additional gas stations, the focus is on introducing HVO in European companies operating at country level.
  - In 2023, DB Cargo successfully conducted engine test bench trials in companies operating at country level in the UK, Poland and the Netherlands.
  - DB Cargo Nederland and DB Cargo Belgium have been testing biofuel in regular operation since June 2023.
  - Based on the positive test results, it is planned to approve the entire European diesel locomotive fleet for biofuel – a key milestone for the Europe-wide phase-out of diesel.
- **Driver assistance system – LEADER 3.0:** With LEADER green. No. 8, traction unit drivers are supported via an additional display with driving recommendations for energy-saving runs. With LEADER 3.0, DB Cargo is further reducing its traction energy requirement. Following its successful implementation in Germany, it is now being reviewed to make the system fit for use in other European countries. In addition, the so-called green function for the train run control system of DB InfraGO, which provides traction unit drivers with important details about the operating situation around their own current location, shall be taken into account more closely when calculating the driving recommendations, which will create network capacity in addition to reducing energy needs. This provides traction unit drivers with important details about the operating situation around their own current location. LEADER is installed on more than 650 electric locomotives of DB Cargo in Germany (equivalent to about two-thirds of the e-locomotive fleet). Furthermore, in 2023, the development and integration of the “Driving in time limits” function began on the basis of data from the so-called Green Function for the train run control system of DB InfraGO. Continuous evaluation of this data aims to reduce train conflicts and unscheduled stops. This also enables network capacity to be created.

Development in the year under review

- *Volume declines in the energy-intensive steel and chemical industries, as well as in the Trans-Eurasian corridor. Coal transport, automotive transport services and the project business are developing positively and are having a supportive effect.*
- *Challenging environment due to strikes in Germany, France and the United Kingdom as well as construction-related restrictions on the German network.*
- *Rising factor costs and additional burdens continue to put pressure on economic development and lead to the need for price adjustments.*

The punctuality of DB Cargo has improved. Measures in production adapted to the resource situation and the volume development had a particularly positive effect. In addition, operational disruptions were reduced due to greater process stability. These developments are one of the reasons why the number of trains in backlog has fallen significantly. Despite the overall good punctuality development, the operational quality was burdened mainly by the challenges of the infrastructure and, in particular, the increased network construction impact from September.

Customer satisfaction at DB Cargo declined slightly in 2023. The main driver of overall customer satisfaction at DB Cargo is operational performance, with “transport performance” having the primary influence, in addition to “transport information” and “provision of freight cars.” The quality of operational performance strongly depends on the performance capability of the rail infrastructure. Construction sites and disruptions on the track infrastructure can lead to delays in the provision of freight cars and also in the arrival of freight cars/trains at recipients’ sites, as well as to longer journey durations and, in some cases, to complete cancellations of trains.

GRI

DB CARGO	2023	2022	Change absolute	Change %
Punctuality (%)	69.7	66.3	+ 3.4	–
Customer satisfaction (grade)	2.8	2.7	+ 0.1	–
Freight carried (million t)	197.6	222.3	- 24.7	- 11.1
Volume sold (million tkm)	74,458	84,468	- 10,010	- 11.9
Volume produced (million train-path km)	146.9	169.1	- 22.2	- 13.1
Capacity utilization (t per train)	506.7	499.4	+ 7.3	+ 1.5
Total revenues (€ million)	5,582	5,244	+ 338	+ 6.4
External revenues (€ million)	5,279	4,998	+ 281	+ 5.6
EBITDA adjusted (€ million)	- 74	- 257	+ 183	- 71.2
EBIT adjusted (€ million)	- 497	- 665	+ 168	- 25.3
EBIT margin (adjusted) (%)	- 8.9	- 12.7	+ 3.8	–
Gross capital expenditures (€ million)	319	452	- 133	- 29.4
Employees as of Dec 31 (FTE)	31,359	31,167	+ 192	+ 0.6
Employees annual average (FTE)	31,558	31,027	+ 531	+ 1.7
Employee satisfaction (SI)	–	3.8	–	–
Share of women as of Dec 31 (%)	13.2	13.0	+ 0.2	–
Specific final energy consumption compared to 2006 (based on tkm) [1] (%)	- 22.5	- 26.0	+ 3.5	–

[1] Excluding electrically powered transport services in Italy, Spain and the United Kingdom. In 2022, excluding DB Cargo, Belgium, Hungary and Switzerland.

In addition, the price adjustments implemented also influenced customer satisfaction and contributed to the decline in overall satisfaction in 2023.

Freight carried as well as volume sold and volume produced, declined in 2023. This was driven by a decline in transports in the energy-intensive steel and chemical sectors, as well as in intermodal transport in Germany and on the Eurasian corridor. Strikes in Germany, France and the United Kingdom, as well as the effects of the war in Ukraine, also led to weaker demand. Capacity utilization increased somewhat, partly due to the higher proportion of coal traffic for securing the energy supply.

Economic development was better despite the decline in volumes for steel, chemicals and intermodal transport: operating profit figures increased, but adjusted EBIT remained markedly negative. Higher expenses due to inflation were more than offset by an increase in income.

- **Revenues (+ 6.4 % / € + 338 million):** Significant increase, driven by the positive development in Central and Eastern Europe, which was mainly caused by price-related factors.
- **Other operating income (+ 6.4 % / € + 33 million):** This increase was driven, inter alia, by higher facility price support in Germany and the support for single wagon transport in France, as well as compensation payments in the United Kingdom due to strikes. This was counteracted by the omission of reimbursements in connection with the noise-based train-path pricing system in 2022.

On the expense side, there were rises due to inflation and quality, driven primarily by increases in personnel expenses and cost of materials:

- **Personnel expenses (+ 4.5 % / € + 88 million):** Increase, largely as a result of collective bargaining agreements and a higher average number of employees.
- **Other operating expenses (+ 6.0 % / € + 46 million):** Increase due in part to the newly introduced intra-Group charges 106 and impairments for customer receivables at a subsidiary. This contrasts with the change in the presentation of compensation payments to DB Cargo Logistics.
- **Cost of materials (+ 1.4 % / € + 46 million):** Increase mainly due to higher energy costs, which in Germany were only partially compensated by the effects of the electricity price brake. Price-induced cost increases for purchased transport services also had an impact. Maintenance expenses increased mainly due to changes in the accounting of large inspections at foreign companies previously shown as capital expenditures. The performance development had an opposite effect.
- **Depreciation (+ 3.7 % / € + 15 million):** Increase mainly due to more long-term vehicle rentals subject to mandatory capitalization (IFRS 16).

The decline in capital expenditures is mainly the result of a change in the accounting of major inspections that were previously shown as capital expenditures. Secondly, delays in vehicle projects also had a reducing effect.

The number of employees increased slightly as a result of the positive performance development in Eastern Europe, dampened by the negative performance development in Central Europe.

DB Cargo's recruitment initiatives focused on the recruitment of women. The share of women has increased slightly as a result of these targeted recruitment measures.

The drop in specific final energy consumption compared to 2006 weakened slightly in 2023 compared to the previous year. This was mainly the result of the decline in volume sold and the tense operating situation on construction sites and due to quality.

CENTRAL EUROPE REGION

- *Declines in volumes in energy-intensive industries and in intermodal transport – especially Trans-Eurasian transport affected by low ocean freight rates.*
- *Increased expenses due to price increases, especially for energy and purchased transport services.*
- *Operating profit development still under pressure.*

CENTRAL EUROPE REGION	2023	2022	Change absolute	Change %
Freight carried (million t)	203.9	232.7	- 28.8	- 12.4
Volume sold (million tkm)	59,386	68,313	- 8,927	- 13.1
Volume produced (million train-path km)	116.4	136.1	- 19.7	- 14.5
Total revenues (€ million)	5,643	5,348	+ 295	+ 5.5
External revenues (€ million)	3,945	3,688	+ 257	+ 7.0
EBITDA adjusted (€ million)	- 188	- 387	+ 199	- 51.4
EBIT adjusted (€ million)	- 489	- 679	+ 190	- 28.0
Gross capital expenditures (€ million)	206	327	- 121	- 37.0
Employees as of Dec 31 (FTE)	21,992	22,148	- 156	- 0.7

Performance development in Central Europe declined significantly due to market developments (decreases in demand for steel and chemical transport and intermodal transport) and the EVG's and GDL's strike action. Additional coal transport for securing the energy supply in Germany, on the other hand, had a positive impact.

Economic development has improved, but is still very challenging due to the operational and economical situation. The operating profit figures improved, driven by revenue development, but remained noticeably negative:

- Income increased significantly. The performance-related decline was more than offset by price effects. Government grants for single wagon transport also increased. One of the dampening effects was the omission of reimbursements in connection with the noise-based train-path pricing system in 2022.
- Expenses increased slightly. The main drivers were higher maintenance expenses, also due to a change in accounting for major inspections that were previously shown as capital expenditures and higher energy expenses due to price effects, which were only partially compensated in Germany by the effects of the electricity price brake. Apart from this, personnel expenses increased as a result of collective bargaining agreements and the Group charges introduced in 2023 increased expenses. This was counteracted by volume-driven lower purchased transport services, train-path utilization and rental of freight cars.

Capital expenditures decreased as a result of a change in the reporting of major inspections. In addition, the contract volume of long-term rental contracts for freight cars was reduced.

The number of employees fell slightly in the second half-year as a result of the decline in volume.

WESTERN EUROPE REGION

- *The difficult market environment and strikes in the United Kingdom and France also put pressure on development.*
- *Negative impacts due to higher prices, especially for energy.*
- *Operating profit development significantly under pressure.*

WESTERN EUROPE REGION	2023	2022	Change absolute	Change %
Freight carried (million t)	35.0	40.2	- 5.2	- 12.9
Volume sold (million tkm)	9,156	10,535	- 1,379	- 13.1
Volume produced (million train-path km)	21.4	24.3	- 2.9	- 11.9
Total revenues (€ million)	751	748	+ 3	+ 0.4
External revenues (€ million)	531	549	- 18	- 3.3
EBITDA adjusted (€ million)	38	64	- 26	- 40.6
EBIT adjusted (€ million)	- 41	- 20	- 21	+ 105
Gross capital expenditures (€ million)	37	45	- 8	- 17.8
Employees as of Dec 31 (FTE)	4,321	4,369	- 48	- 1.1

Performance development in Western Europe was significantly below the level of the previous year.

- Declines in demand due to the economic situation and strikes had a negative impact on DB Cargo UK and DB Cargo France.
- As a result of the strikes in France and the United Kingdom, Spain also saw reductions in traffic to Germany and to the United Kingdom.

Economic development was weaker and remained challenging. Operating profit figures fell, driven by increased expenses, which more than consumed the income growth.

- Income was slightly above the previous year's level. The main drivers were price adjustments in France and higher income from compensation payments in the United

Kingdom. Performance-related declines in the United Kingdom and lower income at Transfesa in Spain partially compensated for this.
- However, expenses rose more sharply. The main drivers were increased costs for energy and maintenance. Costs were also incurred in connection with a lost lawsuit in France. In contrast, performance-related declines in the cost of materials and lower depreciation had a cost-reducing effect. Personnel expenses were at about the same level as the previous year as a result of collective wage effects, which were offset by a lower number of employees in the United Kingdom.

Capital expenditures decreased as a result of a change in the reporting of major audits. In addition, there were delays in various capital expenditure projects.

The number of employees fell, particularly in operational areas for traction unit drivers in the United Kingdom.

EASTERN EUROPE REGION

→ *Decreases in performance as a result of the war in Ukraine were more than compensated for by new internal transport.*

→ *Higher expenses due to increased factor costs, particularly for energy.*

EASTERN EUROPE REGION	2023	2022	Change absolute	Change %
Freight carried (million t)	18.5	19.5	- 1.0	- 5.1
Volume sold (million tkm)	5,916	5,621	+ 295	+ 5.2
Volume produced (million train-path km)	9.2	8.8	+ 0.4	+ 4.5
Total revenues (€ million)	505	395	+ 110	+ 27.8
External revenues (€ million)	316	242	+ 74	+ 30.6
EBITDA adjusted (€ million)	52	42	+ 10	+ 23.8
EBIT adjusted (€ million)	16	15	+ 1	+ 6.7
Gross capital expenditures (€ million)	68	57	+ 11	+ 19.3
Employees as of Dec 31 (FTE)	4,366	4,021	+ 345	+ 8.6

The performance development in Eastern Europe was slightly positive, driven by new traffic in Poland and Romania.

As a result, operating profit figures also improved significantly. The main reason for this was the development of income:
- Income increased significantly. This was mainly due to new transport services and price effects. Higher income from insurance benefits at DB Cargo Polska and higher revenues from the leasing of freight cars at DB Cargo Romania had a supporting effect.
- Expenses increased significantly, but at a disproportionately high rate. The main drivers were increased personnel expenses due to collective bargaining agreements and for performance-related reasons, rising prices for purchased transport services and energy, and increased maintenance expenses as a result of a change in accounting for major inspections that were previously shown as capital expenditures. Higher repair costs for locomotives in Romania and effects from additions to provisions for cargo damage in Poland had a reinforcing effect, as did higher depreciation due to capital expenditures.

Gross capital expenditures increased significantly due to the extension of existing long-term rental contracts for locomotives in Romania and Hungary. Investment grants decreased as capital expenditures in Poland were supported by the EU in the previous year.

The number of employees increased as a result of the performance development in Romania.

FLS

→ *The war in Ukraine and energy price increases resulted in massive declines in demand in the Eurasian corridor.*

→ *Additional declines in demand due to further economic development.*

FLS	2023	2022	Change absolute	Change %
Total revenues (€ million)	606	658	- 52	- 7.9
External revenues (€ million)	487	520	- 33	- 6.3
EBITDA adjusted (€ million)	24	24	-	-
EBIT adjusted (€ million)	17	19	- 2	- 10.5
Gross capital expenditures (€ million)	8	21	- 13	- 61.9
Employees as of Dec 31 (FTE)	680	629	+ 51	+ 8.1

The economic development of the FLS line of business was slightly below the level of the previous year. Income and expenses decreased to about the same extent:
- Income declined. This was driven by revenue losses in Eurasian business as a result of the war in Ukraine. The takeover of DB Cargo Italia services (special transports), which were reported in the Central Europe region in the previous year, had a dampening effect.
- Expenses decreased proportionally to income. The main reason for this was lower freight rates for truck transport. In contrast, the increase in personnel expenses, mainly due to the higher number of employees, partially compensated for this.

Gross capital expenditures fell due to delays in various capital expenditures projects, in particular for the purchase of trailers.

The number of employees increased mainly due to the allocation of DB Cargo Italia Services to the FLS line of business.

DB INFRAGO

At the end of December 2023, the merger of DB Netz AG and DB Station&Service AG into one common-good oriented rail infrastructure company became effective. Since then, DB Netz AG has been trading under the name DB InfraGO AG. The name is an abbreviation of “Infrastruktur Gemeinwohl-Orientiert” (infrastructure oriented towards the common good). DB InfraGO AG remains part of DB Group. From the 2024 financial year, the existing DB Netze Track and DB Netze Stations business units will be merged into the new DB InfraGO business unit; this will be the last report in which they are reported separately.

The condition of the rail infrastructure is currently not fulfilling requirements in terms of quality and capacity. Since the rail reform in 1994, volume produced has increased by 28%, while the network has shrunk by 17% (based on length of line operated in km). Especially in metropolitan areas, the condition of the network and stations cannot stand up to the high utilization. Disruptions and construction works occur and punctuality suffers massively. The rail network and stations must be urgently modernized and the quality improved. At the same time, reliable and long-term secured funding is essential to counter the backlog of capital expenditures.

Following a critical inventory, DB Group and the Federal Government have now jointly launched the largest infrastructure program in the history of DB Group and instituted DB InfraGO AG. DB InfraGO is clearly oriented towards the common good. This means that operation and expansion of the rail infrastructure are consistently geared to the needs of citizens, the economy and the environment. The Federal Government and DB Group want to fundamentally change the operation, financing and control of the infrastructure and to establish a new cooperation model: the Federal Government is formulating clear political objectives for the infrastructure that are oriented towards the common good, and ensuring their financing. DB InfraGO AG implements these targets efficiently and transparently, based on the available funding as a commercial enterprise. Orientation towards the common good and economically driven actions therefore go hand in hand.

Seven central measures were identified to renew and modernize the infrastructure:

- Development of a high-performance network and the necessary general modernization of highly utilized corridors.
- Rapid capacity expansion through implementation of small and medium-sized measures such as the installation of additional switches or the creation of track change facilities.
- Digitalization of the rail system, including by equipping lines with ETCS.
- Development of stations of the future and the station environment, with options for onward mobility.
- Capacity increases thanks to new and expanded service facilities, such as additional tracks.
- Targeted construction and expansion of lines where additional capacity requirements are foreseeable in the future.
- Further electrification of the rail network.

2023 was marked by intensive preparations for this upheaval: together with all parties involved in politics and the industry, we set the course for a smooth transition. The basis for the orientation towards the common good is a comprehensive package of reforms and an overall program of renewal and modernization that covers the entire rail infrastructure.

DB InfraGO targets by 2030

- Until 2030, DB InfraGO modernizes more than 4,000 highly utilized track kilometers from the ground up – bundled into 40 high-performance corridors.
- DB InfraGO is gradually modernizing the about 24,000 kilometers of other parts of the network next to the high-performance network, so that the condition of the facilities will also improve in general.
- DB InfraGO is holistically developing stations into powerful and attractive stations of the future. They offer customers an attractive quality of stay and modern, adequately dimensioned digital passenger information, and are becoming mobility hubs and landmarks for cities and municipalities.
- DB InfraGO is creating rapid capacity expansion and performance capability in the existing network with additional track change facilities, more overtaking opportunities for trains, additional signals and more in order to reduce the train spacing.
- By 2030, DB InfraGO intends to digitalize many other lines and thus create more capacity on the existing infrastructure.
- DB InfraGO is constructing urgently needed service facilities for the preparation and post-processing of train runs, in particular sidings, and is also expanding existing facilities.
- By expanding and constructing new lines and electrifying existing lines, DB InfraGO is creating new capacities to implement Germany in sync step-by-step.

GRI

DB InfraGO at a glance

Track business area

Rail network
DB InfraGO operates the largest track infrastructure in Europe. Responsible for the maintenance, modernization and further development of the rail network and the marketing of train-paths and facilities.

DB RegioNetz Infrastruktur GmbH
Operates regional transport networks in five Federal states.

Deutsche Umschlaggesellschaft Schiene-Straße GmbH
Operates 25 combined transport terminals in Germany independently or via subsidiaries.

DB Fahrwegdienste GmbH
Provides system services for the maintenance of rail tracks, for example vegetation management.

Passenger Stations business area

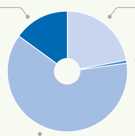
Station stops
Train stops at the platforms for passengers boarding and disembarking. In addition to basic services, additional services are provided depending on the station category such as service employees, DB information or weather protection. Station fees are charged for the services which are published in station price lists.

Rental and leasing
About 0.9 million m² of leasing area on offer in stations. This means that DB InfraGO is one of Germany's largest commercial lessors.

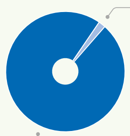
Further offers
Provision of additional services at stations and stops (including the operation of lockers, parking garages, as well as digital and analog services for onward travel mobility and supplies for passengers).

Structure

VOLUME PRODUCED BY MODE OF TRANSPORT / %



STATION STOPS BY MODE OF TRANSPORT / %



Business model

INPUTS

Employees
- About 63,900

Vehicles, networks, infrastructure
- Rail network about 33,400 km in length, operation-critical facilities
- 771 maintenance vehicles
- About 5,400 stations
- About 670 stations with marketing
- About 9,300 platforms
- About 6,900 passenger information systems
- About 6,900 dynamic visual displays
- About 2,600 elevators
- About 1,000 escalators
- About 300 parking garages and parking spaces

Additional production factors
- Electricity
- Fuel

BUSINESS ACTIVITIES

Customer segments
- Track: 464 business customers (thereof 447 non-Group customers)
- Passenger Stations:
  - Private customers
  - Business customers, particularly train operating companies (TOCs), tenants and mobility service providers
  - Contracting organizations

Value proposition
- Track: non-discriminatory access to a safe, reliable and on-demand rail network.
- Passenger Stations: high-capacity, attractive and sustainable stations and concourse buildings with many different mobility options and every-day services, and rental spaces for commerce, catering and services.

Customer access and retention
- Sales
- E-services
- Key account management
- Regional sales
- Customer services at the station

Key activities
- Providing a safe, reliable infrastructure in line with requirements.
- Planning and operating networks.
- Conducting train operations.
- Operating stations.
- Leasing out commercial space.

OUTPUTS [1]

Volume produced
- About 1.1 billion train-path km

Station stops
- 155.6 million

Rented space
- About 0.9 million m²

OUTCOMES [2]

EBIT
- Track: € -1,098 million
- Passenger stations: € -150 million

Employee satisfaction (2022)
- Track: SI of 3.9
- Passenger Stations: SI of 4.0

Customer satisfaction
- Track: 3.6 (grade)
- Passenger Stations:
  - Station (passengers/visitors): 2.5 (grade)
  - Station (TOCs, contracting organizations and Federal states): 2.8 (grade)
  - Tenants: 2.2 (grade)

Total noise-remediated lines
- 2,255 km

Punctuality
- 88.9%

Waste (Track)
- 6,452 thousand t

Facilities quality (Passenger Stations)
- 2.77 (grade)

Status for 2023, or as of December 31, 2023.
[1] Key products and services.
[2] Internal and external consequences and results from business activities and outputs along the entire value-added chain.

BUSINESS MODEL

DB InfraGO operates in the Track business area the largest rail network in Europe, covering more than 33,000 km. Trains run more than one billion train-path km on the rail network each year. The most important sources of income are revenues from train-path product (over 90% of total revenues). Train-path prices are established transparently using a train-path pricing system (TPS) regulated by the Federal Network Agency (Bundesnetzagentur; BNetzA).

DB InfraGO aims to achieve high infrastructure quality and availability and ensures non-discriminatory access to train-paths and service facilities. It is responsible for managing the infrastructure operations. This includes preparing schedules in close cooperation with customers, operations management, construction management and maintenance. The cost structure of the Track business area has a high proportion of fixed costs. The rail network in particular is one of the biggest cost drivers. The use of resources for the operation and maintenance of infrastructure facilities is very much influenced by specific facility characteristics, requirements relating to operational opening hours and the degree of rationalization in operating business activities. As the dimensions of the infrastructure only change in the long term due to new construction or expansion projects or targeted dismantling, the optimal capacity utilization of the infrastructure is of major importance for economic success. Capacity utilization is measured by volume produced. In terms of relative network capacity utilization, this figure can be compared to track kilometers (length of line operated). A high level of quality and availability also calls for a forward-looking, integrated capital expenditure and maintenance strategy.

DB InfraGO is also Europe's largest station operator. In addition to the development, construction and operation of stations, the Passenger Stations business area also combines a wide range of mobility-oriented services at the station. With about 853,000 m² of rental space, DB InfraGO is also one of Germany's largest commercial lessors. Trains from more than 120 TOCs stop at our stations every day. We set particular priorities in the areas of quality of stay and customer offerings so that we can offer customers high-quality experiences. Our station managements also work hard on-site to ensure seamless operations. The station portfolio has a particularly wide geographical coverage. The design of the developed products and services and the structural dimensions of the stations are based on the needs of our customers and the economic stability of the infrastructure. Revenues in the Passenger Stations business area are generated primarily from station stops (regulated) in the stations and from leasing out commercial space (not regulated). The expense side is characterized by a high fixed-cost component. Our most important regulatory partners are the BNetzA and the EBA.

MARKETS AND STRATEGY

Demand for passenger transport is again high. The performance development in freight transport is impacted, among other things, by the economic situation. For the coming years, a further increasing demand for capacity is expected due to growth in demand for freight transport and a significantly increased traffic volume in passenger transport. General modernizations in the high-performance network will lead to short-term capacity shortages, but will nevertheless support growth over the long term.

By developing infrastructure in line with customer and market requirements, we want to enable the entire rail transport sector to take advantage of growth potential. The Strong Rail strategy 52ff. incorporates DB InfraGO's key strategic issues with this target in mind.

As a capacity manager, the Track business area intends to create the infrastructural and operational conditions for realizing the Strong Rail strategy. The objective is to operate a highly condensed, highly interconnected and high-performing network that will be ensured through systematic modernization, targeted upgrading and the prospective expansion of network capacity. This is also supported by the targeted implementation of Digital Rail for Germany (DSD) 65f., the improvement of the organization's performance capability and improved use and availability of existing capacities.

The aim for passenger transport is to double volume sold. Stations play a central role in this. They are the gateways to sustainable mobility on the rails. The Passenger Stations business area has set itself the strategic goal of making a social contribution to ensure all people in Germany are connected to a livable country.

To achieve the objectives in both business areas, DB InfraGO's strategy essentially comprises four strategic areas of expansion:

- **More robust:** Through the renewal, digitalization and expansion of the infrastructure in line with requirements, we aim to increase network capacity in corridors and hubs in order to eliminate existing bottlenecks and to be able to provide the necessary capacity for service expansions. This counteracts the overloading and aging of the infrastructure and enables greater reliability and growth on the rails. The central element of the strategy is the development of a high-performance network which aims to improve the customer experience and ability to plan the capital expenditure measures, as well as boosting the reliability and performance of the infrastructure. The stated goal is to transform the highly utilized network into a high-performance network by 2030 through a general modernization of the most important rail corridors and thus make it a bedrock of stability for the rail system. There are several new and crucial elements here. For example, the construction work is to be combined in order to keep a line almost completely free of construction for many years after a single closure. In order to minimize the capacity restrictions, highly condensed and efficient construction procedures are implemented. We are focusing on prevention to ensure that the lines remain reliable after the modernization. The aim is to detect and eliminate disruptions even before they occur or cause an impairment to operation. In addition, the overall performance capability of the high-performance network is to be ensured by improving reliability and capacity at the hubs. As part of the modernization work, preliminary work will already be carried out, where possible, for the implementation of Digital Rail for Germany and the lines will get prepared for electronic/digital interlockings and Digital Rail for Germany. In addition to upgrading the particularly highly utilized lines in the high-performance network, the maintenance of the entire infrastructure is the basis for the high-performance capability of rail transport. Accordingly, as a basis the other parts of the network next to the high-performance network as well must remain or become to be operated efficiently. Furthermore, we will expand our infrastructure in a targeted way through new construction and expansion, as well as through line electrification, thus creating the necessary capacity for implementing Germany in sync 47. In the Passenger Stations business area, we are continuously improving the perceptible quality of our railway stations and their surroundings with unified production standards. Standardizing and increasing digitalization streamlines processes, optimizes maintenance measures and enables a transition to status and demand-oriented production concepts. We are investing in new construction projects and developing future-oriented capacity concepts to ensure our infrastructure is robust, attractive and secure in order to help achieve the desired shift in the mode of transport and support the increase in passenger numbers.

- **More powerful:** We are implementing various measures, including lean excellence and digitalization, which shall lay the foundations for effective and stable processes oriented towards the customer and enable an efficient organization. As part of the lean excellence transformation, we will establish a lean-thinking and lean-acting organization that is characterized by developed cultural aspects and a pronounced lean mentality among all employees. This lays the foundations for excellent performance and continuous improvement of processes. Our processes begin with customers and their requirements, and we develop effective solutions to increase customer satisfaction. The introduction of comprehensive performance management for all organizational units creates transparency about relevant key figures and enables clear control along our customer-oriented processes. As part of our performance management development, we are focusing on leadership excellence. This will help strengthen the leadership performance of executives and thus also sustainably improve process performance and employee satisfaction.
- **More modern:** DB InfraGO performs supporting tasks for issues concerning Germany in sync and European corridors. Improving robustness and therefore increasing capacity are key prerequisites for this. We would also like to increase the quality of our guests' stays at our stations. We intend to integrate stations even more comprehensively and effectively into people's everyday lives and make their stays attractive by providing relevant offers. We are optimizing our passenger information system 155f. and further developing our guidance systems so that passengers and guests from the local neighborhood can find their way around as quickly as possible. We are further expanding WiFi at stations 156. Our Smart City initiative 156f. is making stations and their surroundings more livable. We are developing innovative usage concepts for stations, rethinking station neighborhoods and ensuring interlinked, sustainable mobility. This includes new services such as smart lockers, options for remote working at stations, attractive forecourt design, including shared spaces for onward travel, and micro-hubs for city logistics.
- **Greener:** Key levers in infrastructure on the path to a climate-neutral future include the further electrification of lines – including innovative approaches such as overhead wire islands 74 and the redesign of our own production processes. We are focusing on sustainable vegetation management green No. 116, environmental protection measures, resource conservation 79ff. through initiatives to promote circular economy approaches, and noise reduction 82f. In addition, measures are being implemented to reduce greenhouse gas emissions, for example in building management. In order to improve the environmental footprint of our stations, we aim to reduce CO_2e emissions, make our use of materials greener in line with the principles of the circular economy, and develop biodiversity at our stations. In the Passenger Stations business area, we intend to reduce our absolute Scope 1 and Scope 2 emissions

by 81% by 2025 compared to 2019. One way to achieve this is by using 100% eco-power No. 147 and by making our heat consumption greener. We are also consistently reducing our energy consumption through energy efficiency measures such as LED exchange No. 50. We are also focusing on new concepts for onward mobility connections, ranging from digital services such as the DB Rad+ 157 app to bicycle repair service Radfix No. 151 through to the expansion of the Bike+Ride cycle parking spaces No. 156. In 2023, new parking spaces were built at about 80 stations. We are also testing a sustainable construction approach No. 6 called "The Little Station" (Der Kleine Bahnhof) 157. Through the BALIN 78 research project, we are also researching the possible effects of station lighting on insects. Together with the French state-owned railway SNCF, we have determined the criteria that define a sustainable station, from reducing energy consumption to accessibility of the infrastructure in the "Sustainable Railway Station" 157 charter.

Development in the relevant markets

With its integrated structure, DB Group assumes dual responsibility for rail as a mode of transport in Germany: DB Group is both the operator and primary user of the track infrastructure. The associated greater focus on customers and efficiency in our infrastructure benefits all those who have access, especially the train operating companies (TOCs), without discrimination. In addition to statutory unbundling rules and the DB Group-internal code of conduct, the implementation into national law, in some cases beyond the requirements of EU law compared to other European countries, and the intensive regulatory practice of the BNetzA ensure the independence and competitive neutrality of the track infrastructure.

DB TRACK INFRASTRUCTURE SELECTED KEY FIGURES / in Germany	**2023**	2022	Change absolute	Change %
Infrastructure customers	464	453	+11	+2.4
Intra-Group railways	17	17	-	-
Non-Group railways	447	436	+11	+2.5
Train-path demand (million train-path km)	1,117	1,133	-16	-1.4
Intra-Group railways	679.7	713.2	-33.5	-4.7
Non-Group railways	437.7	419.8	+17.9	+4.3
Share of non-Group railways (%)	39.2	37.1	+2.1	-
Station stops (million)	159.6	159.8	-0.2	-0.1
Intra-Group railways	111.8	114.7	-2.9	-2.5
Non-Group railways	47.8	45.1	+2.7	+6.0

Individual figures are rounded and therefore may not add up.
Figures include Usedomer Bäderbahn (UBB). UBB is not part of DB InfraGO.

- Train-path demand declined in 2023 compared to the previous year, caused in part by weak development in rail freight transport due to the economic situation and by the significantly higher impact of one-off events (e.g. strikes, severe weather conditions). Non-Group railways continued to gain market share in 2023, while demand from intra-Group railways declined overall.
- The number of station stops in 2023 declined slightly. The reasons for this are strike effects, weather-related influences and a continued high level of construction activity.

Transformation into a high-performance network

In June 2022, the BMDV and DB Group presented plans for a new high-performance network to sustainably increase the quality and reliability of the infrastructure. The high-performance network will include the most highly utilized rail connections in Germany. Due to the forecasted traffic development, it will span over 9,000 km in length by the end of the decade.

One instrument for the transformation into the high-performance network are general modernizations, replacing and improving all outdated and disruption-prone installations. Two decisive and new elements are applicable to the general modernization of the highly utilized routes:

- Consolidation of all future upcoming construction work across all crafts, and
- increasing (residual) performance capability.

The purpose of increasing performance capability is to improve the capacity of a line for planned operations and to increase the operating quality, while the increase in residual performance capability is aimed at increasing capacity in the event of a disruption and improving the redundancy of the infrastructure.

The experience gained from the general modernization of the highly utilized network involving greater consolidation, improved equipment standards, and small and medium-sized measures for rapid capacity expansion should also be applied to the rest of the network wherever possible and sensible.

The general modernization of the first rail corridor will begin in 2024 with the Riedbahn (Mannheim—Frankfurt line). The Emmerich—Oberhausen and Hamburg—Berlin sections have been selected for 2025. In a multi-month joint process with industry actors, DB Netz AG (now DB InfraGO AG) derived criteria for the selection and timing of the general modernization measures. The resulting proposal for further succession from 2026 is available to the BMDV and is the subject of intensive discussions. The general modernizations will gradually increase the reliability and (residual) performance capability of the infrastructure and improve punctuality.

HIGH-PERFORMANCE MAINTENANCE

Another instrument for transformation is the introduction of a new operations regime. The entire high-performance network will be managed step-by-step using optimized maintenance with four essential levers.

A high-performance prevention approach will ensure consistent preventive maintenance on the high-performance network based on data and intelligent life cycle models. Dedicated control centers are being set up in the regions with a direct connection to the operational ground staff to ensure particularly rapid intervention. In addition, the internal on-call workforce is being strengthened and further locations for rail crossing points will be set up. As part of a digitalization campaign, maintenance is supported by the extensive use of sensors and forecasts.

The increase in the preventive maintenance budget by € 2.6 billion in the period from 2024 to 2030 is predicted to stabilize and improve the situation already in the short term. The ongoing rollout of the first sensors and the creation of a first control center are expected to increase availability.

Implementation of Performance and Financing Agreement

The maintenance and modernization of the existing infrastructure will be financed with the Performance and Financing Agreement (LuFV) III 273f. The renovation of the superstructure (tracks and switches) remained one of the capital expenditure priorities in 2023. The current price increases represent challenges for the modernization of the existing infrastructure. Against this backdrop, existing network financing is to be significantly expanded from 2024. After the adoption of the Federal budget 2024 and the BSWAG amendment for 2024, a supplement to the existing LuFV is to be concluded for this purpose. From 2025, a refined agreement will be sought (InfraGO service agreement), which is to be negotiated with the Federal Government in 2024.

Stuttgart 21 cost review

On December 13, 2023, the Supervisory Board of DB AG discussed the results of the schedule and cost review, which was conducted by experts, for the Stuttgart 21 project. The main background to the review, which began in autumn 2023, was the sharp rise in inflation in the construction sector. The total project cost of Stuttgart 21 has increased to € 10.953 billion. This now also includes € 153 million of the arbitration measures. The reasons for the current development are market effects in a difficult global environment, challenges due to the uniqueness of the expansion of the station and the project, and the currently weak response to our tenders and thus lack of competition among potential contractors. In addition to the new total amount of € 10.953 billion, the Supervisory Board resolved to establish an additional provision of € 500 million to cover further risks and forecast uncertainties.

Preparation of the 2024 schedule

About 91,000 train-path applications have been received for the 2024 working schedule (+ about 2%). The situation surrounding existing train-path capacity is therefore even more tense than in the previous year. There were also registration conflicts, where several TOCs ordered the same time slot on the same infrastructure. While the number of registration conflicts only increased slightly, the number of capacity conflicts has approximately doubled to a total of 111. A capacity conflict arises as a result of construction-related restrictions, for which capacity was distributed in advance for the transport types long-distance rail passenger transport, regional rail passenger transport and rail freight transport. In the event of a capacity conflict, there are more train-paths registered for one type of transport than there is capacity. The majority of the capacity conflicts in the 2024 schedule resulted from the general modernization of the Riedbahn. As a result, significantly more train-path inquiries had to be rejected or shortened than in the previous year. The fact that competition on the rails is continuing to increase is demonstrated above all by the train-path applications from non-Group TOCs. Their share in long-distance rail passenger transport increased by about 43%, although registrations in the sector overall rose by only about 14%. In regional rail passenger transport, the number of registrations of non-Group TOCs increased by about 13%, while the overall market declined slightly. In rail freight transport, non-Group TOCs also grew significantly more strongly (+45%) than the overall market (+12%). The schedule process is subject to a very strict regulatory framework and is monitored by the BNetzA. The working schedule for 2023/2024 was completed in due time in November 2023.

Inspection and replacement of concrete ties

A precautionary program for inspecting and replacing concrete ties has been underway since summer 2022. The inspection program was initiated as a result of the train accident in Garmisch-Partenkirchen on June 3, 2022. Based on current knowledge, damaged concrete ties seem to have led to the tragic accident. Immediately after the first suspicion of a possible manufacturing defect as the cause of the accident, DB Group initiated a special inspection program for concrete ties. Initially, about 200,000 concrete ties of a particular construction type and from a particular manufacturer were included.

Additional technical material investigations showed some irregularities in the material quality of the concrete ties from this manufacturer. Further detailed investigations show that a specific type of rock used in the production of concrete ties could also be responsible for the damage. Based on this information, DB Group then inspected another 130,000 concrete ties nationwide in November 2022, for which the same type of rock was used. The inspections were extended to other manufacturers.

If concrete ties are flagged during inspections, they are replaced as quickly as possible. In order to ensure safety in railway operations, trains must travel at lower speeds until the ties have been replaced in the affected sections of the line. In some cases, lines must be closed even before the start of actual construction work.

DB Group has also set up a group of internal and external experts to continuously examine possible further preventive measures for the inspection and maintenance of concrete ties. In April 2023, the regulations on monitoring concrete ties were further tightened. Findings from inspections and investigations carried out so far have been used as an opportunity to further raise the already high standards of existing inspection and maintenance processes. Based on these findings, stricter criteria will apply in the future when classifying damaged concrete ties manufactured using the identified type of rock. The preventive replacement of damaged concrete ties continues in 2024.

DB Group will compensate the affected train operating companies for the damage that has occurred in connection with the replacement of concrete ties and the resulting measures. In 2023, DB Netz AG (now DB InfraGO AG) agreed on compensation payments to intra-Group and non-Group customers totaling € 13.5 million.

Development of the infrastructure

In 2023, about € 16.4 billion was spent for expanding, renewing and maintaining the network, stations and energy facilities. This includes LuFV funds (grants and DB funds) amounting to € 6.8 billion, about € 3.7 billion for maintenance and € 2.3 billion for projects of the requirement plan, as well as funds for the existing network outside the LuFV, such as the Municipal Transport Financing Act (Gemeindeverkehrsfinanzierungsgesetz; GVFG), Digital Rail for Germany or the Climate Action Program, totaling about € 3.6 billion.

In addition, prefinancing of measures by DB rail infrastructure companies (RIC) amounting to about € 2.6 billion are included in 2023. Temporarily, the replacement capital expenditures (for example, to compensate for the inflation effects) and additional maintenance expenses, which also go to the maintenance of the rail infrastructure, are prefinanced with DB funds. These prefinancings are to be replaced by Government funds in 2024.

Key developments in the expansion and renewal of the rail network in 2023 included:

- **Fehmarn Belt Fixed Link:** The first construction work on the rail connection to the Fehmarn Belt Fixed Link began on Fehmarn in fall 2023. In preparation for construction, nature and environmental protection measures were implemented and construction roads and construction site equipment areas set up. In individual sections of the project, the “rail partnership model” has been used since 2023 as part of the piloting of integrated project implementation for DB projects planned by the Rail Acceleration Commission. All partners involved in the construction work closely together from an early construction phase. The early exchange between DB Group, construction companies, Federal agencies and other partners is intended to bring together expert knowledge for optimized planning and construction in the project at an early stage.
- **New construction line Dresden – Prague:** The preferred option has been selected. A 30 km tunnel is planned between Saxony and the Czech Republic. In addition, there will also be further capacity-increasing measures between Dresden and Heidenau. The preferred variant for the region was presented on November 20, 2023, after which citizens and public bodies have the opportunity to comment on DB Group’s preferred plan version. The results of the preliminary planning and public consultation are then sent to the German Bundestag (parliament) to undergo “parliamentary inquiry.” Since spring 2023, citizens of the region have had the opportunity in Heidenau to learn about and engage in discussions on the cooperation between Germany and the Czech Republic, the course of the line, the geology and tunneling, via a multimedia exhibition.
- **Reconstruction after the flood disaster in the Ahrtal and the Eifel region:** In April 2023, the 24 km rail line between Kyllburg and Gerolstein in Rhineland-Palatinate was restored. This involved the renovation of the tracks destroyed during the flooding disaster, as well as nine bridges. At the same time, the construction teams laid many kilometers of cables for new technical equipment and signals. Six modern interlocking modules were constructed. Reconstruction of the section between Walporzheim and Ahrbrück, which was completely destroyed by the flood in the Ahrtal, began in September 2023. The line will be electrified and expanded in the course of these works. By the end of 2025, the line will fully open to traffic again.

- **Stuttgart 21:** The last of the 28 chalice column supports was concreted at the future through station in June 2023, and the roof of the station hall was finished by the end of 2023. The final tunneling work in the project took place at the airport in September 2023, meaning the project has resulted in a total of about 56 km of tunnels. The work is now focused on the production of the fixed track and the railway equipment.
- **Noise reduction on rail tracks:** In the Middle Rhine Valley, which is particularly affected by rail traffic noise, DB Group started building noise reduction walls in 20 municipalities at the beginning of 2023. In order to sustainably relieve citizens of rail transport noise, a total of about 27 km of noise barriers are being built in the Middle Rhine Valley. This will make things noticeably quieter for about 22,000 people. A total of more than € 130 million, mainly from Government funds, is being invested for this.
- **Second S-Bahn (metro) main line in Munich:** On October 31, 2023, the last outstanding plan approval decision was issued by the Federal Railway Authority. A construction permit is therefore in place for plan approval section 3 (east), which comprises the eastern section of the tunnel between Isar and East station. Thanks to the optimized plans in the east section, there will be improved capacity and safety in the future, with fewer adverse effects for local residents during the construction period. The optimizations include the new location of the East station at the Friedenstraße – instead of below Orleansplatz – a new track positioning, and the new emergency and rescue plan. In order to start construction work quickly, the awarded tender for construction work for the east tunnel section with the East station was published in October 2023.

CONSTRUCTION BEGAN IN 2023

PROJECT NAME	PROJECT DESCRIPTION
Expansion line Berlin – Dresden	– Renovation of Zossen station
Expansion / new construction line Hamburg – Lübeck – Puttgarden (rail connection for the Fehmarn Belt Fixed Link)	– Dual-track expansion / new construction of Bad Schwartau – Puttgarden and additional passing loop in Lübeck's goods station
Magdeburg hub	– Second construction phase: conversion of tracks at Magdeburg central station track plan south to Magdeburg-Buckau station, including complete replacement of the railway viaducts at Hallische Straße, partial construction of a railway viaduct at Carl-Miller Straße and the adaptation of the passenger transport facility at Magdeburg Hasselbachplatz (plan approval section 80)
Halle / Leipzig hub	– Optimization of the track plan and increase in speed, as well as conversion of the overhead wire system in the Peißen – Reußen section (plan approval section 3)

The following requirement plan and GVFG projects were also under construction in 2023:

PROJECTS UNDER CONSTRUCTION IN 2023

PROJECT NAME	PROJECT DESCRIPTION
Stelle – Lüneburg expansion line	– Fitting the line with ETCS
Expansion line and new construction line Nuremberg – Erfurt (German unification transport projects no. 8.1)	– Forchheim – Eggolsheim 4-track expansion (plan approval section 19) – Eggolsheim – Strullendorf 4-track expansion (plan approval section 21) – Preliminary measures at the Bamberg hub (for example, interim construction status and platform extension)
Leipzig – Dresden expansion line (German unification transport projects no. 9)	– 3rd construction phase: Zeithain – Leckwitz expansion line (modern interlocking adjustment, line speed to 200 km / h)
Karlsruhe – Stuttgart – Nuremberg – Leipzig / Dresden expansion line	– Chemnitz – Chemnitz-Kappel (replacement of overhead wires, signaling equipment, noise reduction) – Gaschwitz – Werdau expansion line (expansion with modern electronic interlocking technology, renovation of superstructure and command and control technology for line speed up to 160 km / h, overall commissioning)
Ludwigshafen – Saarbrücken expansion line	– Fitting the line with ETCS
Stuttgart – Ulm – Augsburg expansion line and new construction line	– Stuttgart 21 (including regional rail passenger transport share in accordance with the GVFG)
Karlsruhe – Offenburg – Freiburg – Basel expansion and new construction line (1st and 2nd construction phase)	– Karlsruhe – Rastatt South 4-track expansion including Rastatt tunnel (line section 1) – Müllheim – Auggen 4-track expansion (plan approval section 9.0) – Haltingen – Basel 4-track expansion (plan approval section 9.2) – Basel Bad Station (plan approval section 9.3)
Amsterdam – German / Dutch border – Emmerich – Oberhausen expansion line	– Oberhausen – Emmerich 3-track expansion and increase in signaling block density, fitting with ETCS
Frankfurt / Main hub	– Second Frankfurt / Main construction phase (new construction, 3rd Niederrad Bridge)
Berlin hub (Dresdner Bahn)	– Reconstruction of the dual-track line between Berlin Südkreuz and Blankenfelde for 140 km / h
Combined transport	– Rhine / Ruhr hub (unpowered train arrival rail-rail-transshipment, rail-road-transshipment connection) – Karlsruhe subway station (extension of the transshipment module to a crane-accessible length of 750 m in two construction stages)
Hanau – Würzburg / Fulda – Erfurt expansion line and new construction line	– Gelnhausen electronic interlocking and preliminary measures: new construction of road overpass, passenger underpass
Rhine-Ruhr Express	– Conversion of Dortmund central station – 4-track expansion, plan approval section 1.2: Leverkusen (Chempark) – Leverkusen-Küppersteg and 4-track expansion, plan approval section 1.3: Leverkusen-Rheindorf – Langenfeld-Berghausen – Electronic interlocking Düsseldorf
Angermünde – Szczecin expansion line	– Electrification of Angermünde – Passow (plan approval section 1)
Uelzen – Stendal – Magdeburg – Halle expansion line (East Corridor North)	– Additional tracks in Schnega and Salzwedel stations
Stuttgart – Singen – Germany (Switzerland border expansion line / Gäubahn)	– Dual-track expansion Horb – Neckarhausen
740 m network	– Expansion of the passing loop to 740 m
Weddel loop	– Dual-track expansion of the Weddel – Fallersleben station branch
Hamburg hub	– Dual-track expansion / one-track new construction of S4 line Hamburg – Ahrensburg – Bad Oldesloe including construction of new stations
Cologne - Aachen expansion line	– Extension of track 13 at Aachen Rothe Erde station
Cologne hub	– 6-track expansion south of Gummersbacher Straße to the Cologne / Bonn Airport North branch (currently four tracks)
Expansion line Knappenrode – Horka	– Start of ETCS expansion

PROJECTS UNDER CONSTRUCTION IN 2023	
Rhine-Main S-Bahn (metro)	– Bad Vilbel – Frankfurt am Main West 4-track expansion, 1st construction phase
Rhine-Neckar high-speed regional rail transport	– 1st and 2nd construction phase: station measures
Nuremberg S-Bahn (metro)	– Second construction phase: Nuremberg S-Bahn (metro) – Forchheim – Bamberg 4-track expansion
Munich S-Bahn (metro)	– Construction of a new main line between Laim station and Leuchtenbergring – 2nd S-Bahn (metro) tunnel (initial plan of Federal state of Bavaria)
Munich S-Bahn (metro) (Erding Ring Closure)	– Second construction phase: 1st construction area Munich airport – Schwaigerloh (dual-track new electrified line construction including turning point in Schwaigerloh)
Berlin S-Bahn (metro)	– S21 (1st construction phase) – expansion of the Berlin S-Bahn (metro) network through construction of a north-south corridor – connecting Berlin central station to the north-south corridor via two branches to the northern ring of the metro
Lines affected by the flood (2021)	– Electrification, expansion and new construction of sections on the Eifel lines and the Ahrtalbahn

At the end of 2023, a total of 219 requirement plan and GVFG projects were in planning and under construction (45 GFVG, 174 requirement plan). Further information on the projects is available on the BauInfoPortal.

DB Netze Track business unit

GENERAL FRAMEWORK

Train-path prices for 2024 approved

By resolution dated August 7, 2023, the BNetzA approved the fees for the 2024 train-path pricing system (TPS). The increase in train-path usage fees is 3.5% for long-distance rail passenger transport, 2.0% for rail freight transport and 3.0% for regional rail passenger transport. Prior to this, the BNetzA reopened the remuneration procedure completed by resolution dated March 30, 2023. The reason for this decision was the ninth amendment to the Regionalization Act, which entered into force on April 25, 2023, and, contrary to the decision of the BNetzA, provided for an increase in fees in regional rail passenger transport of only 1.8% for the 2023/2024 schedule year. Ultimately, however, the originally approved increase of 3.0% in regional rail passenger transport was also confirmed by the new resolution.

Arbitration processes for the Rastatt Tunnel

In September 2017, DB Group and the Rastatt Tunnel working group agreed to conduct an evidence-gathering and arbitration process in order to clarify the causes and therefore to establish responsibility. The process was suspended on a provisional basis for settlement negotiations between the parties on the basis of an interim report from the technical arbitration expert on the causes of the accident and a proposal from the legal expert on the allocation of responsibilities.The parties are seeking an overall agreement, which could take at least another six months. The further construction and renovation of the damaged area have been disassociated from the arbitration process; with the exception of the reproduction of the east piping, the services of the working group, that is in charge of the construction work, have now been completed. The Rhine Valley rail line was temporarily relocated in spring 2022 in order to be able to renovate the damaged east piping from above via an open excavation pit. The construction pit closure has been created, the earthing has begun and the tunnel boring machine will be terminated in 2024. Settlements were concluded with the TOCs affected by the line closure as a result of the accident (in consultation with the working group and its insurance companies).

ENVIRONMENTAL MEASURES

With its responsibility for the track infrastructure, DB Netze Track forms the backbone for a shift in the mode of transport to rail in Germany. In order to sustainably support this role, DB Netze Track is stepping up its efforts to protect the environment.

- In addition to continuing noise reduction activities, the focus in 2023 was on resource conservation targets 79 ff. for the recycling components of our central resources rail steel, concrete ties green. No. 73 and track ballast green. No. 51. A challenging ramp-up target regarding the use of recycled quantities by 2030 was established for each resource. The key figures and the process for recording quantities have been defined.
- We are working hard to achieve the climate protection target by refitting all fossil-fuel-heated sites that will still be needed in 2040. In 2023, 14 heating systems were converted to a climate-friendly solution. For example, oil heating systems were replaced by heat pumps in four smaller interlockings in Cologne Eifeltor, and the existing facilities in the interlockings in Fischbach and Marktredwitz were replaced by pellet heating systems. A plan for refitting additional affected heating systems is currently being developed on the basis of our sample energy supply concepts.
- High-performance photovoltaic systems were built at three plant locations (Nuremberg, Duisburg and Karlsruhe), which make a significant contribution to meeting the respective electricity demand. The largest facility – with almost 340 kilowatt peaks (kWp) – is in operation in Nuremberg and is expected to generate about 315 MWh each year.
- In the "Rail map to climate-neutral track infrastructure" project, we examined and evaluated the topic of climate-relevant emissions from the construction and maintenance of infrastructure. To this end, we made a first rough estimate of current emissions and discussed various decarbonization pathways, taking into account volume

accelerations in the raw materials and construction industry. Research and pilot projects also investigated possible implementation of green construction procedures and materials.
- As part of the Railway Construction Initiative for the Future (Zukunftsinitiative Bahnbau; ZIB), we have initiated the "Green planning, construction and operation" cluster with partners from the planning industry, building associations and the rail construction industry. In five different clusters, we collaborate on topics such as increasing the recycling rates of rail construction materials, suitable ways to determine and evaluate CO_2e emissions, and the necessary initiatives for the further education and training of our employees regarding green construction.

GRI DEVELOPMENT IN THE YEAR UNDER REVIEW

⟶ *Punctuality is weaker, due in part to construction.*

⟶ *Strikes and additional construction-related restrictions are a burden on performance development.*

⟶ *Higher expenses, in particular for maintenance measures (mainly prefinanced for the Government) and cost increases drive the significantly weaker profit development.*

The punctuality of DB Group and of rail in Germany declined slightly. One of the main reasons for this is the high level of infrastructure disruptions due to old and fault-prone facilities. This also includes a year-round high level of restricted speed sections due to certain infrastructure disruptions (including defective concrete ties issue 149f.). Further major drivers of delays were a high overall volume of construction in connection with a large number of very short-term construction measures and the continued high capacity utilization of the track infrastructure, particularly in the highly utilized bottleneck network.

Customer satisfaction at DB Netze Track fell in 2023. The 230 customers who participated in the survey were particularly critical of construction measures and infrastructure availability.

Train kilometers on track infrastructure declined slightly. Negative effects from strikes and more intense construction-related restrictions, as well as a lack of economic stimuli, were only partially offset by a progressive recovery in passenger transport. Demand from non-Group customers increased, mainly as a result of the takeover of transport services in regional transport. A decline was recorded among intra-Group customers, driven by DB Regional and DB Cargo.

The economic development was tense, mainly due to additional burdens and maintenance services (especially prefinancing of infrastructure measures 150) in connection with measures to improve quality and availability as well as the non-recurring special items from the previous year. The adjusted net profit and loss figures deteriorated very sharply and were significantly negative:
- **Revenues (+1.2% / € +74 million):** Slight increase, positive price effects were dampened by the effects of strikes and construction restrictions.

DB NETZE TRACK	2023	2022	Change absolute	Change %
Punctuality DB Group (rail) in Germany (%)	90.1	90.9	-0.8	-
Punctuality (rail) in Germany [1] (%)	88.9	89.7	-0.8	-
Customer satisfaction (grade)	3.6	3.3	+0.3	-
Condition grade overall network (grade)	3.0	3.0	-	-
Length of line operated as of Dec 31 (km)	33,351	33,356	-5	-
Train kilometers on track infrastructure (million train-path km)	1,116	1,132	-16	-1.4
thereof non-Group railways	437.7	419.8	+17.9	+4.3
Share of non-Group railways (%)	39.2	37.1	+2.1	-
Total revenues (€ million)	6,340	6,266	+74	+1.2
External revenues (€ million)	2,157	2,035	+122	+6.0
Share of total revenues (%)	34.0	32.5	+1.5	-
EBITDA adjusted (€ million)	-435	1,244	-1,679	-
EBIT adjusted (€ million)	-1,098	601	-1,699	-
Operating income after interest (€ million)	-1,244	505	-1,749	-
Gross capital expenditures (€ million)	10,746	8,969	+1,777	+19.8
Net capital expenditures (€ million)	2,830	1,738	+1,092	+62.8
Employees as of Dec 31 (FTE)	56,084	52,510	+3,574	+6.8
Employees annual average (FTE)	54,551	52,128	+2,423	+4.6
Employee satisfaction (SI)	-	3.9	-	-
Share of women as of Dec 31 (%)	21.4	20.7	+0.7	-
Total noise-remediated lines as of Dec 31 (km)	2,255	2,202	+53	+2.4

[1] Non-Group and DB Group train operating companies.

- **Other operating income −21.5%/€ −295 million):** Significant decline, partly due to the omission of income from real estate sales in the previous year and lower grants, primarily for the repair of flood damage as a result of the Ahrtal flood in 2021 as well as lower income from the release of provisions.

On the expense side, there were significant additional burdens, in particular for measures to expand capacity and improve quality, as well as from cost increases:

- **Cost of materials (+29.4%/€ +791 million):** The significant increase is largely due to significantly higher maintenance measures (in particular in connection with the prefinancing 150 of quality and capacity measures, the replacement of concrete ties 149f. and inflation). In addition, energy expenses (mainly due to price effects; partial compensatory effects from the electricity price brake 46 are shown in the extraordinary result 107ff.) and maintenance of vegetation and winter services.
- **Other operating expenses (+34.9%/€ +522 million):** The significant increase was partly due to the Group charges 106 introduced in 2023 and higher expenses for IT services and compensation for damage.
- **Personnel expenses (+10.9%/€ +402 million):** Significant increase, as a result of collective bargaining agreements and the higher number of employees.
- **Depreciation (+3.1%/€ +20 million):** Also increased slightly due to capital expenditures.

Capital expenditures increased significantly, mainly as a result of higher capital expenditures for the existing network. Net capital expenditures increased even more significantly as a result of the prefinancing of measures to improve the quality and availability of track infrastructure for the Federal Government.

The number of employees increased significantly to cover demand and ensure succession planning, particularly in the areas of maintenance, construction projects and operations.

The share of women was significantly higher.

The total number of noise-remediated track kilometers increased due to the continued implementation of measures.

DB Netze Stations business unit

GENERAL FRAMEWORK

GRI

Approval procedure for station fees for 2024

On September 28, 2023, following changes to the legal context (amendment to the Railway Regulation Act), the fee schedule for the 2024 station prices were approved by resolution of the Federal Network Agency. The Federal Network Agency approved the 2024 station prices with a small number of deductions. Overall, average price increases of 1.82% (regional rail passenger transport) and 2.56% (long distance rail passenger transport) were approved.

Station program

Based on the experience gained from the 2020 and 2021 Economic Stimulus and Craftsmen Program, a program for the realization of stations of the future was conceived in 2022, the implementation and financing of which is currently being discussed with the relevant partners. In order to ensure a powerful, attractive access to rail transport and contribute towards achieving transport policy goals, railway stations must be developed holistically together with the Federal Government, Federal states and local authorities. Experience in recent years has clearly shown that holistic enhancement and development measures also have a noticeable impact on customer satisfaction. This includes the actual transport infrastructure and the concourse building, as well as onward mobility and the station concourse. The measures are also necessary in order to reduce the large backlog. In 2023, DB Netze Stations started to transform the first stations into stations of the future 157 with DB funds.

DEVELOPMENT OF THE INFRASTRUCTURE

GRI

Capacity and frequency management

The importance of capacity management for stations in Germany is steadily increasing. To facilitate the forecast growth in passenger numbers, the performance capability of the stations must be ensured and enhanced by means of suitable measures. Germany in sync is a key factor in the 2040 passenger forecast, which is used as the basis for estimating any capacity requirements for the stations.

Since 2021, close to 280 stations have already been analyzed by means of a capacity check. The capacity checks were used to identify capacity-related obstacles and bottlenecks in a standardized manner and measures were introduced to eliminate them. Some short-term measures have already been successfully implemented, such as the clearing of platforms.

In the course of the capacity checks, macroscopic and microscopic passenger flow analyses were carried out to simulate passenger flows at the station, in line with the level of detail required. If construction projects or measures are scheduled for a station, their impact and effects on passenger flows can be estimated using scenarios.

By piloting so called high-performance platforms in Mannheim central station, Hamburg central station and Frankfurt-Galluswarte, we are investigating the optimal utilization of existing platform areas. By clearing the platforms and applying a standardized system of organization to all platforms, it should be possible to make better use of the existing circulation areas and thus improve the distribution of passengers on the platforms. This is intended to prevent bottlenecks and overcrowding. In addition, ceiling and floor coverings have been installed and the signage has been replaced and expanded.

The frequency management system is an important tool for identifying capacity bottlenecks. Real-time measurement using video technology makes it possible to detect an increase in passenger volumes at an early stage and take appropriate measures to prevent acute overcrowding. In addition to real-time measurement to prevent overcrowding, the video data can be used to derive longer-term measures or verify their effect. In cases of doubt, this means that partially extensive and cost-intensive structural measures can be avoided. As of December 31, 2023, 28 stations had been equipped with a frequency management system. During the rollout, we plan to equip a total of 100 stations with a frequency management system.

Modernization, commissioning and construction of stations

- **Dortmund central station:** After completion of the modernization (expected in the first quarter of 2025), the station will have full step-free access and will enable the fully accessible linkage of different means of transport. At the end of April 2023, the fifth of the eight platforms undergoing modernization went back into operation after less than a year of construction, with the sixth platform following in December 2023.
- **Duisburg central station:** Work has been ongoing since mid-2022 to renovate all platforms and build the new hall roof at Duisburg central station. The concept involves the platform-by-platform dismantling of the existing roof and simultaneous reconstruction of the curved, wave-shaped glass roof, known as the Duisburg Wave, as well as the associated platforms. In mid-July 2023, the first of the six platforms, including the new hall roof, was approved for service again after the reconstruction. According to current planning, the entire project, which will also see a large proportion of the overhead wire around the central station renewed, will run until 2028.
- **Hanover central station:** Beginning in summer 2022, all the platforms, platform roofs and some bridge structures above the passenger tunnel level are being gradually renovated at Hanover central station. Work on the first platform began in summer 2022 and is due to be completed by early 2024. Plans are also in place to start renovating the second platform in 2024. As the construction work on the platforms is being concentrated around the summer vacation period of each year for operational reasons, the renovation of all six platforms and associated facilities is not expected to be completed until after 2033.
- **Berlin East station:** Construction work on the hall roof at the East station in Berlin is progressing as scheduled. Since May 2021, scaffolding platforms have been set up to renovate the entire roof membrane, install new skylights and renew the corrosion protection on all of the roof girders. Thanks to the chosen form of construction, train and passenger traffic can be maintained almost continuously while work on the roof is being carried out. The key measures are expected to be completed by the end of 2024.
- **Hamburg-Altona station:** The terminal station for long-distance and regional transport in Hamburg-Altona is being moved and becomes a stopping point. The current Diebsteich S-Bahn (metro) station will be expanded to become a through station. A total of four platforms and a concourse building will be constructed. Work has already begun. The platform for the S-Bahn (metro) will be in operation by August 2024. The three long-distance and regional railway platforms are not likely to be completed until after 2027, as the connecting tunnel currently under discussion in Hamburg would have an impact on the location of and links to the new station.

DIGITALIZATION AND INNOVATION

Passenger information of the future

As part of the renewal of the passenger information facilities, a new central management and publication system (Passenger information of the future; IRIS+) is currently being developed. In combination with the passenger information platform, this system is used to display information for passengers at the station. Since December 2023, more than 750 stations have been operating with the passenger information platform and IRIS+.

In addition to the conversion of stations to IRIS+, innovations in customer information were also prepared and introduced in 2023, for example the publication of replacement services on the information boards in the station or the expansion of car sequence information on the train service indicators based on real-time data for regional and long-distance services.

At the same time, in the context of passenger information, preparations are underway for the introduction of the new systems at smaller stations: the next generation of the dynamic visual display (Dynamische Schriftanzeiger; DSA+) at the station will, in future, also be controlled via the new passenger information platform and IRIS+. All 6,800 displays are therefore being replaced across Germany. About 300 of the new generation of displays have been installed so far. There are plans to replace a further about 1,200 DSA+ displays in 2024. These new devices will be equipped with an additional interactive customer display using energy-saving e-paper technology, which clearly summarizes existing timetable changes and can be used for flexible location-based information. The aim is to reduce the increasing cost of producing and distributing paper notices caused by construction work, while at the same time further improving passenger information.

WiFi at stations

As of December 2023, our customers and station guests were provided with WiFi services free of charge at more than 600 stations. These services are implemented both through DB's own WiFi installations (available at 152 major hubs, including all central stations of the highest category) and through WiFi networks from cooperation partners. This means that the WiFi services at stations already reach more than half of all passengers each day. In the fourth quarter of 2023, a service concession was awarded to another cooperation partner who intends to install WiFi infrastructure at about 800 additional, predominantly medium-sized stations. This service will be available free of charge.

Realignment of online channels

We continued to expand the reorganization of our online channels through the main channel bahnhof.de with the aim of increasing our reach. The focus continues to be on redesigning station information, accessibility and improving data quality. In addition, a digital interactive station map with key "points of interest" at each station location has been integrated. Moreover, a digital departures and arrivals board has been successfully introduced for all stations in Germany. Both features met with a positive response from customers. Customer feedback is used to ensure iterative further development.

Smart City at DB Station&Service

With Smart City | DB we are seeking to improve everyday life through smart and eco-friendly services and stations in municipalities and cities. In 2023, we were able to implement further measures:

- **Click&Collect at stations:** "Box – The pick-up station" is a Click&Collect service that can be used to deliver consignments to parcel stations at the station and collect and return them contactlessly, irrespective of the delivery company. By the end of 2023, a total of more than 350 new parcel stations were set up at train stations.
- **Mobility hubs**: In the mobility sector, further services were put in place at stations in 2023. For example, the stations were fitted with mobility hubs in cooperation with S-Bahn (metro) Stuttgart. The Hamburg-Harburg station was also connected in cooperation with Hamburger Hochbahn (hvv Switch) or fitted with a mobility hub and put into operation. The largest mobility hub to date can be found at Berlin Südkreuz station, which was provided with a second hub in 2023. In 2023, a total of 35 additional mobility hubs have been set up at DB sites and municipal sites.
- **Coworking services:** The everyworks coworking service has expanded its network to eight locations. Cooperation locations have been established together with partners in the immediate vicinity of the central stations in Frankfurt am Main, Hamburg and Erfurt.
- **Micro Depot:** Micro Depots provide a logistical location within cities and can be accessed by multiple providers and used according to the multiuser principle. Deliveries to residents are then made using low-emission and low-noise small vehicles such as (e-)cargo bikes. In 2023, Micro Depots were opened in Hamburg-Altona, Dresden-Neustadt and Berlin-Charlottenburg in close consultation with the local authorities.
- **Smart City partnerships:** As part of our existing partnership with the Free and Hanseatic City of Hamburg, we held a hackathon in 2023. Stations along the S21 line are being modernized and made more appealing through a joint initiative. Together with our partner, the City of Hanover (LHH), an art installation was created at Hanover central station that brings a pedestrian underpass to life and ensures greater subjective security. Moreover, we are supporting the LHH in applying for funding to build a bicycle garage in the civil defense bunker at Hanover central station. We have agreed measures with the City of Potsdam to improve the quality of stay and onward

mobility at train stations in the Potsdam urban area, which will be financed by the "Smart Cities Made in Germany" funding scheme as of 2024.

- **Urban analytics:** Data-driven analyses of onward mobility and climate factors in and around the station were expanded in 2023 in order to plan and implement products and measures in a targeted manner in and around stations of the future and on the forecourts of these.
- **Quality of stay:** Product developments for quality of stay, climate adaptation measures, subjective security and new usage concepts were further developed in 2023. The combination of quality of stay and onward mobility is being tested at the Hamburg-Harburg site.

Consolidation of the station of the future approach

The integrated development of stations continued to pick up speed in 2023. Redesigned interiors, functional seating, advanced guidance systems and attractive forecourts are some of the aspects that are important for creating stations of the future where customers feel comfortable. On the basis of comprehensive findings, quality standards have been developed for each product line and combined to form a "station of the future" methodology. The standards of this methodology are also defined jointly with the Federal Railway Authority and the Federal Government.

The first stations were modernized in 2023. In 2024, further stations throughout Germany will be developed into stations of the future.

Innovative consumer offers for passengers

Through the pop-up store concept, at Berlin central station, we are offering start-ups and companies the opportunity to test innovative concepts and at the same time familiarize themselves with the station as a new retail location.

Furthermore, the new cashierless 24/7 ServiceStore at Berlin East station offers a wide range of products for travel and everyday needs. With the help of an app, the use of AI and state-of-the-art camera technology, it is possible to shop there quickly, easily and around the clock.

To provide our customers with an innovative shopping experience, we are also pursuing the roll-out of digital and cashierless self-service stores with our business partners.

ENVIRONMENTAL MEASURES

GRI

- **Sustainable Railway Station Charter:** In June 2023, the Chief Executive Officers of DB AG and SNCF signed the jointly developed Sustainable Railway Station Charter. The Charter defines the guidelines for sustainable railway stations for the very first time. A sustainable station addresses the issues of environmental sustainability and social and corporate responsibility based on a common understanding. Important objectives and levers are specified, ranging from climate neutrality and climate resilience to support for local stakeholder structures.
- **Services for sustainable onward mobility:** The mobility hubs will provide more flexible connection options at the station. The various sharing services on offer provide a quick and easy interface to public transport services and make it easier to switch to new modes of mobility. Thirty-five new hubs went into operation in 2023.
- **Bike+Ride initiative and Rad+:** As part of the Bike+Ride initiative green. No. 156, we created over 6,000 bicycle parking spaces at 83 train stations in 2023 and offered advice to more than 54 local authorities through our station bicycle parking information points. By using the Rad+ green. No. 110 app, cyclists in 19 cities are currently able to convert the kilometers they have cycled into rewards at 256 partner stores. Five new cities were added in 2023.
- **Services for sustainable urban logistics:** A Micro Depot was opened in Hamburg in February 2023 as part of an EU-funded project. The Depot is used by several logistics services providers and fine distribution is carried out in a climate-friendly manner using cargo bikes. Two Micro Depots are also in operation in Berlin. By the end of 2023, more than 350 new parcel stations had been installed at stations. As part of the cooperation with DHL, this number will initially be increased to about 800.
- **Sustainable stations:**
  - The Little Station green. No. 6 represents a new generation of station buildings. These are constructed and operated in a climate-friendly way and are intended to make it easier for passengers to spend their time in rural areas. CO_2e emissions are already being reduced by using natural, sustainable and regional raw materials in construction. In December 2023, the Little Station in Zorneding was opened and the topping-out ceremony for the second Little Station in Haar was held.
  - Construction of one of the most sustainable station buildings began in Bitterfeld in October 2023: recycled aluminum is being used in the construction and skylights and glass fronts will create a brighter ambience with less artificial lighting. The photovoltaic

GRI

DB NETZE STATIONS	2023	2022	Change absolute	Change %
Passenger stations	5,399	5,401	-2	–
Facilities quality [1] (grade)	2.77	2.77	–	–
Customer satisfaction, traffic station (passengers/visitors) (grade)	2.5	2.4	+0.1	–
Customer satisfaction, traffic station (train operating companies, contracting organizations and Federal states) (grade)	2.8	2.6	+0.2	–
Customer satisfaction, tenants (grade)	2.2	2.1	+0.1	–
Station stops (million)	155.6	155.9	-0.3	-0.2
thereof non-Group railways	47.1	44.6	+2.5	+5.6
Total revenues (€ million)	1,449	1,384	+65	+4.7
thereof station revenues	1,020	996	+24	+2.4
thereof rental	377	350	+27	+7.7
External revenues (€ million)	662	593	+69	+11.6
EBITDA adjusted (€ million)	20	195	-175	-89.7
EBIT adjusted (€ million)	-150	29	-179	–
Gross capital expenditures (€ million)	1,595	1,434	+161	+11.2
Net capital expenditures (€ million)	505	397	+108	+27.2
Employees as of Dec 31 (FTE)	7,786	6,997	+789	+11.3
Employees annual average (FTE)	7,389	6,972	+417	+6.0
Employee satisfaction (SI)	–	4.0	–	–
Share of women as of Dec 31 (%)	44.4	44.0	+0.4	–
Absolute primary energy consumption (stations) compared to 2010 (%)	-34.3	-30.6	-3.7	–

[1] Preliminary figure.

system will generate 100% of the electricity required and the heating requirements will be covered by climate-friendly district heating.

- **Climate-friendly heat supply:** In 2023, we used energy supply concepts at 15 locations to investigate how these could be converted to a sustainable, lower-emissions heat supply green No. 97. The projects to convert ten locations to a sustainable heat supply were launched in 2023.

GRI

DEVELOPMENT IN THE YEAR UNDER REVIEW

⟼ *Demand trend more or less stable despite increasing station charges.*

⟼ *Leasing business continues to recover after Covid-19-related restrictions.*

⟼ *Impact of energy-saving measures compensate in part for increasing energy prices.*

⟼ *Measures to improve quality and customer satisfaction continue to be implemented.*

Facilities quality remained stable.

Customer satisfaction of passengers and guests declined somewhat. The survey is conducted on the basis of about 80,000 interviews per year. Customer satisfaction among tenants remained at a high level, but was down slightly on the previous year. Customer satisfaction among train operating companies, contracting organizations and Federal states also declined.

Station stops were almost at the previous year's level despite construction and strike-related restrictions. Positive effects from increased traffic on non-Group railways were more than offset by declines on intra-Group railways.

Economic development was significantly weaker. Although revenues grew significantly, greater increases in expenses led to a significant decline in operating profit figures, partly as a result of the implementation of additional measures to increase quality. Price increases, including for energy, also had a negative impact. As a result, adjusted EBIT was clearly negative.

The continued recovery in the rental business and price effects fueled the positive income trend:

- **Revenues (+4.7%/€ +65 million):** Growth can be attributed in particular to a continuing recovery in the rental business following Covid-19-related losses and to a dynamic, price-related increase in station fees. This was driven by non-Group customers due to the takeover of transport services.
- **Other operating income (−7.3%/€ −16 million):** Significant decline. In particular, lower grants in connection with funding programs for the renovation of stations (discontinuation of special programs from the previous year) were partially offset by growth in the marketing of advertising space.

On the expenses side, there were noticeable additional burdens, particularly in cost of materials:

- **Cost of materials (+16.4%/€ +123 million):** The significant increase was mainly due to higher expenses for project-related maintenance (mainly prefinancing 150) as well as measures to improve the quality of our stations. Higher energy expenses due to price and volume effects (partially offsetting effects from the electricity price brake 46 are reported in the extraordinary result 107 ff.) had an additional negative effect.
- **Other operating expenses (+18.9%/€ +57 million):** The significant increase was mainly due to the Group charges 106 introduced in 2023 and increased expenses for IT projects. In addition, a further increase in travel activity and price-related higher rental expenses for vehicles and office space led to additional burdens.
- **Personnel expenses (+11.6%/€ +55 million):** Significant increase as a result of a higher number of employees and as a result of collective bargaining agreement.
- **Depreciation (+2.4%/€ +4 million):** Capital expenditure-related increase.

Gross capital expenditures increased significantly, mainly as a result of the modernization of existing stations, the construction of new stations and the prefinancing of Government measures. Increased construction costs also had an impact. With higher investment grants, net capital expenditures increased less significantly.

The number of employees increased as a result of additions, particularly in the areas of construction and facilities management, to allow the increased volume of capital expenditures to be realized.

The share of women has increased slightly from a relatively high level.

The positive trend continued with a further reduction in absolute primary energy consumption at stations compared to 2010, partly due to the use of energy-saving technologies such as LED applications for lighting systems.

DB ENERGY BUSINESS UNIT

Business model

DB Energy offers industry-standard energy products related to traction energy and stationary energy supply. As well as traction current and diesel, these also include supply solutions for alternative drives and fuels in rail transport. Stations and other DB Group properties are supplied with electricity, gas and heat. The range of services also includes energy economics-related and technical services.

The traction current grid is the technical backbone of traction power provision in Germany, for which DB Energy as the network operator ensures the highest level of supply reliability. The required electricity is fed into the traction current grid from renewable energy sources and traction current power plants, sometimes directly and sometimes via converters/transformers. In order to provide for diesel traction units, there is a network of gas stations across Germany, which can also be partially used by road vehicles. This gas station network is gradually being converted or expanded to supply alternative fuels. DB Energy is implementing energy supply solutions for rolling stock using alternative drives in order to enable climate-neutral rail transport on sections without overhead lines in the future. In addition, DB Energy operates 50 Hz medium-voltage networks to supply energy to stations and provides a charging infrastructure for electric vehicles on the road. The infrastructure of DB Energy is subject to different forms of regulation by the Federal Network Agency.

Markets and strategy

GRI

DB Energy is responsible for economically and environmentally efficient energy procurement and for reliable energy provision for train operating companies. DB Energy also has high-performance infrastructure for the provision of electricity and diesel to mobile and stationary consumers.

- **More robust:** DB Energy relies on resilience and securing of the stable power supply and the ability to act in the event of an accident with pragmatic, intelligent and sustainable solutions. In addition to operational solutions for on-site power generation, this also includes capital expenditures in mobile facilities. OT security, supported by modern means of communication, is becoming increasingly important in this context.
- **More powerful:** In addition to the two pilot sites, other regional lean excellence projects were launched in 2023. The focus is always on the idea of bringing lean excellence to life and communicating it through positive experiences. Local entry barriers to initial lean measures are lowered in a systematic manner by making a central modernization budget available to the sites.
- **More modern:** DB Energy ensures the power supply even if the supply of renewable energy is increasingly volatile. This is of increasing relevance, in particular in view of the prospect of increasing traffic volumes. LuFV III 273 f. provides the financial basis for this, including for the construction of additional converter capacity. The expansion of the traction current grid will be supported by the driving forward of digitalization, for example through the rollout of sensor technology in traction current facilities.

GRI

DB Energy – at a glance

Products

Traction current
The supply of trains with energy. We supply the 16.7 Hz rail traction current throughout Germany around the clock through our own interconnected power grid.

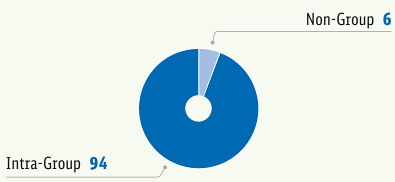
Traction current pass-through
Pass-through of electricity purchased externally by train operating companies within the DB Energy grid in order to supply trains.

Stationary energy
Supplying stations, plants, interlockings and office buildings with electricity and heating. Stationary facilities for train operations, e.g. pre-heating systems and switch heaters, are supplied with electricity.

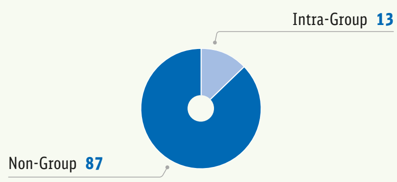
Diesel fuel
Supply of diesel fuel via 24-hour self-service rail gas stations. The offer also includes consumables and supplies, heating and engine oil and AdBlue®.

Structure

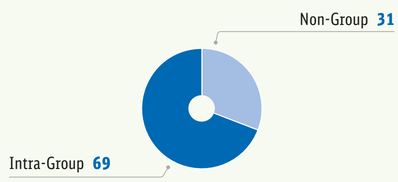
TRACTION CURRENT / %



STATIONARY ENERGY / %



DIESEL FUEL / %



Business model

INPUTS

Employees
- About 2,100

Networks and infrastructure
- About 8,000 km of traction current grid
- About 1,830 transformer stations
- 174 gas stations
- 53 power plants / converters / transformers

Additional production factors
- Electricity
- Fuel

BUSINESS ACTIVITIES

Customer segments
- Business customers
- Private customers

Value proposition
- DB Energy offers customer-oriented and eco-friendly access to products in the areas of traction current and diesel, as well as stationary energy.

Customer access and retention
- Key account management
- Regional sales
- Online customer platforms

Key activities
- Providing reliable infrastructure
- Procuring energy
- Selling energy
- Offering energy economics-related and technical services

OUTPUTS [1]

Traction current (16.7 Hz and direct current)
- 7,262 GWh

Stationary energy (50 Hz and 16.7 Hz)
- 8,590 GWh

Diesel fuel
- 365 million l

OUTCOMES [2]

EBIT adjusted
- € 163 million

Employee satisfaction
- SI of 4.0 (2022)

Customer satisfaction
- Grade 2.1

Proportion of renewable energies in the DB traction current mix [3]
- 68 %

Supply reliability
- 99.99 %

Status for 2023, or as of December 31, 2023.
[1] Key products and services.
[2] Internal and external consequences and results from business activities and outputs along the entire value-added chain.
[3] In Germany.
The data for 2023 constitute a forecast as of February 2024. Since 2023, the proportion of renewable energy has been presented separately without Renewable Energy Sources Act (EEG) subsidies.

- **Greener:** DB Energy is a central driver for climate-neutral energy supply of the TOC in Germany. In order to achieve the target of climate neutrality in full by 2040, traction current supply will be switched to renewable energies and climate-friendly high-capacity power plants will be added. Sustainable alternatives are offered for non-electrified lines with charging infrastructure for battery-powered trains, hydrogen supply and biofuel. The climate-friendly biofuel HVO was available at 14 gas stations by the end of 2023.

Environmental measures

EXPANSION OF RENEWABLE ENERGIES IN TRACTION CURRENT

Building a diversified portfolio for economically viable and secure energy supply with a growing share of renewable energies is a core element of our green strategy. Power purchase agreements (PPA) have become an integral element of procurement activities. Accordingly, 20 new PPAs were signed in 2023. These include:

- seven offshore PPAs (three offshore wind farms),
- six onshore PPAs (ten onshore wind farms),
- six PV PPAs (15 solar parks), and
- one hydropower PPA (two run-of-river power plants).

For example, a long-term supply agreement was concluded with EnBW for the supply of electricity from the North Sea wind farm green. No. 47 He Dreiht. Green power from the wind farm will be supplied to DB Group for 15 years, saving up to 60,000 tons of CO_2 per year.

DB Energy is therefore pressing ahead with the integration of renewable energies in the German electricity market. This structure within the PPA portfolio allows the special characteristics of green electricity supplies (discontinuous generation, price and forecast risks) to be managed in the best possible way.

Strategically, DB Energy is preparing to integrate battery storage systems into the PPA portfolio.

ENERGY SUPPLY FOR ALTERNATIVE DRIVES

In addition to the further electrification of the rail network, DB Energy is also implementing supply solutions for rolling stock with alternative drives. DB Energy is pursuing a number of different technological approaches in this regard:

- In 2023, further progress was made on implementing charging infrastructure for regional rail passenger transport trains in the Schleswig-Holstein battery network. By mid-2024, DB Energy and DB InfraGO will install three overhead wire island systems green. No. 45 including charging substations to supply traction current to battery-powered trains.
- DB Energy and Erzgebirgsbahn are involved in a research and development cooperation with various partners from the fields of industry and research at the Railway Research Campus SRCC. As part of this, an innovative pilot charging station for battery-powered trains was put into operation in Annaberg-Buchholz in mid-2023.
- In 2023, DB Energy won a tender process for the Bavarian regional railway, Bayerische Regiobahn (BRB), and will supply green hydrogen to the first hydrogen train for Bavaria. DB Energy is building the hydrogen infrastructure for this in Augsburg. Passenger services on the BRB hydrogen multiple unit train will start in 2024.
- DB Energy has further expanded its supply of the climate-friendly biofuel HVO green. No. 164: at the end of 2023, HVO was available at 14 rail gas stations. The service will be available at additional rail gas stations in 2024.
- DB Energy is a project partner in a joint project funded by the BMDV between DB Group and Siemens Mobility for the approval and testing of the Mireo Plus H fuel cell electric multiple unit, which has been newly developed by Siemens Mobility, for regional rail passenger transport. DB Energy is responsible for developing an innovative supply infrastructure for hydrogen green. No. 53. The innovative green hydrogen infrastructure system will be tested in Tübingen in 2024.

Development in the year under review

⟶ *Price-related income growth drives positive profit development.*

⟶ *Noticeable easing on energy markets over the course of 2023.*

⟶ *Supply reliability stable at a high level.*

The high level of supply reliability was maintained.

Customer satisfaction was stable at a very good level overall. Intra-Group customers are very satisfied with employee behavior, service quality and settlement. Responses from non-Group traction current customers were not quite as good, in particular due to the difficult and tense energy market situation.

Development was uneven in volume terms:

- **Traction current:** Sales went down in particular due to a lower demand for rail freight transport and for regional transport. The strikes by EVG and GDL 93 also had a dampening effect.
- **Traction current pass-through for non-Group customers:** Above all, the increase reflects growth in traffic volume.

- **Stationary energy:** Electricity sales declined significantly due to a decline in business with industrial customers and reduced optimization measures on the energy market.
- **Diesel fuel:** Demand also declined, driven by developments in intra-Group freight transport and local transport.

The economic development was pleasing. Higher operational expenses were more than offset by growth on the income side. Operating profit figures rose significantly.

Overall, income increased noticeably, driven by other operational income:

- **Other operating income (€ +356 million):** The very sharp increase was mainly due to refunds in connection with the energy price brake 46. The reimbursement amounts were passed on in full to DB Energy customers through a reduction in revenues.
- **Revenues (–5.5% / € –230 million):** Demand-driven decline, particularly for stationary energies for non-Group customers. This was partially offset by higher sales prices in the traction current segment.

On the expenses side, there was a slight increase, mainly due to prices:

- **Cost of materials (+0.9% / € +34 million):** Virtually on a par with the previous year. Higher energy procurement expenses as a result of higher procurement prices for traction and stationary energies were offset by the opposing effects of declining demand, particularly in terms of stationary energies for non-Group customers and in energy trading. On the other hand, poor power plant availability and a significant drop in market prices over the course of the year made it possible to procure replacements on the electricity trading markets at lower prices in some cases.
- **Other operating expenses (+22.9% / € +27 million):** Increases in expenses were mainly due to the introduction of Group charges 106 as well as rising expenses for the operation and further development of IT systems.
- **Personnel expenses (+8.4% / € +13 million):** The increase was due to the higher number of employees and to collective bargaining.
- **Depreciation (–3.7% / € –3 million):** Slight decrease in depreciation of intangible assets.

Gross capital expenditures rose, particularly in the area of other energy supply systems (e.g. new construction of converter stations) within the framework of the Performance and Financing Agreement (LuFV) III 273f.

The number of employees increased primarily in order to implement the higher project volume arising from LuFV III and for digitalization.

The share of women increased slightly.

The proportion of renewable energies in the DB traction current mix in Germany 72 has continued to increase.

GRI

DB ENERGY	2023	2022	Change absolute	Change %
Supply reliability [1] (%)	99.99	99.99	–	–
Customer satisfaction (grade)	2.1	2.1	–	–
Customer satisfaction, traction current and diesel (grade)	2.3	2.4	- 0.1	–
Customer satisfaction, electricity and gas plus (intra-Group customers) (grade)	2.1	2.1	–	–
Traction current 16.7 Hz and direct current (GWh)	7,262	7,515	- 253	- 3.4
Traction current pass-through (16.7 Hz) (GWh)	2,695	2,353	+ 342	+ 14.5
Stationary energy (50 Hz and 16.7 Hz) (GWh)	8,590	13,809	- 5,219	- 37.8
Diesel fuel (million l)	365.4	382.0	- 16.6	- 4.3
Total revenues (€ million)	3,970	4,200	- 230	- 5.5
External revenues (€ million)	1,952	2,451	- 499	- 20.4
EBITDA adjusted (€ million)	242	185	+ 57	+ 30.8
EBIT adjusted (€ million)	163	103	+ 60	+ 58.3
Gross capital expenditures (€ million)	329	303	+ 26	+ 8.6
Net capital expenditures (€ million)	88	75	+ 13	+ 17.3
Employees as of Dec 31 (FTE)	2,055	1,943	+ 112	+ 5.8
Employees annual average (FTE)	1,984	1,915	+ 69	+ 3.6
Employee satisfaction (SI)	–	4.0	–	–
Share of women as of Dec 31 (%)	15.5	15.0	+ 0.5	–
Share of renewable energies in the DB traction current mix [2] (%)	68	65.4	–	–

[1] Preliminary figure (not rounded).
[2] The data for 2023 constitutes a forecast as of February 2024. The data for 2022 corresponds to the status of the statutory electricity labeling pursuant to the German Energy Industry Act (November 2023) and may therefore deviate from the preliminary disclosures in the Integrated Report 2022. Since 2023, the proportion of renewable energy has been presented separately without Renewable Energy Sources Act (EEG) subsidies.

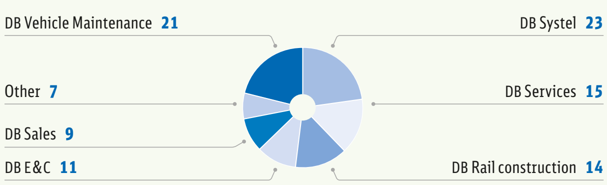
Subsidiaries / Other – at a glance

Portfolio

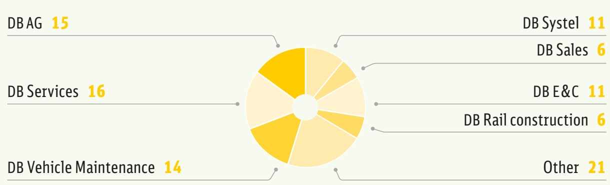
DB Business Services	DB Operational Services	Other
– Legally independent entities (including DB Zeitarbeit GmbH and DB JobService GmbH) – Legally dependent entities (including DB Real Estate, DB Training and DB Procurement)	– Legally independent operating service units (including DB Fahrzeuginstandhaltung GmbH, DB Systel GmbH, DB Services GmbH, DB Bahnbau Gruppe GmbH, DB Vertrieb GmbH, DB E.C.O. Group)	– Group management governance functions (including Group development, finances, treasury and human resources) – DB supporting functions (including Deutsche Bahn Finance GmbH and Deutsche Bahn Stiftung gGmbH)

Structure

TOTAL REVENUES / %



EMPLOYEES / %



Status for 2023, or as of December 31, 2023.

SUBSIDIARIES / OTHER

The Subsidiaries / Other area comprises the governance functions and the legally dependent service units of the holding company DB AG. The legally independent service units of DB Group and the legally independent Operational Services are also bundled in this segment. These are service units that act in particular as internal service providers on behalf of the business units of DB Group.

DB Systel

– At the end of May 2023, the EU “Enterprise Cloud Providers” tender was awarded to AWS as the primary cloud provider and Microsoft as the secondary cloud provider. The new contracts ensure long-term planning security and enable DB Systel to press ahead with its cloud strategy. The contracts came into force on July 1, 2023, and will enable DB Systel to continue to provide its intra-Group customers with attractive cloud services in the area of Infrastructure as a Service (IaaS) and Platform as a Service (PaaS) for the next eight years. In addition, with these agreements, DB Systel is ensuring that the cloud services meet all compliance, availability, quality and security requirements and are seamlessly integrated into the DB ecosystem.

– Soon, 52 DB Regional sites will be equipped with tracking technology from Tracking Everywhere (TracE) so that vehicles, work equipment and materials can be located on the tracks at any time. This is DB Group’s most extensive practical solution to date, helping to locate assets and map workshops.

DB Vehicle Maintenance

DB Vehicle Maintenance specializes in the field of heavy, safety-relevant maintenance and repairs to rolling stock and their components.

– **New maintenance depot:** The new ICE maintenance depot in Cottbus was built in less than 20 months, a record speed. State-of-the-art technology and automation at the depot ensure that work processes are simpler and more efficient, speeding up maintenance processes and reducing the workload on employees. For example, employees are able to identify parts and components with an app and order them to their work location on the train. About 1,200 jobs and apprenticeships will be created as a result.

– **3D printing:** DB Group has reached the milestone of 100,000 spare parts produced using 3D printing technology green. No. 149. The 100,000th part is a gear housing for shunting locomotives. With a volume of just under 1 m³ and a weight of 570 kg, it is also the largest and heaviest 3D-printed part used by DB Group.

- DB Vehicle Maintenance put more than 100 Vectron electric locomotives into operation for Siemens Mobility before delivery to customers. Dessau is the most advanced locomotive test center in Europe, where multisystem tests can also be carried out.

DB Rail construction

DB Rail construction is the full service provider for the planning, construction and maintenance of infrastructure facilities, in particular rail infrastructure, including the provision of train operating services.

- **Expansion line Emmerich–Oberhausen:** The Emmerich–Oberhausen line is an important section for European freight transport. DB Rail construction is responsible for the technical management of a section between Dinslaken and Voerde and works within a working group on behalf of DB Netz AG (now DB InfraGO AG). The construction works include the construction of the third track on a line about 11 km long and the construction of supporting structures, passages and about 23 km of noise reduction walls.
- **Erdpool**: Every year in Germany alone, several million tons of earth and other excavated materials accumulate at large DB Group construction sites. These are raw materials such as sand, gravel and clay, which are often disposed of as waste in landfills until now. With the Erdpool project green. No. 163, DB Group is now marketing these reusable raw materials. About 15 to 20% of the excavated material can be marketed across all Erdpool projects. With Erdpool, DB Group is bringing raw materials into the economic cycle, thus contributing to resource conservation. DB Group is also saving on costly disposal fees.

DB E.C.O. Group

DB E.C.O. Group provides the engineering, consulting and operations know-how of DB Group from a single source. This includes DB Engineering&Consulting (DB E&C), DB International Operations (DB IO), infraView, ESE and inno2grid.

DB ENGINEERING&CONSULTING

- In 2022, DB E&C became the technical lead for planning section 4 of the "Expansion of the Haiger to Hanau line" project. The main aim of this major project is to expand the 241 km double-track line between Haiger and Hanau in order to provide an attractive alternative for freight trains coming from Belgium, the Netherlands and North Rhine-Westphalia in the direction of Bavaria, the Czech Republic and Austria. In March 2023, after just nine months, the first important milestone was reached and the variants concept report and the preliminary planning documentation were handed over.
- The 360° multisensor platform, developed in collaboration between DB E&C and DB Bahnbau, has been deployed in production since the beginning of 2023. The platform quickly captures the track infrastructure for large sections of track and provides georeferenced point clouds, image panoramas and radar programs in 360° mode. This is made possible by synchronized sensor technology (scanner, camera, GNSS and georadar) and serves as the basis for the digital twin for infrastructure and for maintenance. The data gathered are used for planning, construction, operation and maintenance of lines and are also used to create digital line models and high-resolution maps for fully automated rail operations.
- DB E&C has been awarded the contract for planning the long-distance rail tunnel in Frankfurt. This project will take around ten years to plan. Operational planning started at the end of March 2023.
- DB E&C played an important role in the integration of Tel Aviv's state-of-the-art light rail system. Passenger services on the Red Line commenced in August 2023. DB E&C was responsible for the seamless integration and safeguarding of the project.
- DB E&C will advise the Kazakh railway company Kazakhstan Temir Zholy (KTZ) over the next three years on the modernization of passenger transport and the expansion of rail freight services. The cooperation will focus on the comprehensive restructuring of KTZ, including management support and active change management. Particular emphasis will be placed on the expansion of transport links between Kazakhstan and Central Europe along the Eurasian corridor and integration into the European transport system.
- The implementation of BIM continues to progress. The BIM implementation program has undergone further development and focuses on the standardization and optimization of production for planning and environment services and geoservices. In the area of construction monitoring, the aim is to achieve fundamental BIM operational capability. In addition, the Design Centers in India and Romania are to support projects with their daily activities and become more involved in professional development. More than 750 BIM projects have been worked on since 2018.
- The DB Rail Academy, DB E&C's international training provider, has been training train drivers in Egypt for DB Group in Germany, among others, since 2023.

DB INTERNATIONAL OPERATIONS

- In October 2023, the first section of a new regional high-speed rail network was opened in India's capital city, Delhi, which will be 82 km long once fully operational. RRTS is India's first regional high-speed rail network. The trains can reach speeds of up to 160 km/h, making them the fastest in India to date. The network boasts state-of-the-art technology that will also be used in Germany in the future.
- As the leading partner of a joint venture in Canada, DB IO takes over planning, operation and maintenance of rail passenger transport in the metropolitan region of Toronto. DB IO was awarded the 23-year operating and maintenance contract in December 2023. From January 1, 2025, DB IO will take over operations through its Canadian subsidiary ONxpress Operations Inc. The 450 km network line is to be fully modernized and expanded.
- In a joint venture with the Egyptian company Elsewedy Electric, DB IO was commissioned to operate infrastructure and vehicles for high-speed, regional and freight transport in Egypt, as well as the maintenance of stations and depots. Also known as the "Suez Canal on rails," the new transportation network will connect the Mediterranean and the Red Sea. With 2,000 kilometers of track, it will be the sixth-largest high-speed network in the world.

INFRAVIEW

- infraView is supporting DB InfraGO in the monitoring of level crossings. The IoT video surveillance developed by infraView is processed with AI and installed in the technical buildings to monitor the relay circuits.

ESE ENGINEERING AND SOFTWARE DEVELOPMENT

- ESE is involved in a joint research project coordinated by the Association of German Transport Companies (VDV) on the standardization of information flows in driverless public transport systems. A safety-compliant and standardized reference model for integrating automated vehicles of automation level 4 and higher is being developed for cost-effective integration of automated vehicles in public transport. It describes the added value of AI-supported methods for mastering process complexity.

DB Sales

- DB Sales unveiled a virtual assistant for voice-controlled ticket booking for the first time. It asks for the travel plans as part of a free-flowing dialog and offers a selection of suitable connections. In the next stage of development, it will also be possible to purchase tickets. The potential applications for virtual assistance around the travel center are many and varied. For example, it can be used by travel consultants for translation, pre-filling booking screens and knowledge management for fare queries in order to boost productivity, as well as being available for customers to use independently when the travel center is closed or the waiting time to speak to a travel consultant is too long.
- The video travel center celebrated its tenth anniversary in 2023. This is often used in rural areas where there is no or very limited person-operated sales. In this way, customers can still receive personal advice from our travel consultants via video conference. There are already 110 video travel centers and 30 video machines in 11 Federal states, with plans for more.

DB Connect

DB Connect provides DB Group with needs-based mobility on the road, primarily through the reliable provision of functional vehicles. Pooling of vehicle requirements across DB Group and the German Armed Forces (BwFuhrparkService GmbH) is a key factor in reducing vehicle purchasing costs. DB Connect provides appealing alternatives to private car use by intelligently linking mobility options available on the market with its own.

Solutions for companies, municipal authorities and private customers are being developed for the non-Group market in the area of interlinked mobility. The Flinkster and Call a Bike sharing services are an efficient and effective way of linking rail and road. Digital products, such as the Bonvoyo mobility budget and DB Curbside Management, offer companies and municipalities modern, sustainable mobility solutions.

- In 2023, Call a Bike green. No. 14 was switched to a rental system with permanent service stations. With greater availability at public transport stops and stations, Call a Bike is contributing to ensuring reliable connectivity. Call a Bike has also supported rail replacement services in various cities through temporary stations and free minutes.

- **Flinkster** is a nationwide car-sharing network that already provides rail passengers with easy access to the car-sharing services at more than 150 stations in Germany. Measures are currently being implemented, such as the introduction of a new customer app, to make the Flinkster platform and the resulting customer experience more appealing.
- **Bonvoyo,** the mobility budget as a flexible and sustainable benefit for employees, is constantly growing in terms of functionality. For example, passengers can use the Hamburger Hochbahn app (hvv Switch) to not only book the Germany-Ticket via Bonvoyo, but also pay for it straight away.
- **DB Curbside Management** has been in operation in Munich since the beginning of 2023. It helps the municipality to implement its mobility plans and manage sharing services in urban areas. DB Curbside Management is already being used at over 50 train stations throughout Germany for the digital networking of local transport and sharing services.

GRI Development in the year under review

- *Operating profit improvements, in particular as a result of the introduction of Group charges.*
- *Digitalization and Group projects were driven forward.*
- *Number of employees has risen, primarily in line with performance development.*

SUBSIDIARIES/OTHER	2023	2022	Change absolute	Change %
Total revenues (€ million)	6,829	6,123	+706	+11.5
DB Business Services	3	2	+1	+50.0
DB Operational Services	7,807	7,035	+772	+11.0
Other/consolidation	-981	-914	-67	+7.3
External revenues (€ million)	775	696	+79	+11.4
EBITDA adjusted (€ million)	291	37	+254	–
EBIT adjusted (€ million)	-338	-546	+208	-38.1
DB Business Services	-161	-93	-68	+73.1
DB Operational Services	110	130	-20	-15.4
Other	-287	-583	+296	-50.8
Gross capital expenditures (€ million)	784	724	+60	+8.3
DB Business Services	3	5	-2	-40.0
DB Operational Services	581	438	+143	+32.6
Other	200	281	-81	-28.8
Net capital expenditures (€ million)	781	717	+64	+8.9
Employees as of Dec 31 (FTE)	61,876	59,992	+1,884	+3.1
DB Business Services	11,626	11,455	+171	+1.5
DB Operational Services	47,608	46,045	+1,563	+3.4
Other	2,642	2,492	+150	+6.0
Employees annual average (FTE)	60,806	59,193	+1,613	+2.7

The increase in total revenues was driven by higher revenues from intra-Group customers of DB Operational Services companies. This resulted mainly from a higher demand for digitalization and cybersecurity solutions (DB Systel), for construction projects (DB Rail construction and DB E.C.O.) and vehicle projects (DB Vehicle Maintenance). In addition, the performance of DB Services, DB Security and DB Connect improved, partly as a result of the recovery in demand for passenger transport and price-related factors. This was partly offset by the intra-Group transfer of activities from DB Sales 126 to DB Long-Distance, among other things.

Revenues from non-Group customers increased considerably at a low level. This was mainly due to an increase in project business (DB Rail construction and DB E.C.O.). Lower external revenues at DB Sales had an offsetting effect.

The operating profit figures in the Other area are significantly affected by Group management functions performed for the business units. Since 2023, the allocable costs have been passed on to the business units via Group charges 106 (shown in other operating income). Operating profit figures improved significantly as a result. Adjusted for the positive effect of the introduction of Group charges in 2023, profit growth was not as strong.

Burdens resulted, among other things, from higher cost of materials (mainly due to performance; in particular, DB Vehicle Maintenance and DB Rail construction) and human resources (mainly as a result of collective bargaining agreements and an increase in the average number of employees). The intra-Group transfer of activities from DB Sales to DB Long-Distance had a partially offsetting effect.

The increase in capital expenditures was mainly attributable to DB Vehicle Maintenance, particularly with regard to the depot infrastructure. Following supply difficulties in the previous year, improved vehicle availability at DB Connect also led to an increase in capital expenditure activity. This was accompanied by capital expenditures in digital end devices and the network infrastructure at DB Systel.

The number of employees increased, driven mainly by increased personnel at DB Operational Services companies, in particular in DB Systel, DB E.C.O., DB Rail construction, DB Services and DB Vehicle Maintenance, resulting from expanded digitalization and quality measures and an increase in the vertical range of production. This was offset by a decrease in the number of employees, due, among other things, to the intra-Group transfer of activities from DB Sales to DB Long-Distance and the personnel service providers of DB Group.

DB Schenker business unit

DEVELOPMENT IN THE RELEVANT MARKETS

Land transport

EUROPE

- The European land transport market was marked by declining demand for transport capacity in 2023. The main reason for this was the slowdown in the economy caused by inflation. Lower demand led to increased availability of transport capacity in the market. Nevertheless, freight rates only fell slightly, as they continued to be influenced by the lack of drivers and the high diesel and energy prices.
- DB Schenker maintained its market-leading position.

AMERICAS

- After highly dynamic development in the previous year, the land transport market in the USA and Canada weakened significantly in 2023. The problem of excess freight capacities persisted and led to insolvencies. In the USA, the economy continued to be impacted by high inflation, rising interest rates and diesel prices. These factors had an impact on the transport and freight sectors due to lower demand for freight and falling rates.
- Volume growth was limited across the entire region, with the exception of Brazil, which remained strong in 2023. Mexico generally followed the declining volume trend in the USA, but to a much lesser extent than in North America overall.

ASIA / PACIFIC

- The war in Ukraine continued to present major challenges to business in the Eurasian corridor in 2023. Demand for land transport was at a very low level. Many customers preferred maritime traffic, also due to significantly lower freight rates. In the core markets of China and India, there were slight recovery effects in the shipment volumes and in freight rates in September and October 2023.
- Although the international land transport market in Asia was robust overall, it was under great pressure in terms of margins due to the strong competitiveness of the region.

Air freight

The effects of uncertainties concerning global geopolitical and financial policy were also noticeable in the demand for air freight transport. As a result, 2023 was marked by significant weakness in the air freight market.

2023 had a weak start and the summer months did not bring any noticeable recovery. In the second half of the year, however, business with highly perishable and low-priced e-commerce goods from Asia in particular rose sharply.

Due to the very dynamic increase in e-commerce business, the available air freight capacity in the last months of 2023 was concentrated on a few connections to and from Asia. Overall, this led to a regional imbalance in the available capacity with correspondingly volatile development of freight rates and income in the air freight market.

DB Schenker recorded a declining volume in 2023.

Ocean freight

In the course of 2023, ocean freight rates on the main routes continued to fall from the all-time highs reached in the previous year. Macroeconomic influences such as persistently high inflation and higher interest rates had a noticeably dampening effect on demand. At the same time, the available capacity increased significantly due to the construction of many new ships. These effects placed freight rates under further pressure and pushed them below the cost-covering level in some cases. Burdens also resulted from the limited navigability of the Panama Canal due to the lack of water in Central America, and from attacks on ships in the Red Sea which led to disruptions on the affected trade routes.

In this difficult environment for container shipping, DB Schenker's development was similar to the level of its competitors.

Contract logistics

After the contract logistics market recovered to pre-Covid-19 levels in the previous year, growth continued in 2023. However, growth slowed somewhat due to economic downturns, inflationary tendencies and longer lead times for equipment. The electronics (5G, cloud, microchips), e-commerce (omnichannel), healthcare, e-mobility and consumer goods sectors developed positively in particular. The product strategy of global contract logistics is fully aligned with this positive sector development, which is reflected in a continuous improvement in profitability and final results.

GRI

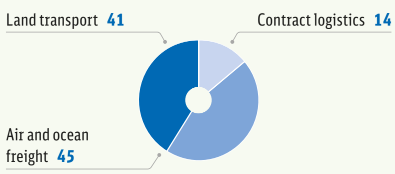
DB Schenker – at a glance

Business segments

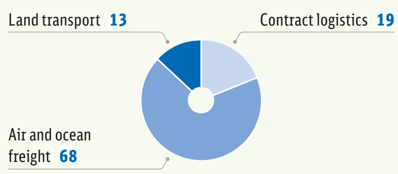
Land transport	Air and ocean freight	Contract logistics	Other
– Parcel – System freight – Direct freight	– Air freight: general air freight products, charter services, intermodal solutions – Ocean freight: less-than-container load (LCL) cargo shipment, full load containers, intermodal solutions, refrigerated containers – Other services include trade fair and art logistics, systems and project logistics, sports and events logistics, special transport services	– Aftermarket / reverse logistics – Finished goods – Cloud logistics – E-commerce – Medical devices / healthcare	– Supporting the lines of business through central functions such as production, sales, finance, HR and IT

Structure

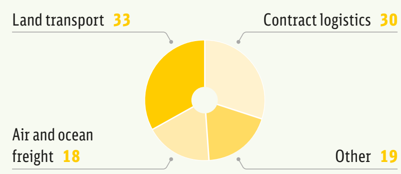
REVENUES / %



EBIT / %



EMPLOYEES / %



Business model

INPUTS

Employees
– About 72,700

Vehicles
– About 34,300 vehicles used on a regular basis (including external, excluding spot market)

Networks and infrastructure
– More than 1,850 sites in over 130 countries [1],
– thereof about 430 sites in land transport, and
– about 550 global sites in air / ocean freight
– About 8.5 million m² of warehouse space in contract logistics worldwide

Additional production factors
– Fuel
– Electricity
– Water

↧

BUSINESS ACTIVITIES

Customer segments
– Business customers with a focus on automotive, chemicals, consumer, electronics, healthcare, industrial, retail and semiconductors / solar

Value proposition
– DB Schenker offers customer-oriented, reliable and eco-friendly integrated solutions in transport and warehousing worldwide.

Customer access and retention
– Branch offices with territorial distribution
– Key account management
– E-services

Key activities
– Planning and operating global networks
– Providing / organizing transport and warehousing services
– Purchasing cargo space
– Providing supplemental logistical services

↧ ↧

OUTPUTS [2]

Land transport shipments
– 101 million

Air freight volume (export)
– 1.1 million t

Ocean freight volume (export)
– 1.8 million TEU

OUTCOMES [3]

EBIT adjusted
– € 1,129 million

Employee satisfaction
– SI of 4.0 (2022)

Customer satisfaction
– 2.2 (grade)

CO_2e emissions
– -29.4% (land transport [4])
– -15.5% (air freight)
– -66.7% (ocean freight)
compared to 2006 (specific)

Status for 2023, or as of December 31, 2023.
[1] 78 countries with their own presence (Hong Kong and Taiwan are not counted as individual countries).
[2] Key products and services.
[3] Internal and external consequences and results from business activities and outputs along the entire value-added chain.
[4] Excluding USA Truck 171.

Despite high investments, there was a shortage of available storage space worldwide. The lack of commercial storage and industrial space is due mainly to Covid-19-related growth in e-commerce and demand from other sectors due to increased inventory stocks. Investments in new storage facilities could continue to decline due to sharply rising prices for construction materials, increasingly scarce construction space and in connection with rising labor costs as well as costs of financing.

DB Schenker was able to increase its market share slightly, especially in the regions of America, the Middle East and Africa.

BUSINESS MODEL

DB Schenker is one of the top four global logistics companies in the market and serves established markets and emerging economies with a global network:

- **Land transport:** DB Schenker's network connects the most important economic regions in Europe. Services include time- and cost-optimized services for groupage, partial and full load transport along with door-to-door solutions across Europe. Land transport in America is becoming an increasingly important area of activity. In addition to serving the North American markets, activities in South America are being expanded. DB Schenker is also expanding its land transport business in the growth market of Asia.
- **Air and ocean freight:** As one of the world's leading providers, DB Schenker offers the full range of services in this segment, including climate-friendly services 170f.
- **Contract logistics:** The services offered cover all stages of the value-added chain from suppliers to producers/trade, end customers and spare parts services. The core area of expertise is the planning and handling of global supply chains, including sustainable logistics concepts.

With about 72,700 employees at more than 1,850 locations in more than 130 countries, DB Schenker is one of the world's leading logistics service providers. DB Schenker has a global customer base of about 400,000 customers in a wide range of industries and with a focus on industrial customers. The vertical market approach is aimed at developing industry-specific solutions. Important major customers are supported with tailor-made solutions.

In air and ocean freight, DB Schenker operates exclusively as a freight forwarder without its own aircraft and vessels, but in air freight with a time-diversified charter strategy on the main trade lanes. In contrast, in some segments of land transport, own vehicles and containers are used. Transshipment terminals and warehouses are mostly the property of DB Schenker or are leased over the longer term. In addition to airlines and shipping companies in air and ocean freight, our major partners include land transport subcontractors for the supply of transport services.

The volume-based key figures depend on the line of business:

- in land transport it is the number of shipments,
- in air freight it is the tons billed, and
- in ocean freight it is the freight volume measured in TEU.

There is no comparable volume-based KPI in the contract logistics segment. In this case, market comparisons are usually made on the basis of revenues.

DB Schenker has a relatively low capital intensity and depth of added value. About 70% of revenues in the transport lines of business come from procured intermediate input services. Therefore, optimizing these purchase relationships and balancing various influential success factors, such as transport relations, volume, weight and mode of transport, represents an important factor for success and a value driver. The same applies to managing fluctuations in freight rates and the specific surcharges to these freight rates. One of the essential factors besides gross profit is the effective and efficient use of personnel. This is of particular importance in contract logistics. Here, know-how and experience relevant to the industry are essential success factors in the optimal design of intra-company logistics processes. Effective IT support is also especially important.

The most important sources of income are transport and logistics services, including services with added value concentrating on the strategic areas of aftermarket, cloud, finished goods fulfillment, omnichannel and medical devices, with a focus on supporting the electronics, healthcare, industrial and e-mobility sectors.

MARKETS AND STRATEGY

DB Schenker is very well positioned in the land transport, air and ocean freight, and contract logistics market segments. Its vision is to be the world's leading integrated supplier of transport and logistical services. To achieve this, DB Schenker intends to further strengthen and expand its market positions.

DB Schenker aims to make its organization future-proof with its UNLEASH strategy, which focuses on customer orientation, efficient employees and dynamic growth. A comprehensive transformation program was initiated in early 2022 to drive change and focus on five critical success factors: market expertise, work culture, corporate sustainability, digital and process-related excellence as well as economic strength. These five success factors are supplemented by ambitious sustainability targets to become CO_2-neutral by 2040.

In addition, digitalization is becoming increasingly important as a driver of disruption in the logistics industry. DB Schenker is therefore concentrating on developing the latest tools and processes in order to serve its customers. Initiatives such as data-driven business models, online platforms and technical innovations are promoted on a global scale.

Progress in the implementation of the UNLEASH strategy

- **Market expertise:** The goal is to master specific challenges and opportunities in the lines of business in order to always optimally meet customer needs. DB Schenker's sales experts focus on selling the right solutions in a target group and sector-specific way. As the market develops, the portfolio is constantly being adapted and expanded in order to meet customer requirements at all times.
- **Corporate sustainability**: On the path to CO_2 neutrality by 2040 and towards a more holistic sustainability approach for DB Schenker, efforts to achieve sustainability are of great importance. DB Schenker is continuously expanding and intensifying its sustainability efforts. On the path to sustainable logistics, DB Schenker has set itself a number of objectives, such as increasing the share of women, covering ESG rankings and ratings, and continuously switching the truck fleet to alternative drives and sustainable fuels, to name but a few.
- **Our working culture:** Newly introduced working methods create an environment in which employees can realize their full potential. These also include "company hacks" (techniques and methods to promote agile cooperation), which enable a more functional and committed way of working and strengthen a culture that is geared towards decision-making and personal responsibility.
- **Digital and process excellence:** DB Schenker is expanding its market leadership and digital reach and optimizing processes. It is doing this, for example, by replacing country-specific operating systems with a global operating system that improves process and productivity efficiency and realizes the exchange of information across time zones and multiple platforms to facilitate better decision-making.
- **Economic strength:** Improvement of results and organizational fitness by constantly questioning the status quo. In 2022, DB Schenker acquired USA Truck 171 as a targeted M&A expansion on the US market, in order to better meet customer requirements and complete the service portfolio. Integration was completed in 2023.

ENVIRONMENTAL MEASURES

On the path to more sustainable logistics, DB Schenker is investing in innovative, climate-friendly land, air and ocean freight solutions while improving resource efficiency in its logistics centers. In this way, DB Schenker also supports the efforts of its customers to build sustainable supply chains. In 2023, this was recognized for instance by Hewlett-Packard, a customer which named DB Schenker as its "Supplier of the Year" and "Logistics Sustainability Partner of the Year." These accolades recognized both our commitment and performance in the areas of resilience, agility and sustainability, as well as our cooperation to overcome ecological challenges.

- **More climate-friendly air freight:** The offer of the Book &Claim verification chain makes CO_2e reduction possible through the use of sustainable aviation fuel (SAF) on all flights to all airports around the world. This represents a significant expansion of our existing climate-friendly air freight solutions. DB Schenker purchased more than 13,000 t of SAF in 2023, a significant increase compared to about 11,000 t in 2022.
- **More climate-friendly ocean transport:** Together with shipping companies MSC, CMA CGM and Hapag-Lloyd, DB Schenker purchases biofuel for all trade routes in order to further reduce greenhouse gas emissions. In total,

DB Schenker bought 13,000 t of biofuel for 2023 and has thus made an upfront contribution to achieving an actual reduction in greenhouse gases caused by ocean freight transport together with its customers.

- **Climate-friendly land transport:**
  - In 2023, the number of battery-electric vehicles (BEV) green. No. 122 used in Europe by DB Schenker amounted to more than 300. These include various models and manufacturers as well as the first operational use of Volta trucks in Europe. DB Schenker has acquired 53 Renault E-Tech D trucks for its French branches, in order to significantly reduce emissions from delivery traffic there.
  - In 2023, the first tests were carried out using a hydrogen-powered fuel cell electric vehicle (FCEV). The first 40 t hydrogen truck green. No. 53 is used for daily traffic between Cologne in Germany and Eupen in Belgium.
  - In addition, DB Schenker conducted tests with e-trailers in France in 2023. According to the initial results, the combined use of e-trailers with diesel traction units enables savings in fuel consumption of between 24% and 55%, compared to the sole use of diesel traction units. The potential for savings depends, inter alia, on topography, the traffic situation and the respective transport process.
- **Eco warehouses:**
  - With its eco warehouse program, DB Schenker is pursuing the worldwide expansion of renewable energies and environmentally friendly technologies and materials in its logistics centers.
  - After the opening of the KL2 Korea Logistics Center in the first half of 2023, the 53rd DB Schenker warehouse, in the Philippines, was recognized as eco warehouse green. No. 112 in the second half of 2023. The Bicutan Logistics Center is a modern, environmentally friendly logistics hub that further reduces CO_2e emissions through the continuous implementation of various measures, such as the installation of solar lighting. The use of electrically powered trucks is also planned.
  - In August 2023, DB Schenker also laid the foundations for Red Lion 2 in Singapore, which will be one of the largest and most sustainable warehouses in the Asia-Pacific region. It will be built from sustainable materials and introduce intelligent light and cooling systems. Thanks to the latest solar technology, Red Lion 2 will produce more energy than is needed and therefore meet the highest certification requirements (LEED Zero Carbon and Green Mark Zero Energy).
- **Circular economy logistics:** Since 2023, DB Schenker has been the only logistics company with “Diamond Member” status in the Reverse Logistics Association. In 2023, DB Schenker introduced its own circular economy product for its global customers, which targets the requirements and growing demand for circular supply chains. The main components of this product are returns management, specific IT integration and value-added services that enable the return, inspection, repair and sustainable recycling of goods. As a one-stop shop, DB Schenker supports customers in keeping products and corresponding resources in circulation for as long as possible and without loss. DB Schenker operates more than ten warehouses for leading electronics groups worldwide. Every year, more than ten million devices, printers, laptops or cell phones are checked, repaired, replaced or recycled.

INVESTMENTS

- **USA Truck:** As of September 15, 2022, DB Schenker and USA Truck completed the takeover of all outstanding USA Truck shares by DB Schenker. The merger underscores the DB Schenker and USA Truck objective of becoming a leading provider of transport solutions in North America. DB Schenker will expand the common market position in land transport in North America and use the expanded product range to strengthen the other products in North America.
- **EVAG:** As of December 29, 2022, DB Schenker completed the sale of EVAG Emder Verkehrs und Automotive Gesellschaft mbH (EVAG). The sale was completed in order to focus on DB Schenker’s core business.
- **MTS:** As of August 1, 2022, DB Schenker and Wessels & Müller SE completed the takeover of all outstanding limited partner shares in Marken Technik Service GmbH & Co. KG (MTS). Wessels & Müller SE is already a long-term shareholder of the MTS Group.
- **Activities in Russia:** DB Schenker has withdrawn from the Russian market with the sale of Schenker AO and Schenker Business Services OOO. Both companies were sold by means of management buy-outs, which were effective as of November 17, 2023, and December 5, 2023, respectively. The purchase agreements were signed on November 8, 2022, already.

DB SCHENKER	2023	2022	Change absolute	Change %
Customer satisfaction (grade)	2.2	2.5	-0.3	-
Land transport shipments (million)	100.8	102.8	-2.0	-1.9
Air freight volume (export) (thousand t)	1,148	1,326	-178	-13.4
Ocean freight volume (export) (thousand TEU)	1,783	1,909	-126	-6.6
Total revenues (€ million)	19,127	27,604	-8,477	-30.7
External revenues (€ million)	19,104	27,545	-8,441	-30.6
Gross profit margin (%)	40.9	30.9	+10.0	-
EBITDA adjusted (€ million)	1,909	2,512	-603	-24.0
EBIT adjusted (€ million)	1,129	1,841	-712	-38.7
EBIT margin (adjusted) (%)	5.9	6.7	-0.8	-
Gross capital expenditures (€ million)	950	946	+4	+0.4
Employees as of Dec 31 (FTE)	72,710	76,591	-3,881	-5.1
Employees annual average (FTE)	75,062	75,907	-845	-1.1
Employee satisfaction (SI)	-	4.0	-	-
Share of women as of Dec 31 (%)	36.4	36.7	-0.3	-
Specific CO_2e emissions (land transport) compared to 2006 (based on tkm) [1),2)] (%)	-29.4	-29.4	-	-
Specific CO_2e emissions (air freight) compared to 2006 (based on tkm) [2)] (%)	-15.5	-16.2	+0.7	-
Specific CO_2e emissions (ocean freight) compared to 2006 (based on tkm) [2)] (%)	-66.7	-67.2	+0.5	-

[1)] Excluding USA Truck 171.
[2)] Specific CO_2 emissions in 2022.

DEVELOPMENT IN THE YEAR UNDER REVIEW

⟶ *Overall, a very challenging market environment and a lack of economic stimulus.*

⟶ *Operating profit figures, driven by air and ocean freight and contract logistics, continue to be significantly above the pre-Covid-19 level.*

⟶ *Comprehensive measures to improve efficiency and digitalization have been implemented.*

A survey with about 10,000 respondents from 16 countries is used to assess customer satisfaction. This survey is conducted annually. Customer satisfaction increased significantly in 2023.

The volume trend declined overall. The driver was generally weak market development as a result of a lack of economic stimulus.

Economic development, driven by air and ocean freight, was considerably weaker: operating profit figures declined in all regions, but remained well above the pre-Covid-19 level. Accordingly, gross profit also declined (−8.3%). Adjusted for exchange rates, the decline was even greater.

Income development was weaker due to the considerable decline in revenues:

- **Revenues (−30.7%/€−8,477 million):** Significant decline as a result of lower freight rates, particularly in air and ocean freight, as well as due to demand. Exchange rate effects also reduced revenues.
- **Other operating income (+28.0%/€+74 million):** Significant increase due, among other things, to higher income from the release of provisions and the disposal of fixed assets. Adjusted for exchange rate effects, the increase was even greater.

Expenses were driven mainly by freight-rate developments. The effects of measures to improve productivity also had a positive effect:

- **Cost of materials (−40.2%/€−7,742 million):** Significant decline as a result of freight-rate developments, particularly in air and ocean freight, as well as exchange rate effects.
- **Personnel expenses (−0.8%/€−33 million):** Slight decline. Efficiency measures, which led to a lower average number of employees, as well as exchange rate effects, were largely offset by higher personnel costs due to inflation.
- **Other operating expenses (−1.2%/€−24 million):** Also a slight decline, mainly due to lower insurance expenses and reduced service activities for performance-related reasons. Exchange rate effects had a supporting effect.
- **Depreciation (+16.2%/€+109 million):** Increase mainly due to effects in connection with the acquisition of USA Truck 171. Adjusted for exchange rate effects, the increase was even greater.

Capital expenditures were roughly at the previous year's level. The capital expenditure priorities were the Europe, America and Asia regions.

The number of employees fell as a result of operational business development, efficiency measures and the conclusion of the integration of USA Truck.

The proportion of female employees fell slightly.

The development of specific CO_2e emissions compared to the reference year 2006 was at a similar level in 2023 as in the previous year.

- **Land transport:** The decline in specific emissions compared to the reference year 2006 remained stable compared to the previous year. Improvements were offset by lower utilization of the land transport network.
- **Air freight:** Air transport recorded a slight drop in efficiency in terms of CO_2e emissions. This was mainly due to the noticeable decline in volume.
- **Ocean freight:** Efficiency in ocean freight in terms of CO_2e emissions has also declined slightly. Progress was made through the use of biofuel. However, these were more than offset by the noticeable decline in volume.

Land transport line of business

⟼ *The declining shipment volume for domestic shipments was compensated for by pricing measures.*

⟼ *Portfolio optimization and quality improvements with positive effects.*

⟼ *Further promoting digital transformation and optimizing the product and customer mix, the network and a more sustainable product range.*

			Change	
LAND TRANSPORT LINE OF BUSINESS	**2023**	2022	absolute	%
Land transport shipments (million)	100.8	102.8	- 2.0	- 1.9
Total revenues (€ million)	7,852	7,852	-	-
External revenues (€ million)	7,837	7,832	+ 5	+ 0.1
EBITDA adjusted (€ million)	481	399	+ 82	+ 20.6
EBIT adjusted (€ million)	140	158	- 18	- 11.4
Employees as of Dec 31 (FTE)	23,738	24,706	- 968	- 3.9

Demand for land transport dropped, driven by declines in system freight traffic. Uncertainties regarding economic development, inflation and the effects of the war in Ukraine were the main drivers. Conversely, the shipment volume in parcel and direct freight traffic increased.

Economic development, on the other hand, was improved. Adjusted EBITDA increased noticeably as a result of lower expenses. In contrast, the increase in depreciation as a result of a one-off effect led to a decline in adjusted EBIT.

- The increase in income resulted mainly from effects in connection with the disposal of property, plant and equipment. Revenues were roughly at the previous year's level. Effects from generally increased sales prices and positive exchange rate effects were almost completely eliminated by declines in demand.
- Expenses fell disproportionately due to a performance-related reduction in cost of materials. This was partly counteracted by significantly higher personnel expenses (mainly an increase in the average number of employees and as a result of collective bargaining agreements) and higher depreciation (effects in connection with the acquisition of USA Truck 171).

The number of employees fell, due in part to the business development and the conclusion of the integration of USA Truck.

Air and ocean freight line of business

⟼ *Decline in demand due to weak market momentum. Negative development slowed in the second half of 2023.*

⟼ *Rising capacities and economic uncertainties shaped development – countermeasures had positive effects.*

⟼ *Significant decline in freight rates – rates in ocean freight back to pre-Covid-19 levels.*

⟼ *Air freight: implementation of projects to improve efficiency and stabilize profitability.*

⟼ *Ocean freight: business recovery in trade fairs and major projects, which were under pressure due to Covid-19.*

			Change	
AIR AND OCEAN FREIGHT LINE OF BUSINESS	**2023**	2022	absolute	%
Air freight volume (export) (thousand t)	1,148	1,326	- 178	- 13.4
Ocean freight volume (export) (thousand TEU)	1,783	1,909	- 126	- 6.6
Total revenues (€ million)	8,535	16,530	- 7,995	- 48.4
External revenues (€ million)	8,529	16,521	- 7,992	- 48.4
EBITDA adjusted (€ million)	852	1,575	- 723	- 45.9
EBIT adjusted (€ million)	771	1,503	- 732	- 48.7
Employees as of Dec 31 (FTE)	12,844	14,204	- 1,360	- 9.6

Performance development saw a significant decline:
- Air freight: Negative effects, mainly due to weak market momentum due to inflation, were only partially offset.
- Ocean freight: As a result of market developments, volumes were also significantly below the previous year's level. The reduction in inventories had a supporting effect.

Economic development was significantly weaker: the adjusted profit figures declined again after the extraordinarily high increases in previous years, but remained very much above the pre-Covid-19 level.
- The main driver of the significant decline in income was the decline in revenues as a result of freight rate and performance development.
  - Air freight trends from the end of the previous year continued. Rising capacities and declining demand led to a drop in the freight rate level, putting pressure on prices for new contracts.
  - High capacities and declining demand also led to significantly lower freight rates in ocean freight. Adjusted for exchange rate effects, the revenue decline was even more pronounced.
- The decline in expenses was disproportionate and resulted mainly from the development of freight rates and lower demand. Adjusted for exchange rate effects, the decline was even more pronounced. Personnel expenses (due to a lower number of employees) and other operating expenses (due to the lower volume) also fell.

Declining volume development and the associated lower shipment figures led to a reduction in the number of employees.

Contract logistics line of business

⟶ *Revenue development declined in a difficult market environment.*

⟶ *Measures to improve productivity and profitability with positive contribution to profits.*

⟶ *Operating profit figures improved.*

⟶ *The acquisition of new business was very satisfactory.*

			Change	
CONTRACT LOGISTICS LINE OF BUSINESS	**2023**	2022	absolute	%
Warehouse space (million m²)	8.5	8.6	- 0.1	- 1.2
Total revenues (€ million)	2,741	3,195	- 454	- 14.2
External revenues (€ million)	2,739	3,193	- 454	- 14.2
EBITDA adjusted (€ million)	500	455	+ 45	+ 9.9
EBIT adjusted (€ million)	212	166	+ 46	+ 27.7
Employees as of Dec 31 (FTE)	21,661	22,101	- 440	- 2.0

The sales of MTS 171 and EVAG 171 limited the comparability with the previous year.

Contract logistics generally developed positively thanks to the portfolio, which is diversified both geographically and by market sector.

The economic development was very satisfying in a challenging market environment. Adjusted profit figures rose, driven by a decrease in expenses:
- The decline in income was driven by lower revenues and resulted mainly from the sales of MTS and EVAG as well as the intra-business-unit transfer of individual activities in Germany. Adjusted for these effects, there was a stable development, mainly as a result of business development in Europe and America. In particular, positive exchange rate effects and effects from the release of provisions had an offsetting effect on income.
- The disproportionately high decrease in expenses was mainly due to the sale of MTS and EVAG. In addition, lower cost of materials (ending cost-intensive projects) and personnel expenses (lower number of employees) also had a cost-reducing effect. Other operating expenses also fell (due to a lower number of temporary workers). Adjusted for exchange rate effects, the decline was even more pronounced.

The number of employees fell slightly, due in part to higher productivity.

DEUTSCHE BAHN AG (HGB)

DB AG as the parent company of DB Group

In addition to the report on DB Group, the development of DB AG is explained below. As the parent company of DB Group, DB AG produces its annual financial statements in accordance with the principles of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). There are no separate steering-related performance figures, and no separate sustainability indicators for the parent company DB AG. For this reason, the statements provided for DB Group apply to DB AG as well.

Number and structure of employees (DB AG)

In order to guarantee better comparability over time, the number of DB AG employees is calculated on the basis of full-time equivalents (FTE), similarly to the procedure used for DB Group. Figures for part-time employees are measured in accordance with their proportion of regular annual working time.

DB AG EMPLOYEES AS OF DEC 31 / FTE	2023	2022	Change absolute	Change %
Employees	9,551	8,867	+684	+7.7
Vocational trainees	180	193	-13	-6.7
DB AG	**9,731**	**9,060**	**+671**	**+7.4**

As of December 31, 2023, the number of DB AG employees increased. With 9,221 employees, the annual average was above the level of the previous year (previous year: 8,777 employees). The growth resulted mainly from a greater need for the recruitment and support of DB Group operational employees in connection with the implementation of measures to improve quality and capacity. Furthermore, additional employees were hired in central procurement, in particular in connection with the general modernization of the infrastructure and in the Digitalization and Technology division.

Income, financial position and asset situation (HGB)

INCOME DEVELOPMENT

Changes compared to the previous year

In 2023, there were no material changes to accounting procedures that restricted the year-on-year comparison for DB AG.

Income development

STATEMENT OF INCOME DB AG (HGB) / € million	2023	2022	Change absolute	Change %
Revenues	1,858	1,352	+506	+37.4
Other internally produced and capitalized assets	1	0	+1	-
Other operating income	404	578	-174	-30.1
Cost of materials	-575	-521	-54	+10.4
Personnel expenses	-1,112	-922	-190	+20.6
Depreciation	-1,096	-30	-1,066	-
Other operating expenses	-1,465	-1,272	-193	+15.2
Net investment income	-2,311	662	-2,973	-
Net interest income	36	-192	+228	-
Profit before taxes	**-4,260**	**-345**	**-3,915**	**-**
Taxes on income	-1	-1	-	-
Net loss for the year	**-4,261**	**-346**	**-3,915**	**-**

The economic development of DB AG in 2023 was significantly influenced by the very negative net investment income development. As well as additional burdens due in particular to higher costs due to inflation (in particular for personnel, energy and procurement), the expansion of DB infrastructure companies maintenance measures was also a factor. In addition, following the exceptionally good development in previous years, the normalization of freight rates led to a significant decline in the profit, which, however, remained significantly above the pre-Covid-19 level. Additional burdens for DB AG resulted from effects in connection with the planned sale of DB Arriva 106.

The increase in income at DB AG was driven in particular by higher revenues:

- **Revenues (+37.4%/€ +506 million):** Significant growth, in part due to an increase in central services for DB companies and increased rental revenues.
- **Other operating income (−30.1%/€ -174 million):** Decline resulted mainly from lower income from hedging transactions for energy (offsetting position in other

operating expenses). Income from the release of provisions also decreased. The decline was dampened by positive effects from the Group charges 106 introduced in 2023.

Conversely, there was an overall significant increase on the expenses side:

- **Depreciation (€ +1,066 million):** This increase was very significant, due in part to impairment losses on intra-Group loans to DB Arriva companies.
- **Other operating expenses (+15.2%/€ +193 million):** This increase resulted in particular from effects in connection with additions to provisions for impending losses in connection with the planned sale of DB Arriva and for ecological burdens. The increase in related IT services also increased expenses.
- **Personnel expenses (+20.6%/€ +190 million):** Increase mainly due to an increase in expenses for retirement benefits (additions to pension provisions) and as a result of collective bargaining agreements. In addition, a higher average number of employees increased expenses.
- **Cost of materials (+10.4%/€ +54 million):** The cost of materials increased due, among other things, to higher expenses for related services, in particular in connection with rental services provided, and for maintenance.

The significant deterioration in the net investment income was the main reason for the development of DB AG's net profit for the year.

NET INVESTMENT INCOME **DB AG (HGB)** / € million	2023	2022	Change absolute	Change %
Income from profit transfer agreements	1,140	1,839	-699	-38.0
thereof DB InfraGO AG (formerly DB Netz AG)	-	403	-403	-100
thereof Schenker AG	662	970	-308	-31.8
thereof DB Fernverkehr AG	-	65	-65	-100
thereof DB Energie GmbH	166	140	+26	+18.6
Expenses from assumption of losses	-2,688	-1,175	-1,513	+129
thereof DB InfraGO AG (formerly DB Netz AG)	-1,634	-	-1,634	-
thereof DB Fernverkehr AG	-224	-	-224	-
thereof DB Cargo AG	-584	-858	+274	-31.9
thereof DB Regio AG	-36	-126	+90	-71.4
thereof DB JobService GmbH	-91	-103	+12	-11.7
Depreciation of financial assets	-760	0	-760	-
Other	-3	-2	-1	+50.0
Total	**-2,311**	**662**	**-2,973**	**-**

The development of DB AG's net investment income was driven by:

- The weaker development of DB InfraGO AG (formerly DB Netz AG) (€ −2.0 billion) mainly due to the measures implemented to improve the quality and availability of the track infrastructure, some of which were prefinanced for the Federal Government.
- DB Fernverkehr AG (€ -0.3 billion). Cost increases, in particular for energy and personnel, and the loss of Covid-19-related train-path price support were only partially offset by performance-related revenue increases.
- The decline in income from profit transfer agreements at Schenker AG was mainly due to the normalization of freight rates.
- Expenses from the assumption of losses by DB Cargo AG decreased. Quality restrictions due to lack of resources, construction activities in the infrastructure, particularly in Germany, rising factor costs and a lack of economic stimulus continued to put very strong pressure on the economic development of DB Cargo AG.

Depreciation on financial assets resulted from effects in connection with the planned sale of DB Arriva 106.

DB AG assumes the central financing function for DB Group and generally passes on the funds raised by Deutsche Bahn Finance GmbH (DB Finance) via bond emissions, that were then passed on to DB AG in the form of loans, to DB Group companies at essentially the same terms. Net interest income improved significantly. Interest income rose more strongly than interest expenses.

The tax position was unchanged and remained immaterial.

As expected, the economic situation worsened in 2023. In particular, the significantly weaker net investment income and impairments led to a significant deterioration in the net loss after taxes, which was already negative in the previous year.

Deviations from the forecast for income development

DB AG's performance in 2023 essentially corresponds to the forecast for the 2023 financial year that was published in the 2022 Management Report. However, the decline was significantly stronger than expected as a result of the one-off effects from the sale of DB Arriva 106 and the prefinancing 150 of infrastructure measures.

FINANCIAL POSITION

Liabilities

LIABILITIES DB AG (HGB) / € million	2023	2022	Change absolute	Change %
Liabilities to affiliated companies	42,225	39,806	+2,419	+6.1
Liabilities to banks	2,540	531	+2,009	–
Liabilities to companies where a shareholding relationship exists	1	1	–	–
Trade liabilities	43	46	-3	-6.5
Other	552	196	+356	–
Total	**45,361**	**40,580**	**+4,781**	**+11.8**

Liabilities of DB AG increased noticeably as of December 31, 2023:

- The main drivers were liabilities to affiliated companies and banks:
  - Liabilities to affiliated companies increased significantly as a result of DB Finance's continued high issue activity and higher liabilities from profit and loss transfer agreements. The lower liabilities from intra-Group cash pooling had a dampening effect.
  - Liabilities to banks increased significantly as of December 31, 2023, mainly as a result of the use of bank lines, among other things to prefinance measures to stabilize the operational quality of the infrastructure (bridge financing).
- Other liabilities increased significantly as a result of the issue of short-term commercial papers.

Capital expenditures

Gross capital expenditures in property, plant and equipment and intangible assets was significantly higher than the previous year's figure at € 34 million (previous year: € 28 million) and resulted mainly from IT projects.

Statement of cash flows

SUMMARY OF STATEMENT OF CASH FLOWS DB AG (HGB) / € million	2023	2022	Change absolute	Change %
Cash flow from operating activities	-537	-759	+222	-29.2
Cash flow from investing activities	-4,437	-4,009	-428	+10.7
Cash flow from financing activities	3,047	5,450	-2,403	-44.1
Net change in cash and cash equivalents	**-1,927**	**682**	**-2,609**	**–**
Cash and cash equivalents as of Dec 31	663	2,590	-1,927	-74.4

- Cash outflow from operating activities improved and was not as weak as in the previous year. The loss before depreciation, interest and net investment income was largely offset by positive working capital effects.
- The increase in cash outflow from investing activities was mainly due to a higher net use of DB Group financing by subsidiaries (€ –1,051 million) and changes in cash pooling receivables and loans (€ –1,032 million). This was counteracted by a net inflow of funds from profit transfers (€ 669 million; previous year's net cash outflow from assumption of losses: € –733 million). The significant increase in cash inflow from received interest (€ +314 million) also had a dampening effect.
- The significant decline in cash inflow from financing activities resulted mainly from a cash outflow in connection with cash pooling liabilities (€ –1,506 million; cash inflow in the previous year: € +2,141 million), the omission of the Federal Government's equity capital measures for the partial compensation of Covid-19 losses (previous year: € +860 million) and the dividend payment to the Federal Government (€ –650 million; previous year: none). The increased cash outflow for paid interest (€ –375 million) also had a negative effect. In contrast, the development was partially offset by higher net payments from the taking up and redemption of bonds and financial loans (€ +3,122 million).
- On balance, this resulted in a cash outflow (previous year: cash inflow), which resulted in DB AG having significantly lower cash and cash equivalents as of December 31, 2023, compared to the end of the previous year.

Deviations from the forecast financial position

DB AG's performance in 2023 corresponds to the forecast for the 2023 financial year that was published in the 2022 Management Report.

ASSET SITUATION

Balance sheet

BALANCE SHEET STRUCTURE DB AG (HGB) AS OF DEC 31 / € million	2023	2022	Change absolute	Change %
Total assets	56,275	55,004	+1,271	+2.3
ASSETS				
Fixed assets	46,665	43,536	+3,129	+7.2
Current assets	9,609	11,466	-1,857	-16.2
Accruals	1	2	-1	-50.0
EQUITY AND LIABILITIES				
Equity	4,132	7,918	-3,786	-47.8
Provisions	6,735	6,460	+275	+4.3
Liabilities	45,361	40,580	+4,781	+11.8
thereof interest-bearing	41,869	38,607	+3,262	+8.4
Deferrals	47	46	+1	+2.2

BALANCE SHEET STRUCTURE DB AG (HGB) AS OF DEC 31 / %	2023	2022
ASSETS		
Fixed assets	82.9	79.2
Current assets	17.1	20.8
Accruals	0	0
EQUITY AND LIABILITIES		
Equity	7.3	14.4
Provisions	12.0	11.7
Liabilities	80.6	73.8
thereof interest-bearing	74.4	70.2
Deferrals	0.1	0.1

DB AG's total assets had increased slightly as of December 31, 2023.

- Fixed assets were above the level at the end of the previous year. Loans to affiliated companies (€ +2,372 million) also increased as a result of an overall increase in the financial needs of subsidiaries (particularly DB InfraGO AG (formerly DB Netz AG) and DB Fernverkehr AG). Shares in affiliated companies (€ +813 million) increased at DB InfraGO AG (€ +1,125 million) as a result of the passing on of funds from the Climate Action Program, and also in particular at DB Fahrzeuginstandhaltung GmbH (€ +250 million) and at DB Fernverkehr AG (€ +147 million). This was partly offset by the decline in the share in Arriva Investments Limited, Sunderland, United Kingdom, due to valuations (€ −594 million) as a result of the progress in the sales process of DB Arriva 106.
- Current assets were significantly below the level as of the end of the previous year, particularly as a result of the decline in cash and cash equivalents (€ −1,917 million). The increase in other assets (€ +63 million), particularly in connection with hedging transactions, partially counteracted this impact. Receivables from affiliated companies (€ +20 million) were virtually unchanged. In particular, higher receivables from intra-Group cash pooling (€ +698 million) were almost completely compensated for, among other things, by a decline in receivables from financing (€ −667 million, including profit and loss transfer agreements and short-term loans).

Structurally, this resulted in a slight shift towards fixed assets on the assets side of the balance sheet, which continues to dominate here.

The development on the liabilities side was mainly influenced by liabilities and equity with some offsetting effects.

- Equity developed negatively, driven by the net loss for the year (€ −4,261 million). In contrast, the Federal Government's equity measure in connection with the Climate Action Program (€ +1,125 million) had a dampening effect.
- Provisions increased slightly. This largely resulted from higher pension provisions (€ +253 million).
- Liabilities increased significantly:
  - This was mainly due to the higher liabilities from profit and loss transfer agreements (€ +2,783 million) and increased liabilities to banks (€ +2,009 million) as a result of bridge financing 111. Liabilities to DB Finance (€ +1,145 million) also increased as a result of continued high issuing activity.
  - The decline in liabilities from intra-Group cash pooling (€ −1,506 million) partially counteracted this.

In structural terms, this resulted in a shift, primarily in the direction of liabilities. The proportion of equity decreased.

Opportunity and risk report (DB AG)

The strategic orientation and the associated development forecast of DB Group also reflects the expectations for DB AG as the parent company. Because DB AG is linked to DB Group companies through financing and guarantee commitments as well as indirect and direct investements in the associated companies of DB Group, among other things, the opportunity and risk situation of DB AG also corresponds to the opportunity and risk situation of DB Group. The opportunity and risk report 180ff. therefore also includes the opportunities and risks for DB AG as the parent company of DB Group. The Integrated Rail System with the DB Long-Distance, DB Regional, DB Cargo, DB InfraGO and DB Energy business units essentially reflects DB AG's core business. The subsidiaries indirectly influence DB AG in terms of net investment income as a result of profit and loss transfer agreements. This also affects the future operating profits of the subsidiaries and the future net profits of DB AG. The financial statements under commercial law are the decisive element in measuring the dividend.

Management Board's report on relationships with affiliated companies

The Federal Republic of Germany holds all shares in DB AG. In accordance with Section 312 of the German Stock Corporation Act (Aktiengesetz; AktG), the Management Board has therefore prepared a report on the relationships with affiliated companies, which passes with the following declaration: "We declare that, in the circumstances known to us at the time the legal transactions were carried out, our company received an appropriate consideration for each legal transaction. The measure to transport donations to Ukraine was associated with costs, but has increased the reputation of DB Group and is also in line with the Code of Conduct, which includes provisions for the protection and promotion of human rights. Apart from this measure, no actions were taken or omitted in the year under review at the initiative of or in the interests of the Federal Government or its associated companies."

Outlook (DB AG)

EXPECTED DEVELOPMENT OF DB AG

Anticipated results of operations

Our forecasts for the development of DB Group and the Group companies in the 2024 financial year are based on DB Group's expectations of developments in the market, competition and environment, and the implementation success of the planned measures.

In the 2024 financial year, it is likely that DB AG's profit development will largely be characterized by the development of the subsidiaries and thus the level of the net investment income. Overall, however, a significantly better development in net investment income result is expected for 2024. We therefore also expect a noticeable overall improvement in DB AG's net profit for the year.

In 2024, the business development of DB Group and the Group companies will continue to be characterized by burdens from the high energy, procurement and personnel costs. In addition, measures to improve quality have an impact on the development of DB Group, particularly in relation to the rail infrastructure. The objective is to minimize the operational impact by the general modernization of the Riedbahn in the second half of 2024. However, short-term restrictions on operational quality in the restructuring phase are expected. The weak economic development in Germany and Europe is also expected to dampen development in 2024. Countermeasures will partially compensate for this.

A key aspect of the profit development in 2024 is the compensation of prefinancing for track infrastructure maintenance measures from 2023. In addition, significant improvement in profits is expected due to non-recurring special items in connection with the planned sale of DB Arriva.

Extensive strike action has already taken place in January 2024. If there are further extensive GDL strike measures during the course of the year, this is expected to have a significant impact on the development of DB Group business units in the Integrated Rail System, which are not included in the current forecast.

Anticipated financial position

Efficient liquidity management is once again a top priority for DB Group in 2024. It is focusing on continually forecasting the cash flow from operating activities, as this is the main source of cash and cash equivalents. In 2024, DB Group must redeem maturing financial liabilities (excluding current bank liabilities) at about the same level as in 2023. Funding needs for this are met by issuing public and non-public bonds. Road shows are planned in Europe and Asia in conjunction with the bond issues. DB Group is also expected to take out further bank loans in 2024. DB Group continues to have adequate scope for financing its capital market activities. The guaranteed credit facilities serve as a fallback in the event of disruption to capital market access. Our short- and medium-term liquidity supply therefore continues to be secure in 2024. The majority of DB Group's gross capital expenditures in 2024 will again be covered by investment grants. In addition, an additional Government equity measure 212 is planned. The net capital expenditures to be financed by DB Group will likely not be fully covered by internal sources in 2024. Depending on the assumed higher Govenemnt support measures for infrastructure measures, the expected profit improvements and the sale of DB Arriva, DB Group's net financial debt as of December 31, 2024, should be at the same level as at the end of the previous year, with an expected significant increase in net capital expenditures. However, the forecast is subject to increased uncertainty regarding the lack of legal and regulatory requirements for higher Government funding.

OPPORTUNITY AND RISK REPORT

GRI TCFD

Opportunity and risk management within DB Group

Opportunity and risk management within DB Group comprises the systematic identification, assessment and management of opportunities and risks. The primary objective of opportunity and risk management is to ensure the long-term future of DB Group.

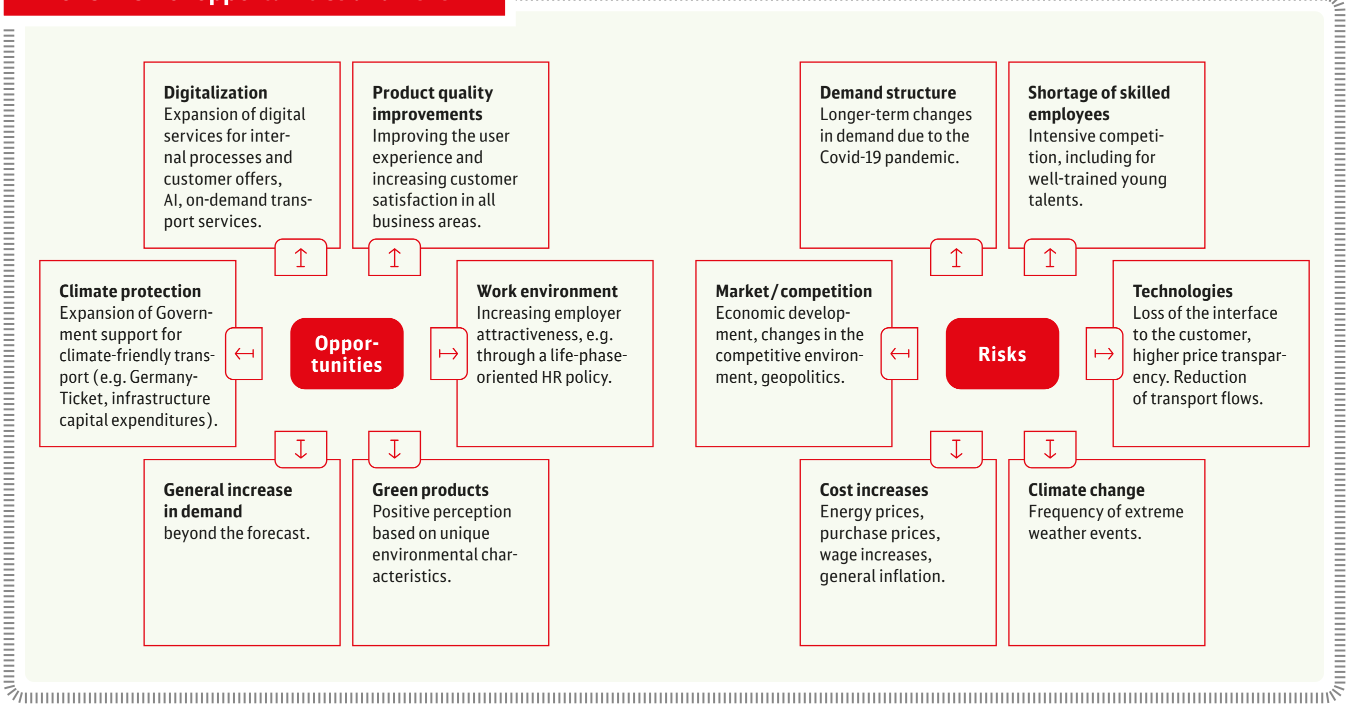
The principles of opportunity and risk management are laid down by Group management and implemented on a Group-wide basis. Within the framework of our early warning system, opportunity and risk reports are submitted to the Management Board and the Supervisory Board of DB AG three times a year. Risk reporting covers the medium-term period (five years). Major risks occurring outside of this reporting cycle must be reported immediately. Planned acquisitions are subject to additional specific monitoring.

Based on the IDW PS 340 audit standard ("Audit of the early risk detection system"), there are additional requirements for DB Group's risk management. Compared with the status quo, existential risks must be evaluated on the basis of a defined risk-bearing capacity.

Our risk management system (RMS) maps all of the opportunities and risks in an opportunity and risk portfolio and also individually in detail, factoring in materiality thresholds. A catalog of opportunity and risk categories serves to identify the relevant financial and sustainability-related opportunities and risks as fully as possible. This includes risks that arise for companies in connection with the transition to a lower-carbon economy (transition risks), as well as physical risks as defined by the Task Force on Climate-related Financial Disclosures (TCFD).

The opportunities and risks considered within the risk report are categorized and classified according to probability of occurrence. Together with possible consequences, the analysis also takes into account the starting position and the costs of countermeasures (gross and net result). Opportunities and risks are reported in the RMS depending on the probability of occurrence and the threshold value (≥ € 50 million). An exception only applies to regulatory information. The opportunities and risks are assessed against DB Group's current mid-term planning, which is generally presented to the Supervisory Board of DB AG in its last meeting of the year. It covers a period of five years. Accordingly, the topics

Overview of opportunities and risks



that have already been included in our mid-term planning are not included in the RMS. Assumptions are formulated as part of the planning process, such as in relation to developments in prices, demand or costs. Measures are also defined, such as for the heat transition or the expansion of the ICE fleet. Although future developments are generally subject to a certain degree of uncertainty, planning covers all topics that are highly likely to occur or be realized at the time of planning. Risk management, on the other hand, also includes issues with lower probability and can accordingly also be understood as a supplement to planning.

Based on the opportunity and risk portfolio, an overall risk position is also determined by means of a stochastic simulation, which is used to assess developments that could jeopardize the company's continued existence. In organizational terms, Group controlling is the central coordination point for our opportunity and risk management.

Our strategic opportunity and risk management efforts are mainly derived from the targets and strategies of our business units. Direct responsibility for early and regular identification, analysis and management of strategic opportunities and risks lies primarily with operational management personnel. These activities are an integral element of the Group-wide planning and controlling systems. In parallel with the mid-term planning, a longer-term perspective is also outlined. In principle, the planning process here is also based on assumptions and measures that represent a continuation of the five-year planning, with a higher level of aggregation used in the planning given the increasing time horizon. In contrast, major developments, such as the trend towards sustainable mobility and the shift in the mode of transport to rail, are particularly relevant. We focus on detailed analyses of our markets and competitors, market scenarios, relevant cost drivers and critical factors for success, including those within our political and regulatory environment.

DB Group's business environment is in a state of constant change. We use DB.Trend.Radar to monitor the most important external developments for DB Group so that we can take advantage of opportunities and react to risks in good time. The focus is on the issue of how changes in society, politics, technology and the economy affect our markets. The individual topics are all highly interconnected and of great importance for the future of DB Group. DB.Trend.Radar helps DB Group to focus its business operations on the future and actively make use of opportunities.

In conjunction with Group financing, with its strict focus on the operating business, Group Treasury is responsible for limiting and monitoring the resulting credit, market price and liquidity risks. The centralized handling of relevant transactions (money market, securities, foreign exchange and derivative transactions) means that potential risks can be managed and limited centrally. Group Treasury is organized in line with the Appropriate Risk Control and Management Systems for banks (Mindestanforderungen an das Risikomanagement; MaRisk), which means that it complies with the resulting criteria of the Act on Supervision and Transparency in the Corporate Sector (Gesetz zur Kontrolle und Transparenz im Unternehmensbereich; KonTraG).

KEY CHARACTERISTICS OF ICS AND RMS WITH REGARD TO THE GROUP ACCOUNTING PROCESS

Our Group-wide internal control system (ICS), which also includes accounting-related processes, is an integral part of the RMS. To the extent that compliance is deemed to be appropriate, the organization of our ICS takes into account the recommended conduct set out by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its publication "Internal Control – Integrated Framework" in the revised version from 2013. On that basis, our ICS – especially with regard to the accounting process – is a continuous process based on basic Group-wide principles and control mechanisms, such as system-based and manual reconciliations, the separation and clear definition of functions as well as the monitoring of compliance and further development of Group-wide guidelines and special work instructions.

The accounting-related control mechanisms we use beyond the instruments outlined above include, among other things, standardized Group-wide reporting and the regular updating of the relevant accounting directives and accounting-related systems.

Subject to a binding schedule, business transactions of the accounting-relevant units are processed in line with IFRS principles and in compliance with Group-wide, uniform procedures. These are then transmitted to the centralized consolidation system.

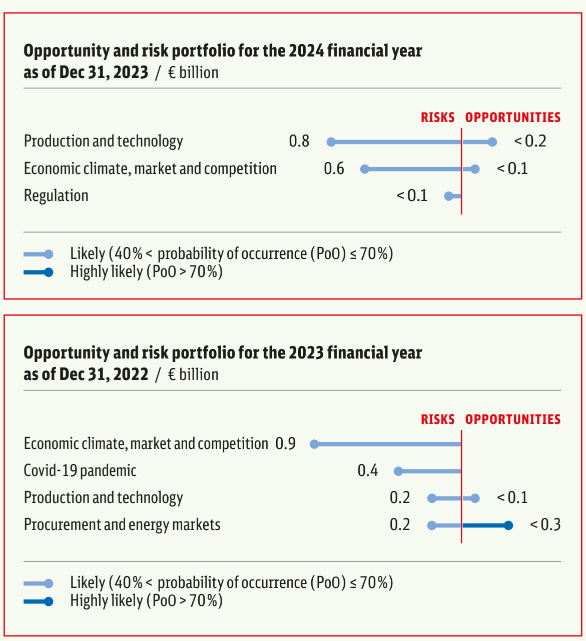
The auditing activities of the intra-Group auditors, which represent another element of our control mechanisms, are focused on assessing the adequacy and effectiveness of our ICS. In addition to our monitoring mechanisms, the Audit and Compliance Committee and/or the Supervisory Board are concerned with the effectiveness of the ICS.

The management of the companies included in the scope of fully consolidated companies and of the individual business units of DB Group verifies the completeness and accuracy of the reporting data relevant to the financial statements among other aspects, using a quarterly internal reporting process. In addition, the responsible management confirms compliance with the Group-wide ICS requirements, which are supplemented where necessary by company-specific, documented management and monitoring instruments.

GRI ASSESSMENT OF THE RISK SITUATION IN 2024

The risk situation is assessed on the basis of our RMS. Very likely opportunities and risks (probability of occurrence > 70 %) have already been dealt with in the forecast of EBIT development 217 f. in the 2024 financial year. The system is based on the requirements of the KonTraG and is continually evolving.

Assessment of risk position by categories



Without a possible impact of ongoing collective bargaining negotiations.

For the forecast of EBIT development in the 2024 financial year, risks (taking into consideration countermeasures) amounting to € 1.4 billion existed as of December 31, 2023 (thereof very likely: € 0.0 billion). Depending on the progress and conclusion of current collective bargaining negotiations with the GDL 93, these may result in significant additional burdens.

- The risk assessment does not include any risks from the collective bargaining negotiations in 2024.
- The main risk focuses (probable risks) are in the categories "Production and technology" and "Economic climate, market and competition." These risks result mainly from infrastructure financing, market development in logistics (in particular the development of freight rates) and rail freight transport, as well as cost increases in large projects. In addition, there are further risks from the development of demand in passenger transport and from possible developments in ETCS projects, transformation projects and the development of operational quality.
- Opportunities beyond the EBIT forecast amount to € 0.2 billion (thereof very likely: € 0.0 billion). These opportunities exist, for example, in the "Production and technology" category.

The equity increase planned by the Federal Government for 2024 depends on income from the disposal of Federal Government shareholdings, but is expected to take place no later than July 15, 2024, provided that at least € 2 billion in disposal proceeds have been achieved. An amendment to the BSWAG and a supplement to the LuFV are also required in order to implement the funding measures in 2024. Risks also exist due to lower funding for infrastructure expenses from the Federal Government, such as if it is considered that planned expense topics are not eligible for grants.

Third-party evaluation is also an important indicator for overall risk assessment. In addition to the internal risk assessment, DB Group's creditworthiness and aggregate default risk are assessed by credit rating agencies 111. Their external assessments of DB Group's total risk position are reflected in the good credit ratings. In the area of sustainability, potential risks are externally assessed and evaluated by ESG rating agencies 42.

In terms of organization, we have created the conditions necessary to enable the early identification of possible risks. Our continuous risk management and the active management of key risk categories contribute to limiting risks. Key strategic opportunities and risks were identified at the business unit level and recorded in the course of the strategic process for operationalization with measures. Our analyses of opportunities and risks, countermeasures, hedging and precautionary measures, together with the opinion of the Management Board based on the current risk assessment and our mid-term planning (MTP), indicate that there are no risks that, individually or jointly, could have an impact on the net assets, financial position and income situation of DB Group, and that would pose a threat to DB Group as a going concern.

TCFD Opportunity and risk categories

In addition to the aforementioned risks for the EBIT forecast in the 2024 financial year, this section summarizes the main financial and non-financial short-, medium- and long-term risks of DB Group.

ECONOMIC CLIMATE, MARKET AND COMPETITION

Demand for our mobility services and, in particular, our transport and logistics services depends, among other things, on overall economic developments:

- Economic growth fuels the trends underlying our strategy in our markets.
- Macroeconomic shocks such as economic and financial crises, disruptions to supply chains or economic downturns resulting from, amongst other things, geopolitical conflicts or epidemics can have a significant negative impact on our business.
- Risks arising from depleted public sector budgets in some European countries could have negative effects (particularly in the form of spending cuts). The market volume is greatly determined by the financial situation of the contracting organizations. However, there is also the potential for new markets or market segments to be opened for competition.
- Developments in the competitive environment are of particular importance for DB Group:
  - In long-distance transport, we are currently primarily exposed to fierce intermodal competition, particularly with motorized individual transport as the dominant competitor, but also with long-distance bus services and aviation. However, stronger intramodal competition in the long-distance rail passenger transport market is also expected.
  - In regional transport, there is intense competition for securing long-term transport contracts. This means there is a risk of volume losses. In order to remain competitive in this market, we are constantly working to optimize our tender management and our cost structures. In addition, risks arise from the implementation of transport contracts if the parameters of the underlying calculation do not materialize as planned. In order to continuously increase quality and customer satisfaction and improve our efficiency, we have put together appropriate programs.
  - In rail freight transport, there is a high level of competitive pressure. Risks arise from the fact that, to some extent, competitors can operate with less expensive cost structures while enjoying more flexible working conditions. Further risks result from possible future efficiency gains of trucks, for example by digitalization. Several measures are being implemented to tackle these challenges.
  - In the freight forwarding business, there is on the one hand intense competition with other providers, and on the other hand a concentration of the market in the carrier sector has brought about a change in the offerings of cargo space with corresponding effects on the purchase and sales prices. We are responding to this by continuously optimizing our networks and improving our cost structures, services and IT infrastructure. Risks and opportunities result from a dynamic development of freight rates. There are still high levels of uncertainty regarding the further development of freight rates, particularly in ocean freight and land transport. A further drop would lead to noticeable declines in revenues.

Overall, a general risk is a loss of competitiveness. A key component in facing the competition is improvements in service quality. To this end, we are implementing the Strong Rail strategy 52 ff. in the Integrated Rail System, a transformation program at DB Cargo 138 and the UNLEASH strategy 170 at DB Schenker.

Digitalization offers key opportunities for improving performance:

- more efficient and customer-focused processes,
- improved and new digital services, and
- easier access with online portals and apps.

In the medium-term, changes in the competitive environment may result from the following developments:

- **New competitors:** Providers from outside of the industry, such as automobile manufacturers, IT companies and start-ups, may also become increasingly active in our markets.
- **New platforms/data-driven business models:** Digital platform providers are increasing the intensity of competition and transparency, and are also changing the perception of prices. Start-ups in particular are the driving force behind the platform business and aim to occupy the digital customer interface.

- **Shifts in added value:** Added value in the mobility and logistics sector could shift towards additional services.
- **Integrated on-demand mobility:** Mobility-as-a-Service (MaaS) concepts will be part of the standard offering in the long term. The customer can order, book and pay for transport easily and in real time.
- **Cost pressure on the public sector** could increase. Ordering behavior could also change and tenders could expand to include on-demand, minibus and shuttle services. This would increase the cost pressure on established providers.
- **Supply chain visibility:** Transparency in the value-added chain is one of the top trends in logistics. Start-ups and established players see data and analysis solutions as a significant business opportunity.
- **Goods structure effect:** The production share of highly specialized goods such as pharmaceuticals and high-tech products is growing strongly. At the same time, types of goods with a generally lower weight and higher value density, such as electronic components, are growing at an above-average rate. Heavy, bulky goods, such as steel, paper and chemicals are becoming less important.

In order to adequately counter the resulting opportunities and risks, we are implementing our digitalization strategy 63ff.

We are also responding to opportunities and risks arising from changing demand patterns and from shifts in traffic patterns throughout DB Group with intensive market observation and by continuously upgrading our portfolio and our products.

The demand for our products and services is partly dependent on the development of our customers:

- Our customers' economic development dictates their need for storage and transport services, which in turn affects our freight forwarding and logistics businesses. In addition, there may be structural changes in the production structures of our customers, as well as due to political and strategic decisions. The rising costs and risks of globally distributed production make regional production more efficient. Another reason for regionalization is the use of production innovations such as automation, modularization and 3D printing with the potential to relativize wage cost differences and economies of scale.
- Rail freight transport is partly dependent on industries that are stagnating. In addition, disruptions in production or even temporary shutdowns (e.g. as a result of supply chain disruptions) can result in a drop in customers' demand for transport services, at least temporarily.
- The development of demand in track infrastructure is dependent on rail transport's ability to compete on the upstream transport markets.

PRODUCTION AND TECHNOLOGY

If the production quality of passenger transport services (in particular punctuality) suffers, this has an impact on service quality and can lead to the loss of customers. For our rail freight transport customers, too, punctuality 61f. is a key factor when selecting a mode of transport.

Due to the state of infrastructure, or as a result of unknown weaknesses in the condition of facilities, the need for unplanned maintenance measures (e.g. ad hoc repair of bridges or replacement of damaged concrete ties) cannot be ruled out. This can lead to higher costs and restricted speed section.

The availability, capacity and the condition of the track infrastructure are significant prerequisites for a competitive rail transport. In order to ensure that rail remains ready for the future in the long term, it is also necessary to digitalize and automate the infrastructure. The intensity of use on the German rail network has increased significantly. The capacity of the track infrastructure has not been expanded in line with growing demand. At the same time, the condition of the infrastructure has deteriorated. Construction is being carried out at a very high level in order to drive modernization. However, this construction work requires the sacrifice of additional capacity while the work is in progress. As capacity utilization increases, the effects of traffic jams and delays are increasing exponentially. The intensity of construction activity in the network has already increased noticeably and is expected to continue to increase. This can also have a strong impact on the carriers' schedules and production quality, some of which cannot be compensated for. As a result of the implementation of the extensive general modernizations 148f. planned from mid-2024, performance and revenue burdens may occur beyond the extent included in the planning. In addition, further expense risks may arise as part of the implementation process.

The range and quality of our services depend to a significant extent on the availability and reliability of the production resources used, intermediate services procured and the quality of our partners' services. We therefore maintain an intense dialog with our suppliers and business partners on the subject of quality. This is of particular importance in the vehicle industry. Postponed deliveries of new vehicles may result in revenue losses and additional expenses, for example, due to rail replacement services or penalty payments.

Sufficient availability of our vehicle fleet is particularly critical. Significant restrictions endanger operating schedules. In regional transport, there is the additional risk of penalties if trains are canceled or punctuality is insufficient. We try to minimize this risk by taking preventative actions and also by minimizing the consequences should it happen, such as by providing replacement vehicles or by organizing replacement services.

The technical production resources used in rail transport must comply with applicable standards and requirements, which are subject to change. As a result, we may receive technical complaints concerning our vehicles. This leads to the risk that we may only be permitted to use individual series or rail car types under certain conditions, such as limited speeds, shorter intervals between maintenance or reduced wheel set loads, or not at all. In addition, we cannot accept new vehicles that have defects or for which the necessary vehicle certification has not been granted. As a result of technical defects or conditions, vehicles may need to be refitted, which could lead to significant restrictions on availability or even temporary prohibition of use.

In regional transport, a risk can arise from the redundancy of vehicles following the expiry or re-tendering of a transport contract. As a countermeasure, alternative possible uses are investigated.

Increasing digitalization means that dependence on secure IT that is available around the clock is increasing. This results in IT, telecommunications and cyber risks such as the interruption of the availability of IT / OT systems, which can lead to serious business interruptions, or the unauthorized access of third parties to customer data.

We combat these risks through forward-thinking IT security management, which provides the necessary security for our IT-based business processes. A key instrument here is risk management for information, IT applications, and IT infrastructure and services. The relevant risks are identified, analyzed, evaluated and reduced. The remaining risks are documented and, if necessary, reported to and monitored by suitable bodies. Our information security management follows international standards such as ISO 27001/27002:2022 and industry-specific standards.

In order to minimize critical technical vulnerabilities, numerous countermeasures (such as firewalls, encryption, appropriate network segmentation and prompt software updates) have been implemented. Appropriate redundancy of the IT systems (including across several locations) increases the overall resilience of critical business processes, applications and infrastructures. The network and cloud infrastructure also has a redundant design, where required, for the purposes of IT security and business continuity.

For the most important processes and IT applications, systematic and regular penetration tests and red-team stress tests are carried out in order to detect and eliminate weak points at an early stage.

Overall, these measures reduce the risk of attacks, the resulting outages of IT / OT systems, the disruption of communications and the theft of confidential information.

Irregularities, such as customs offenses and theft, can occur in freight transport. We combat this, among other things, by involving qualified customs coordinators and using an immediate reporting system for tax assessment notices.

PROCUREMENT AND ENERGY MARKET

GRI

Depending on the market conditions, the purchase prices for raw materials, energy, and transport and construction services may fluctuate significantly. Energy prices on the wholesale market continued to fall significantly over the course of 2023. The current price level is at approximately the same level as at the beginning of 2022 before the start of the Ukraine war, but still above the long-term average. In addition to a good supply situation on the electricity and gas markets, the fall in demand for energy as a result of production declines in energy-intensive sectors in particular was also an important reason for falling prices.

Further development depends largely on the further overall economic development in Germany. The lower price level may be somewhat delayed for end users and therefore also for the processing of products. In 2023, producer prices also fell compared to their highest level in the third quarter of 2022. Producer prices fell below the previous year's level on average. In the energy-intensive cement and transport sectors the high energy prices from 2022 still have an impact with a significant delay. Crude oil and oil product prices in particular remained at a high level and were unable to benefit from the fall in the price of natural gas, coal and electricity. In addition, wage costs in 2023 rose significantly due to high collective bargaining agreements and are now being priced in. This may lead to risks in relation to energy costs and construction prices.

Among other things, we counter the risk of increases in energy prices through a stringent price adjustment strategy and the conclusion of long-term procurement contracts. However, these precautionary measures only have an effect for a limited time and must be weighed against potential opportunities arising from falling energy prices.

Depending on the market and competitive situation, it may not be possible or may only be possible to a very limited extent to pass increased costs on to the customer in the short term. This in turn has a negative impact on margins.

The consolidation of requirements and the optimization of long-term volume commitments result in opportunities to raise potential for procurement prices, even in a challenging market environment.

CAPITAL MARKETS AND TAXES

The international nature of our business creates a currency risk. This, however, is largely limited to the so-called translation risk since there is usually a high regional congruence between the production and sales markets. Among other things, we hedge interest rate and currency exchange risks from our operating business through primary and derivative financial instruments 268ff. Their use is only permitted in DB Group for hedging purposes. There is a risk that these hedging measures will not pay off, or not in the way expected.

To prevent counterparty default risk from financial and energy derivatives, we conclude credit support agreements (CSA) for all longer-term hedges.

Due to the long-term capital employed, we also use long-term, fixed-interest financial instruments. As a result, only new issues are exposed to the risk of rising interest rates.

Liabilities from pensions and similar retirement benefit obligations are partially covered by plan assets from stocks, real estate, fixed-interest securities and other investments. Losses of value in these assets reduce the cover of pension obligations by plan assets, potentially resulting in DB Group having to provide additional cover.

In addition, there are potential risks from back-tax payments from tax audits that are in progress and from amendments to tax laws. In order to minimize tax risks, we pursue the prompt processing of tax audits and have introduced a tax compliance management system in DB Group.

LAW AND CONTRACTS

Vehicle deliveries in 2023 were again largely constant. Nevertheless, operating difficulties in regional and long-distance transport may continue to arise as a result of delayed vehicle deliveries and vehicle defects. In regional transport, this may result in contractual violations or non-compliance toward the contracting organizations. Higher expenses, penalty payments and lower fare revenues are the result. Ensuing damage claims are asserted against the manufacturers.

Transport contracts increasingly provide for stricter rules for train cancellations (services not rendered) and contractual penalties (services not provided in the required quality). The main drivers of risk are infrastructure disruptions and missed punctuality targets.

In addition, risks, in particular from warranty and other liability provisions, may also arise from other contractual relationships. This relates, for example, to the sale of companies, real estate or other material assets.

Provisions have been made for existing legal and contractual risks based on an assessment of their probability of occurrence.

Risks also result from lawsuits due to noise emissions from rail operations. To address supposedly unreasonable annoyances, residents are demanding active noise protection measures, financial compensation for passive noise protection measures and damage compensation payments.

Compliance with current laws, company directives and recognized regulatory standards is the task and duty of every DB Group employee. The compliance organization 195ff. serves to ensure compliance with the rules.

With its very high procurement volume and about 20,000 suppliers, DB Group is one of the largest purchasers in Germany. Large-scale capital expenditures mean that the infrastructure business units in particular are exposed to a significant risk of becoming the target and victim of corruption, cartel agreements or fraud. As a provider of grants, the Federal Government places high compliance demands on DB Group, with its anti-corruption guidelines.

Opportunities arise from the discovery of cartels that operated in the past and the enforcement of claims for damages against cartel members. DB Group is seeking compensation for damages in over ten cases. This relates, amongst other issues, to cartels in trucks, cars (known as the car cartel and emissions scandal), tracks, air freight, elevators and escalators, prestressing of steel, and girocard. In more than ten other cases, DB Group is still determining if damage has been caused. DB Group has been using an innovative cartel screening tool since early 2022. In that time, the tool has identified conspicuous patterns in pricing or bidding behavior and can provide valuable information on illegal supplier agreements. We are in discussions with various competition authorities and the OECD on this new approach to antitrust prevention and detection.

From the sale of several former Brenntag US companies by DB US Holding Corp. in 2007, the acquirer is requesting the payment of an adjustment (reduction) to the purchase price, as agreed in the underlying purchase agreement and occurring in certain circumstances, in the amount of USD 45 million. DB US Holding Corp. is currently contesting the existence of this claim. In order to enforce its claim, the acquirer has initiated arbitration proceedings.

There are also risks associated with ongoing proceedings (national authorities or the European Commission) against companies in DB Group or the Federal Republic of Germany, the outcome of which and the potential consequences of which are not yet foreseeable. The current state aid audit procedure of the European Commission for DB Cargo 51 entails financial risks for DB Cargo and DB Group. The Federal Government, DB Group and the European Commission are in active communication on this. The transformation program initiated by DB Cargo 138 should have a positive impact on this.

IMPLEMENTATION OF PROJECTS

Our measures involve not only large capital expenditure volumes, but also a large number of highly complex projects. Changes to the legal framework, delays in implementation (due among other things to more extensive public participation), necessary adjustments during terms often lasting several years, deviations from the increase in funding for capital expenditures agreed with the Federal Government, or changes to purchase prices may lead to project and liquidity risks. The networked production structure means that these can often affect a number of business units. For example, in such cases, planned shifts in the mode of transport from road to rail may not be feasible. We keep up to date with these developments by closely monitoring projects.

When implementing planned measures from various programs, such as the Strong Rail strategy 52ff. for the Integrated Rail System, the DB Cargo transformation program 138, or the UNLEASH strategy 170 at DB Schenker, there is the risk that it will either not be possible to realize the planned effects, or that it will only be possible to realize them to a lesser extent and / or that they may be delayed. At the same time, however, there is also the opportunity to exceed the planned effects.

INFRASTRUCTURE FINANCING

GRI

At the beginning of 2020, we concluded an agreement with the Federal Government that sets out the financing of the existing network until 2029. LuFV III 273f. and the associated long-term assurance of infrastructure quality and availability improve the attractiveness of rail as a mode of transport, which in turn results in more traffic and therefore higher revenues for infrastructure companies. Risks arise from a potential failure to achieve the contractual objectives set out in the LuFV and from a possible reclaim by the Federal Government following audits of applications of funds for the intended purposes. Due to the sharply increasing construction costs, the volume targets of the LuFV are no longer achievable with the current budget approach. New negotiations with the Federal Government have been initiated.

The economic viability of capital expenditures funded with DB funds or financing contributions to capital expenditure projects is essential if we are to ensure DB Group's ability to invest in the long term.

In addition, the budgetary resources of the Federal Government in particular are of decisive relevance for the expansion of infrastructure capacity in order to implement a traffic shift in Germany. In order to implement Germany in sync (Deutschland-Takt), there is a need for extensive infrastructure expansion that goes significantly beyond the current Federal Transport Infrastructure Plan. We therefore assume that a significant increase in funds for infrastructure expansion from the Federal Government is required. If the Federal funds for infrastructure are not increased significantly, there would be considerable risks for network quality, transport performance and economic development. The transport policy objectives would therefore not be achievable.

The equity increase planned by the Federal Government for 2024 depends on income from the disposal of Federal Government shareholdings, but is expected to take place no later than July 15, 2024, provided that at least € 2 billion in disposal proceeds have been achieved. An amendment to the BSWAG and a supplement to the LuFV are also required in order to implement the funding measures in 2024. Risks also exist due to lower funding for infrastructure expenses from the Federal Government, for example if it is considered that planned expense topics are not eligible for grants.

GRI

REGULATION

Changes to the legal framework at the national or European level could pose risks to our business. This general regulatory risk could therefore result in tangible negative effects on profit and loss.

These regulations govern, among other things, the individual components of the pricing systems and general terms and conditions applied by our rail infrastructure companies. There are risks of complaints and intervention in this regard. Measures that threaten or even prevent DB Group from attaining reasonable yields in its infrastructure business units (such as an intervention in pricing systems) can therefore threaten financing contributions by DB Group to capital expenditures in infrastructure.

With regard to infrastructure pricing systems, there are significant risks, provided that the increases in prices in regional rail passenger transport for 2025 are limited to 0.6% by the Federal Network Agency and no compensating measures are implemented by Government funds. If these risks were to arise and be passed on to the TOCs in long-distance and freight transport through corresponding increases in prices, there would be significant negative effects on the business models of the TOCs in these segments. A significant increase in train-path and station prices would result in a significant deterioration in the results of all DB Long-Distance sub-networks and would bring into question the profitability of individual transport services. The overall structure of the scheduling, vehicle and maintenance needs would have to be fundamentally reassessed. This would make it only possible to implement Germany in sync in a significantly reduced form.

Political risks concern in particular a tightening of existing standards and regulations affecting the railways. The structure of DB Group may also be exposed to regulatory risks.

With regard to risks from changed legal and regulatory framework conditions 45ff. at a national and international level, we are bringing our position into the preceding discussions and debates. If political or regulatory risks occur, countermeasures are implemented at the corporate level, where possible, in order to minimize the potential negative effects on corporate goals and traffic growth.

Opportunities result from the promotion of green mobility and logistics, including to achieve Federal Government climate protection targets.

ESG RISKS

TCFD

Risks in the areas of environment, social and governance can have a significant impact on the net assets, financial position or income situation. ESG risks affect various areas of the risk categories established in DB Group and are recorded and managed by the relevant departments.

ESG factors have become a key factor in competition, both in mode of transport comparisons and within industries such as freight forwarding and logistics. If transformation is too slow, there is a threat of a loss of competitive advantage or competitiveness. Both the Integrated Rail System and DB Schenker are therefore working on extensive transformation programs.

At the same time, a leading role in ESG also offers extensive opportunities for DB Group, such as from the climate-related advantages of rail transport compared to other modes of transport, as anchored in the Strong Rail strategy 52ff., or from competitive advantages and growth opportunities that may result from more sustainable logistics solutions 170f.

Environmental management

GRI

An elementary component of the Group-wide environmental management system according to DIN ISO 14001 84 is an opportunity and risk assessment. It is the starting point for DB Group's environmental risk provisioning. Since 2023, the principle of risk provisioning has been supplemented by the risk management of due diligence obligations along our supply chains. At the same time, our strategy is to use the (natural) resources of our economic activity efficiently (resource conservation targets 79ff.).

Climate-related opportunities and risks

GRI

Climate-related transitory opportunities and risks associated with the transition to a decarbonized economy and risks associated with climate change are recorded in our RMS and are reported in the affected risk categories if certain threshold values and probabilities of occurrence are exceeded. As part of RMS and our mid-term planning, climate risks are treated like other risks.

Through the use of scenario analyses, for example as part of the PIK study 76 and the strategic further development of climate resilience management 76f., DB Group is paving the way for forward-looking management of acute and chronic physical risks related to climate change. In 2021, we commissioned another external study that identified physical and transitory risks in accordance with the TCFD recommendations in an initial impact analysis on the activities of DB Group for two extreme scenarios. The result shows, among other things, that transitory risks from the political, market and technology categories according to the TCFD classification should be classified as relevant for DB Group. In the following section, we list examples of climate-related opportunities and risks in accordance with the TCFD classification of transitory and physical opportunities and risks, which are short-term, medium-term and long-term.

TRANSITORY OPPORTUNITIES AND RISKS

With the green transformation 70 ff. of DB Group, its anchoring in the Strong Rail strategy 52 ff., and through a shift to climate-friendly rail transport, we are making a central contribution to achieving the German and European climate protection targets. At the same time, however, there is also an increased susceptibility to extreme weather conditions and an increased energy requirement, which in turn represents an energy price and procurement risk for us. Making passenger and freight transport climate-friendly through measures such as the use of renewable energies and alternative drive concepts or through robust climate-resilience management can, for example, enhance our reputation with our customers. Our climate protection measures 71 ff. aim to reduce our greenhouse gas emissions, to see us become climate-neutral by 2040 and to meet the Federal Government's climate protection target 46 for the transport sector. In order to achieve the national climate protection targets, the Federal Government is adopting necessary regulations. These are often medium-term regulations and hold opportunities for DB Group, especially in rail transport, such as through the permanent reduction of value-added tax for long-distance transport tickets. The introduction of the Germany-Ticket 47 is already showing positive effects on the shift in the mode of transport from the car to the railway. However, individual environmental regulatory measures may also have a negative impact on our activities. The CO_2 price introduced by the Fuel Emissions Trading Act (Brennstoffemissionshandelsgesetz; BEHG) represents, for example, both an opportunity and a risk for us:

- it gives us an opportunity when compared to other means of transport, as it makes fossil-fueled means of transport more expensive and thus rail travel more attractive,
- it presents a risk for our purchasing, as we are one of the largest energy consumers in Germany and still have diesel-powered vehicles in operation.

In order to counteract the risks, we are driving the phase-out of fossil fuels 71 ff. However, technological developments that lead to other climate-friendly mobility solutions that do not involve rail transport can also represent a risk for us.

PHYSICAL RISKS

Extreme weather events resulting from climate change represent an acute physical risk for DB Group, which we have been recording in more detail in our risk catalog since 2021 and which we are responding to with resilience measures 76 f. These risks are both short-term and long-term, because they are short-term when they occur, but due to their more frequent occurrence due to climate change, we must take them into account over the long term. We also address physical climate risks as part of our Group-wide business continuity management to ensure the continuation of critical business processes in the event of damage. The consequences of climate change are impacting our core business. Extreme weather-related damage to our infrastructure can lead to losses in revenues and contractual penalties. It also requires additional expenses and capital expenditures in order to repair damage and implement preventive measures. In addition to the infrastructure, rail and road vehicles can also be affected. In recent years, acute physical risks affecting operations and punctuality have increased significantly. Group Risk Management therefore consistently monitors and records these risks. In this context, the importance of preventive vegetation work and track-related safety work to ensure the smooth running of operations has greatly increased. The potential financial impacts of extreme weather events is taken into account in the RMS or mid-term planning. In order to reduce acute physical risks, DB Group has increased its expenses for vegetation measures 77 ff., from € 100 million to about € 150 million per year since 2014. We use satellite technology, for example, to record and measure tree populations nationwide. In combination with the expert assessment on-site and the operating conditions, vegetation measures are given priority. This ensures that trees with the highest risk potential are processed first. We also deal with chronic physical risks, such as rising temperatures, which place increased demands on our operational processes, vehicles, buildings and infrastructure.

Human Resources

GRI

To implement the Strong Rail strategy 52 ff., we rely on adequate equipment and qualified, skilled employees. DB Group has a high annual need for new employees. This is reinforced by the age-related retirement of numerous employees as well as the elective model for working hours agreed under collective bargaining agreements.

The collective bargaining negotiations carry risks associated with industrial action measures and unscheduled wage increases.

The shortage of skilled labor, reinforced by demographic change, is a core risk for our business. It is becoming increasingly difficult and time-consuming to fill vacancies with qualified personnel. This in turn results in risks such as low personnel coverage to safeguard ongoing business and the long-term loss of knowledge, especially for railway-specific professions.

We are working to counteract these risks in particular by further developing our employment conditions 93ff. This increases the loyalty of our current employees and signals our attractiveness as an employer on a competitive labor market. At the same time, we are continuously working to make the DB Group more powerful: "Strong together" is a Group program which addresses the levers of efficiency and effectiveness (omission, simplification, standardization, automation and digitalization).

Through the further development of our learning infrastructure in the spirit of providing an open, Group-wide learning process, the expansion and digitalization of qualification capacities, the new design of general and functional training (retraining) and measures for strategic succession planning, we ensure sustainable and effective knowledge management and counteract the risk of a loss of knowledge.

The green transformation of DB Group and the expansion of digitalization are critical to the successful implementation of the Strong Rail strategy. To provide the skills, qualifications and specializations that we need in good time and in sufficient quantity and quality is a challenge that we are counteracting through the further development of our strategic workforce management and our foresight approach "Lab1 – professions of the future." From this, we derive implications for recruitment, hiring and further qualification at an early stage.

One important challenge here is to shape digitalization in close cooperation with employees and stakeholders. Our goal is to offer all employees long-term and sustainable prospects within DB Group.

Appropriate measures for inclusive, cross-generational and inter-cultural cooperation, as well as general conditions for the equalization of participation of all genders, increase our appeal as an employer and reduce risks that may result from changes in employee structure and non-equal participation of employee groups. From recruiting and employment conditions to development opportunities for employees, we follow every step of the employee life cycle to ensure that we adequately address and involve all employee groups. To this end, our diversity management team works closely with all relevant actors in DB Group.

Risks would also arise if we could not respond quickly enough to the changing requirements of a volatile market environment due to inflexible working methods and therefore did not meet the requirements of our employees for a modern working environment. We counter this by driving forward modern working environments as part of numerous programs, initiatives and communities within DB Group.

In order to continue to provide our executives with the appropriate skills and methods to be successful in modern, digitalized working environments, we are constantly developing the training and continuing education program for executives in the DB Academy.

Against the backdrop of economic crises with unclear prospects, the personnel cost structure plays an important role in recruitment. In terms of the labor market and transport market, our target is therefore to always conclude competitive collective bargaining agreements. Strong additional pressure on the development of wages can be expected from the surge in prices. Against this background, we are attempting to conclude collective bargaining agreements in negotiations with the trade unions which, on the one hand, express the appreciation for employees, while at the same time ensuring readiness for the future.

SIGNIFICANT EVENTS

Our activities are based on a technologically complex, networked production system. In general, we try to combat the risk of potential operational disruptions through regular maintenance and by taking on qualified employees, coupled with continuous quality assurance and improvement of our processes. The nature of rail transport as an open system means that certain factors (such as natural disasters, accidents, sabotage and theft), over which we have only limited influence, could have a negative impact on operations. Our efforts in such cases focus on minimizing the potential effects. However, this could also result in cost risks from countermeasures.

Additional measures to increase public safety, including at passenger stations, for example by expanding video surveillance 68, may lead to additional costs.

GOVERNANCE

Service and financial relationships in DB Group

Within DB Group, because of strong operational interconnections and dependencies, there are service and financial relationships between the management holding company DB AG and the individual business units, as well as between business units.

These can be organized into four groups:

- **Operational service relationships** between two companies, which may arise through the infrastructure utilization, such as when DB Regio AG uses train paths, for which it pays train-path usage fees.
- **Service relationships with Group management:** DB AG provides services to the operating companies, such as central purchasing.
- **Group financing:** DB AG performs and consolidates the financing function in DB Group. In this context, DB AG obtains funds on the capital market through its financing subsidiary Deutsche Bahn Finance GmbH (DB Finance) and transfers these funds to the Group companies as loans.
- **Domination and profit and loss transfer agreements:** In Germany, domination and profit and loss transfer agreements are used for the formation of a consolidated tax group that allows companies to offset tax losses against profits. In DB Group, the company ultimately subject to tax in Germany is DB AG.

The arm's length principle is fundamental in the development of service relationships. This means that compensation is always based on market prices. In DB Group this applies to charges for operational service relationships, service units and DB Group treasury. Intra-Group customers pay the same fees for utilizing train paths as non-Group customers. The prices of intra-Group services are reviewed regularly on the basis of market analyses to ensure that they are in line with the market. The terms of financing transactions are based on prevailing market conditions in the money and capital markets. Governance functions perform controlling and monitoring roles. To the extent possible, these services are offset through what is called Group charges 106. Where possible, the services of the service units are charged to the intra-Group recipients of the service, in relation to the service provided.

The reasons and motivation for aligning intra-Group service relationships with market conditions are as follows:

- A value-based corporate management approach can only be successful if it is embedded at all levels in DB Group. This, in turn, can only be achieved on the basis of intra-Group service relationships that operate on the basis of fair market conditions. Success and failure must be transparent in order to facilitate economic management.
- Rail infrastructure companies are legally required to provide their services without discrimination. The Federal Network Agency assesses whether the financial flows are clearly delineated and whether prices are in line with the market. Prices are transparent for everyone.
- Alignment of service relationships with market conditions is also both necessary and stipulated for tax reasons and from the perspective of minority shareholders of subsidiaries.

The effects of domination and profit and loss transfer agreements 193 f. within DB Group on net profits and payments are not qualified as service relationships, but are a consequence of DB Group's status as a domestic contract group and the associated rights and obligations of all the incorporated domestic companies.

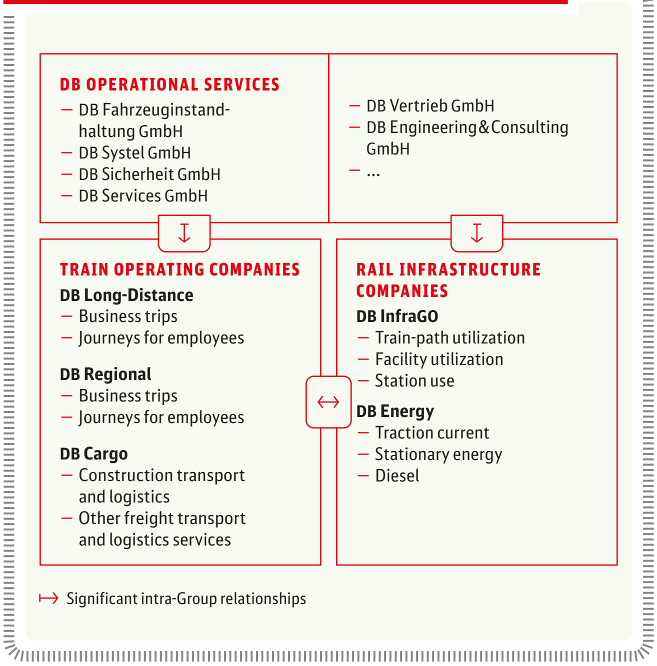
OPERATIONAL SERVICE RELATIONSHIPS

The most extensive operational service relationships result from the use of the track infrastructure and the procurement of energy. As for non-Group customers, fees for infrastructure utilization are based on the published pricing systems (train-path pricing system, facility pricing system and station pricing system). The procurement of energy includes the purchase of traction energy (traction current, diesel fuel) as well as electricity for stationary facilities (such as switch heaters and train preheating systems).

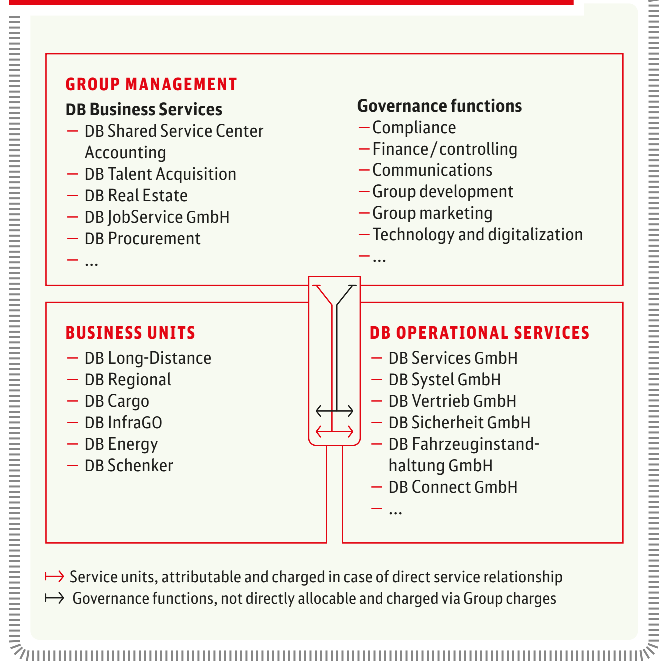
The main intra-Group service relationships in the area of infrastructure utilization are shown in the following table:

INTRA-GROUP SERVICE RELATIONSHIPS FROM INFRASTRUCTURE UTILIZATION IN 2023 / € million	DB Long-Distance	DB Regional	DB Cargo	Other
Train-path utilization	-1,233	-2,304	-337	-
Use of local infrastructure	-31	-48	-149	-2
Station use	-122	-613	-	-
Energy charges	-485	-851	-324	-355

Significant operational service relationships (Integrated Rail System)



Service relationships with Group management



SERVICE RELATIONSHIPS WITH GROUP MANAGEMENT

Group management incorporates various governance and service functions that, with a few regulatory exceptions, perform functions for the entire DB Group. Since 2023, the costs of governance functions in DB Group have been explicitly recharged to the business units to the extent possible in the course of Group charges 106. There was no specific settlement procedure in DB Group up to 2022.

Charges for DB Business Services are only transferred if these result from direct service relationships with the business units, or expenses that are directly attributable to a tangible service. This applies in particular to expenses on the use of real estate, central procurement and technology services, and for centrally consolidated insurance expenses.

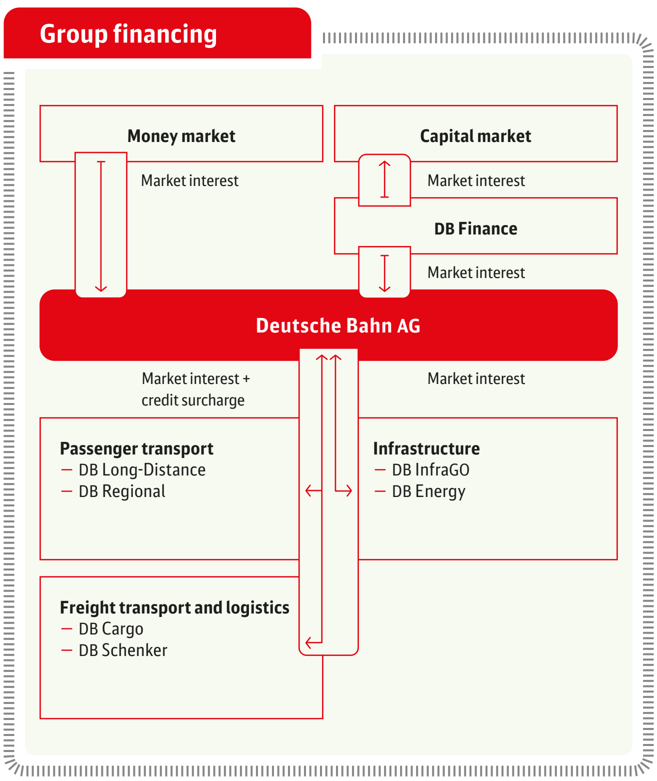
The Group job market performs an important central function. DB JobService GmbH employs personnel whose jobs in German companies of DB Group have been lost, with the aim of finding another intra-Group job for them. It therefore plays a key role in the functioning of the intra-Group labor market.

GROUP FINANCING

Group Treasury at DB AG is responsible for DB Group financing, without any change in ownership rights. This ensures that all Group companies are able to borrow and invest funds at optimal terms and conditions. Before obtaining funds from external sources, we first conduct intra-Group financing transactions. When borrowing non-Group funds, DB AG takes out short-term loans in its own name, whereas long-term capital is generally obtained through the Group's financing company, DB Finance. The funds are passed on to the Group companies as short-term credit lines, which can be utilized as part of cash pooling on internal current accounts and/or through fixed short-term credit, or in the form of long-term loans.

The Group Treasury operates as an in-house bank, although it provides a service function rather than acting as a profit center. The Group companies conduct business dealings with the Group Treasury (foreign exchange transactions, cash pooling, cash investments and taking up of loans). The conditions are set in line with market rates according to the arm's length principle. This means that the agreed interest rates are in line with those quoted by banks, assuming they were not intended to yield a profit. Market rates also mean that credit margins are adjusted in line with creditworthiness: the credit margin for the infrastructure companies is largely in line with the credit margins of DB AG in the money and capital market. The credit margins for non-infrastructure companies are higher and are based on an internal metric-based credit rating and the credit margins quoted on the capital market.

Consolidation of the Group finance function in DB AG gives us a uniform market presence in the money and capital markets, and allows us to achieve economies of scale and cost benefits. In addition, central Group financing enables us to adequately monitor financial transactions and achieve comprehensive risk management.

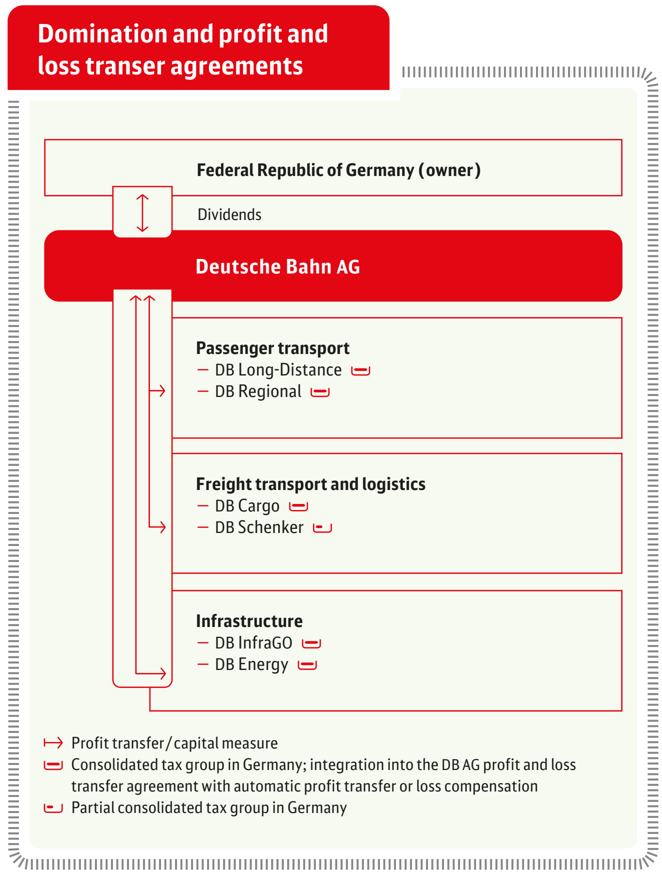


DOMINATION AND PROFIT AND LOSS TRANSFER AGREEMENTS

Profit transfer and loss compensation between companies in Germany do not constitute service relationships. On the contrary, the profit and loss transfer agreement stipulates that the amount of profit distributed or the sum required to offset losses is not reset every year but is calculated automatically. The cash flow is based on the shareholder's right to profits or obligation to compensate any losses. Notwithstanding this, DB Group ensures that Group companies have a sufficient equity base despite the commitment to offset potential losses generated by individual companies within DB Group.

Investors are only willing to provide capital if amortization and interest yields are ensured. A purely debt-based financing model is not commercially viable, as it is associated with too high risks. Profits are essential for maintaining DB Group's capital expenditure capacity. Profits generated are either retained or distributed to the Federal Government as the sole shareholder. The share of profit retained (accumulated) in DB Group increases the capital expenditure and borrowing capacity.

Annual profit transfers and loss compensation within DB Group are reflected in the net investment income of DB AG 176.



Within the framework of LuFV 273f., the Federal Government and DB Group have contractually agreed that in the event of a dividend payment by DB AG to the Federal Government, the dividend will be used by the Federal Government to carry out replacement capital expenditures in the rail infrastructure. As a result, the after-tax profits of the rail infrastructure companies (RICs) are distributed in full to the Federal Government and also fully reinvested in the infrastructure. This mechanism ensures that profits from infrastructure are channeled entirely into the infrastructure as investment grants and remain there. In contrast to alternative profit retention, there is no increase in the capital employed. In LuFV III, assumptions were made regarding the level of the annual dividend, which were incorporated into the total amount of LuFV funds. In line with the LuFV assumptions, a dividend payment of € 650 million was made by DB AG for the 2022 financial year in 2023, which was reinvested in full as investment grants for rail infrastructure. The dividend paid in 2023 therefore exceeded the RICs' profits of € 541 million in the 2022 financial year.

CASH FLOWS DB AG AND DB INFRASTRUCTURE COMPANIES / € million	2000 to 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	**2023**	**Total**
FROM CAPITAL INCREASES BY DB AG															
DB InfraGO AG (formerly DB Netz AG)	+1,220	–	–	+5	–	–	–	+1,000	–	–	–	+1,125	+1,300	+1,125	**+5,775**
DB Station&Service AG [1]	+425	+14	–	–	–	–	–	–	–	–	–	+1,000	+49	+2	**+1,490**
Total	**+1,645**	**+14**	**–**	**+5**	**–**	**–**	**–**	**+1,000**	**–**	**–**	**–**	**+2,125**	**+1,349**	**+1,127**	**+7,265**
FROM PROFIT AND LOSS TRANSFER AGREEMENTS TO (-)/FROM (+) DB AG															
DB InfraGO AG (formerly DB Netz AG)	+1,290	-307	-197	-66	-217	-81	-280	-390	-509	-402	+23	+139	-403	+1,634	**+234**
DB Station&Service AG [1] (until April 30, 2023)	-463	-155	-160	-169	-188	-203	-176	-186	-190	-146	+32	+61	+2	-7	**-1,948**
DB Energie GmbH	-563	+38	-62	+37	-39	-51	-35	-59	-12	+3	+66	-126	-140	-166	**-1,109**
Total	**+264**	**-424**	**-419**	**-198**	**-444**	**-335**	**-491**	**-635**	**-711**	**-545**	**+121**	**+74**	**-541**	**+1,461**	**-2,823**
DIVIDEND PAYMENT TO THE FEDERAL GOVERNMENT (FOR PREVIOUS YEAR)															
DB AG	–	-500	-525	-525	-200	-700	-850	-600	-450	-650	-650	–	–	-650	**-6,300**

(+) Cash inflow
(-) Cash outflow
[1] DB Station&Service AG was merged with DB InfraGO AG with effect from May 1, 2023.

Regulations in DB Group

In order to ensure coordinated and targeted action in DB Group, general guidelines are necessary for all employees. One format used for this purpose are directives, which predominantly contain target rules and which prescribe binding framework requirements for a defined scope. The Management Board sets out the inner ambition, Group principles and Group directives as a basis for the additional regulations.

INNER AMBITION, GROUP PRINCIPLES AND GROUP DIRECTIVES

Group directives contain the key requirements for Group-wide leadership and management topics. They are decided by the Management Board and are part of the management handbook. The management handbook includes the inner ambition, four Group principles (strategy, management, strong teamwork and ethics/code of conduct) and ten Group directives (organization, HR management, finance, marketing, communication, IT and telecommunications, procurement, competition and regulation, risk minimization, Integrated Rail System in Germany) and the basic structure of DB Group and the process map. In the Group Principles on Ethics, for example, it is noted that DB Group complies with internationally recognized human rights and basic freedoms as part of its business operations in accordance with the principles set out in the UN Global Compact. The Group directive on risk minimization stipulates that DB Group is committed to acting in accordance with the rules, in particular with regard to ethical standards (principles and values), human rights, corporate governance, competitive behavior, integrity, data protection and data security, as well as environmental protection, and for consistent prevention, investigation and sanctioning of corruption, antitrust and export control violations, and white-collar crime.

The management handbook is updated twice a year and is coordinated by the Group organization. The management handbook is published in the Group regulations database, which is communicated via corporate communications, the internal DB management portal on Group-wide regulations on structure and process organization, and the intranet.

FRAMEWORK DIRECTIVES

The Group directives are backed by framework directives. These are directives issued by Group management that apply for several business units or service units. Individual directives detail the rules on topics such as donations, environmental management, occupational health and safety or data protection. When framework directives are introduced, updated or suspended, the framework directives coordinators for all relevant business units or service units are involved.

Compliance

GRI

MANAGEMENT APPROACH AND TARGETS

At DB Group, compliance is an integral element of our corporate culture and guides our actions in our business activities. We are consistently refining our compliance management system (CMS) in order to remain at the cutting edge and ensure compliance in the long term. Compliance is embedded in the Strong Rail strategy 52ff.

Our CMS is based on national and international legal requirements and established standards, such as the German Institute of Public Auditors (Institut der Wirtschaftsprüfer; IDW) auditing standard IDW PS 980. DB Group also applies the directive of the Federal Government on corruption prevention in the German Federal administration by analogy. The CMS aims to ensure that compliance risks are identified at an early stage and appropriate countermeasures are implemented. We continuously monitor the effectiveness of our CMS and make any necessary adjustments. Compliance is a component of the internal control system (ICS). As a result, intra-Group auditors examine, among other things, the CMS within DB Group as part of the ICS audits under the German Accounting Law Modernization Act (Bilanzrechtsmodernisierungsgesetz; BilMoG).

After the Group-wide independent investigation into the effectiveness of DB Group's CMS with regard to corruption and white-collar crime in the form of fraud and embezzlement was completed in 2022/2023 by an auditing and consulting firm in all business entities with an unqualified audit opinion, the recommendations made were used to analyze existing processes in detail and improve them where necessary. A follow-up process was introduced in order to monitor implementation.

In terms of structure and process organization, DB Group compliance management is characterized by a combination of centralized and decentralized elements. The Chief Compliance Officer (CCO) manages the further development of our CMS and reports directly to the Chief Executive Officer. The CCO is assisted in his/her duties by more than 250 employees responsible for compliance issues. Group management focuses its compliance work on centralized governance activities in particular, while operational responsibility is exercised in the business and service units. The intensive dialog between centralized and decentralized compliance officers is ensured through various formats, such as a conference, monthly compliance officer meetings, the use of a compliance cockpit as a work platform and virtual information events for compliance officers and managers that take place at least quarterly.

DB Group is committed to compliance issues in the national and international environment. Corruption, in particular, may harm the confidence of the people in the functioning of the state and its institutions, among other things, and can also lead to financial damage to the state. DB Group is involved in the development of corruption prevention strategies through its cooperation with the German Institute for Compliance (DICO) and as an active member of Transparency International. A communication campaign was launched together with Transparency International Deutschland e.V. on the occasion of International Corruption Day. DB Group also contributes its compliance expertise in regular exchanges experience with other international companies.

COMPLIANCE INSTRUMENTS

GRI

Specific compliance instruments have been developed to protect DB Group, its employees and executives. This includes binding compliance regulations, risk and process analyses, a compliance reporting system, training and communication measures, and a whistle-blowing management system.

The code of conduct of DB Group is the cornerstone of our CMS. It defines standards and expectations for the day-to-day actions of our executive bodies, executives and employees and is provided to the employees via the Group regulations database and relevant pages on the intranet. The compliance regulations are also part of an app updated in 2023, which is installed on all centrally managed business mobile devices in DB Group. As a rule, since 2018, the DB Code of Conduct has also been part of the employment contracts of DB Group employees. The DB Code of Conduct is also published on DB Group's corporate Web site in German and English. The DB Code of Conduct was expanded by resolution of the Group Management Board in compliance with the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) 198f. The new version came into force on January 1, 2024. The DB Code of Conduct is supplemented by binding directives that specify applicable legal provisions governing national and international business and contact with customers.

Compliance risk analyses are a key component of DB Group risk management and are conducted by the business and service units. A Group-wide survey of compliance risks is conducted in accordance with governance requirements set by Group management. The binding framework contains minimum requirements for planning, implementation, reporting and follow-up. Within a three-year cycle, all Group companies with operational activities must be audited for risks of corruption. At the business unit level, reports on the relevant compliance risks are to be published annually in a predefined format.

Compliance risk analyses carried out show that the business units are affected by corruption risks in different ways. Some of our companies operate in foreign markets that are highly susceptible to corruption. In addition to DB Schenker and DB E.C.O. Group, this also applies to DB Arriva and DB Cargo. Business units in the Infrastructure division are more likely to be exposed to risks due to high procurement volumes. The Management Board is informed about compliance risks by means of a compact annual compliance report. The report separately sets out the risk exposure of business units, service units and Group management functions and highlights existing risk-reducing factors and countermeasures.

The Management Board is also kept regularly informed during the year about the further expansion of the compliance program and any significant compliance cases. The CCO also reports on compliance issues, including Group-relevant and critical issues, at least once a quarter in the Audit and Compliance Committee formed by the Supervisory Board. Independently of this, the intra-Group auditors report the key findings of the respective financial year – including the key findings of the audit areas and the status of the execution of the audit program – to the Audit and Compliance Committee in March and presents the audit planning for the Group audit for the coming financial year in the December meeting. The General Counsel of DB Group reports on significant legal cases in the March meeting. Depending on the circumstances, the various committees are also informed directly about Group-relevant/critical matters in individual cases.

In order to achieve our compliance objectives, we are continually optimizing our instruments and providing advice on compliance matters. This requires compliance specialists to be informed of current technical developments. For its regular qualification, the Compliance Academy is a learning area implemented within DB Group's own learning platform as a central instrument for knowledge transfer. The completion of defined courses is mandatory.

Executives have a particular role to play in shaping our corporate culture. Various programs have been implemented in order to train them in compliant behavior in order to protect the Group and themselves from compliance risks. The mandatory training program for top management executives was expanded to include new modules in 2023. This supplements the established compliance coaching provided by the heads of DB Group's compliance, audit and legal functions. As part of the personnel selection procedure, preemployment checks were also carried out for executives below the level of top management in 2023.

The compliance awareness plan takes a risk and needs-based approach, which determines the frequency in which all executives and employees are to be trained. By holding in-person events or conducting e-learning sessions, it is possible to train almost all executives and employees who either need to be trained or are exposed to medium and high risk, over a period of two to two and a half years. In 2023 alone, some 37,000 executives and employees attended events with instructors on the subject of preventing corruption. E-learning modules were also extensively used. Together with the e-learning modules developed specifically for DB Schenker and DB Arriva, over 157,000 e-learning units on preventing corruption were completed.

Further tightening of sanctions against Russia in 2023 meant that ongoing advice and adjustments to processes, contractual clauses and awareness-raising on foreign trade law issues were once again a focal point of compliance work.

There is a Group-wide whistle-blower system to obtain information about potential violations of laws or internal regulations. The way in which submitted tip-offs are handled is regulated in detail. The processes implemented protect the whistle-blowers. Clearly defined requirements regarding the rigor and relevance of whistle-blowing tip-offs serve to take account of the interests of the persons concerned.

There are various ways of submitting a tip-off. These include three trusted legal practitioners, who are legally bound to secrecy, in addition to the compliance teams in the Group management, business units and service units. There is also a Group-wide electronic whistle-blower system, which makes it possible to submit tip-offs anonymously. It can be used in 22 languages and is available not just to employees, but also to customers, suppliers and other stakeholders. In 2023, the whistle-blower system was used for the central reporting of corruption incidents in fewer than ten cases. In 2023, there were no confirmations of allegations of corruption originating from DB Group. Accordingly, no labor law measures were taken against employees in this respect. There were also no ongoing court proceedings in 2023 for such corruption incidents.

In view of the German and European implementation laws relating to the EU Directive for better protection of whistle-blowers, adjustments were made to processes and communication in the reporting system, including the establishment of new reporting points.

Executives and employees are advised by colleagues in the compliance organization on issues relating to compliance. To this end, DB Group has been operating a compliance help desk for well over ten years.

GRI

BUSINESS PARTNER COMPLIANCE

Successful long-term business operations require the careful selection of business partners and suppliers, who must then be informed of DB Group's values and minimum requirements. DB Group has developed various formats to increase awareness among its business partners and incorporate sustainable business practices more firmly in the supply chain.

The e-learning module on the DB Code of Conduct for Business Partners, updated in 2023, is freely accessible online. It provides information about integrity, binding legal standards and ethical issues, and sets out clear compliance requirements as defined in our DB Code of Conduct for Business Partners. Real-world examples demonstrate how our principles should be applied. The DB Code of Conduct for Business Partners was amended in 2023 in compliance with the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) 198 f. and adopted by the Management Board. The new version came into force on February 1, 2024.

Contracts and contractual partners are audited for compliance risks. Integrity clauses in the General Terms and Conditions of Purchase are used to counteract potential compliance risks. Other compliance regulations are agreed based on risks. This applies to the appointment of intermediaries, for example. If serious misconduct occurs, the group of decision makers for exclusions from tender procedures (Entscheiderkreis Vergabesperre; EKV) shall decide to suspend the awarding of tenders on the basis of clear criteria that stipulate how to deal with the contractor or supplier. In case of a suspension, the earliest that a business partnership can be reestablished or continued is after the suspension period expires or after the company takes action to clean up its practices, which the client body deems to be sufficient and which can often take many years to complete. In 2023, the group of decision makers imposed seven exclusions from tender procedures, none of which were due to corruption. In addition, an exclusion from tender procedures was imposed on two sanctioned creditors.

GRI

COMPLIANCE WITH ANTITRUST LAWS AND PREVENTING ANTITRUST DAMAGES

Training courses with on-site instructors ensure that executives and employees are kept aware of antitrust legislation. The formats of the training courses are individually tailored to the requirements of the business units and the central functions. The target group includes all executives and employees who are in contact with competitors or have other roles that are critical with regard to competition. The training courses are supplemented, in particular, by regulations specific to business units and close (antitrust) legal advice.

Measures to prevent antitrust damage are an important component of antitrust compliance. To this end, we operate a comprehensive antitrust damage prevention system. An important part of this system is to use contractual conditions in markets where antitrust violations are most likely, which obligate suppliers to introduce or maintain antitrust compliance programs.

Human rights

MANAGEMENT APPROACH AND TARGETS

GRI

Protecting and promoting human rights is of the utmost importance to us. We report on how we safeguard human rights with regard to working conditions, anti-discrimination measures, and occupational health and safety within DB Group, particularly in the chapter Employees 85 ff.

We expect our business partners to uphold human rights. Our requirements in this regard are set out in the DB Code of Conduct for Business Partners. This Code refers to the core labor standards of the International Labor Organization (ILO), such as protection against child and forced labor and against discrimination in employment and occupation. It contains regulations on adequate pay, regulated working hours, and the preference for regular employment. The DB Code of Conduct for Business Partners is part of the contractual obligations of our business partners. We reserve the right to audit our business partners. We attach great importance to cooperative relationships. In the event that the Code is breached, we take appropriate measures, which may range from opportunities for remedial action and improvement to termination of the contract in the event of serious breaches. DB Group's Principles on Ethics (internal DB Code of Conduct) set appropriate requirements for our own employees and executives. These are legally binding under labor law. We oppose modern slavery in all its forms, be it forced or compulsory labor, servitude, human trafficking or child labor, and we report on this in accordance with the provisions of the UK Modern Slavery Act. DB Schenker's global activities are additionally subject to specifically developed Social Minimum Standards. These standards detail the overriding DB Group Code of Conduct and provide, particularly in the international context, minimum standards for situations in which national and international legislation does not stipulate any appropriate social measures. Compliance with the Social Minimum Standards is regularly audited by intra-Group auditors at selected locations.

If human rights violations are suspected, employees, customers, suppliers and any other parties that may be of concern are provided with various channels to report such violations, including the option to report anonymously. One channel is our electronic whistle-blower system. In addition, reports can be made by post and trusted legal practitioners. DB employees can also contact the ombudsman's office. In 2023, 104 reports were submitted via the whistle-blower system in relation to human rights (mainly cases relating to occupational health and safety and potential discrimination).

GRI IMPLEMENTATION OF THE ACT ON CORPORATE DUE DILIGENCE OBLIGATIONS IN SUPPLY CHAINS

Since January 1, 2023, we have been obliged under the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) to adequately enforce human rights and environmental due diligence obligations in our supply chains and to establish responsible management of our supply chains. In addition to DB AG, a further 15 Group companies were subject to LkSG in 2023 due to their number of employees. These Group companies are generally responsible for their own LkSG matters. During the set-up phase of LkSG risk management, compliance with due diligence obligations within DB Group is also coordinated through a Group-wide project. A Group LkSG Officer was appointed by the Management Board to monitor compliance with the statutory due diligence obligations at DB AG. From 2024 onwards, DB AG will report annually to the Federal Office of Economics and Export Control (BAFA) on the fulfillment of human rights and environmental due diligence obligations in the previous financial year from a Group-wide perspective. Group companies subject to LkSG submit company-specific reports on their LkSG activities to BAFA.

In 2023, we set up an LkSG risk management system for human rights and environmental due diligence in accordance with the requirements of LkSG. We are gradually integrating this into all relevant business processes. Our LkSG risk management serves to identify, minimize and eliminate human rights and environmental risks and breaches. At the core of LkSG risk management is a systematic and targeted LkSG risk analysis in which we identify and assess the potential and actual risks that our business activities pose to people and the environment. Our annual LkSG risk analysis is a two-stage process, starting with an abstract risk analysis to determine the gross risk. In the event of increased gross risks, a more detailed investigation of subsidiaries and suppliers is carried out in a second step in the form of a detailed risk analysis. This aims to identify the actual net risks of human and environmental rights breaches. If there is specific evidence, such as particular incidents, information or reports that indicate potential risks or breaches of human rights or environmental obligations in the business areas or supply chains of DB Group, we also carry out ad hoc risk analyses.

In our policy statement on protecting and respecting human rights, we report on the prioritized human rights and environmental risks in DB Group identified on the basis of our LkSG risk analysis conducted in 2023. In this statement, we also express our commitment and dedication to respecting human rights and environmental obligations, describe our procedures for implementing the due diligence obligations pursuant to LkSG and set out the expectations placed on us, our suppliers and business partners to ensure compliance with human rights and environmental obligations.

If we identify any relevant LkSG risks, we take appropriate risk-based preventive measures. We take a wide range of measures, including both the further development of existing measures and the implementation of new ones. In 2023, we adapted our Group Principles on Ethics (DB Code of Conduct) and the DB Code of Conduct for Business Partners to the requirements of LkSG. In addition, awareness-raising measures were carried out in procurement, various contractual clauses were modified and an overarching catalog of measures was developed. This lists potential preventive measures, such as the creation of directives, the implementation of management and monitoring systems and the performance of audits and training courses. The catalog serves as a starting point for risk-based development of specific action plans for individual cases, known as Corrective Action Plans. These plans set out specific steps and measures to remedy identified problems, for example by revising existing directives or strengthening control mechanisms. Moreover, training courses on topics relevant to LkSG were developed and their implementation started. If we identify a breach of a human rights or environmental obligation, we take appropriate remedial action without delay. We are also continuously refining our catalog of possible preventive and corrective measures to this end.

Since January 1, 2023, our existing whistle-blower system, which we have agreed with the Group Works Council with regard to the interests of employees, has been expanded in accordance with the requirements of LkSG. We investigate all reports received in the context of LkSG to determine whether the reported issues indicate a human rights or environmental risk or corresponding breaches of duty. If this is the case, the report is forwarded to the responsible body. If the initial suspicion is substantiated, the necessary measures are taken to minimize or eliminate risks or breaches. All reports are treated confidentially and, if so requested, anonymously. Using the complaints procedure enables us to identify previously unidentified LkSG risks or breaches of duty. Thus, in addition to the LkSG risk analysis, the complaints procedure plays a key role in enabling us to continuously improve and develop our LkSG risk management. Similarly, we analyze the results of our LkSG risk analysis in relation to the complaints procedure in order to gain additional insights into potential stakeholder groups and continuously optimize the design of our complaints procedure. We review the effectiveness of our complaints procedure once a year and on an ad hoc basis. Our assessment is based on the effectiveness criteria set out in Guiding Principle 31 of the United Nations Guiding Principles on Business and Human Rights.

Data protection

MANAGEMENT APPROACH AND TARGETS

Data protection is a fundamental right. After all, data protection and informational self-determination are the cornerstones of our free and democratic society. That is why protecting the personal rights of our customers, employees and business partners when processing their personal data is one of our most important duties at DB Group.

We are aware of the acute responsibility we bear for the data entrusted to us and take numerous measures to protect it. These include, for example, binding data protection regulations, our processing directory, communication and training measures as well as our input and complaints management systems. In the process, we comply with data protection regulations, in particular those of the EU General Data Protection Regulation (GDPR) and internal data protection regulations, in order to ensure exemplary, innovative and sustainable data protection practices.

Our overriding objective is to ensure that data transfer within DB Group and involving entities outside DB Group complies with data protection regulations. We ensure this with a high level of data protection. At the same time, we are committed to ensuring that our customers, employees and business partners retain control over the use of their data. This also requires transparency about our legally compliant and ethical data processing practices, both in relation to our products and in informing our customers about exercising their digital sovereignty.

We are working toward achieving this by raising awareness of data protection issues throughout DB Group, in particular by informing and training employees and by having a variety of digital and analog awareness-raising measures in place as well as high-quality data protection advisory expertise. Another focal point is the expansion of internal and external networks to improve DB Group's public image with regard to data protection.

We are also committed to innovation, the further development of existing instruments and methods, and the standardization of processes for professional data protection management. In order to ensure that data protection is applied and implemented reliably within DB Group, we operate a data protection management system that enables us to fulfill information and disclosure rights and obligations to furnish evidence at any time in a transparent and legally admissible manner. In addition, regular data protection audits ensure a high standard of data protection.

We pursue our data protection objectives in accordance with the following four guidelines:

- We are committed to protecting the personal rights of our customers, our employees and our business partners at all times.
- We develop innovative and legally compliant data protection solutions that drive DB Group forward. From the perspective of protecting natural persons, we work together to ensure that the legal and technical requirements are successfully fulfilled all the way from the development to the realization of digital business models, products and services.
- Data protection advisory enables us to ensure legally compliant and ethical data processing within DB Group and with our external interfaces.
- As part of corporate risk management, we help to ensure the commercial success of DB Group and protect DB Group from harm. By providing advice on how to handle personal data in compliance with data protection regulations, we continuously ensure through compliance with legal requirements that DB Group's business goals are not jeopardized.

We achieve our objectives by means of a robust data protection organization with a clear structure of responsibilities and uniform standards for our products and services. The data protection organization within DB Group is divided into a centralized and decentralized organization:

- Centrally, there is the Group's Data Protection team which supports and advises the Group companies regarding compliance with data protection, especially in regard to data protection issues that are relevant to the Group. There are four departments within the data protection organization, two of which work in different areas of responsibility within employee and customer data protection (one in administration or training, and the other in communication and management of the Group data committee). Another department deals with auditing, technical data protection and the internal data protection systems. The fourth is responsible for the national and international data protection directives and manages the entire decentralized data protection organization. At the national level, this consists of data protection specialists, data protection trusted persons and, at the international level, privacy managers.
- Decentral data protection experts in Group companies all over the world are available to employees and responsible persons if they have any questions and concerns about data protection. These experts ensure that the regulations are implemented and enforced in accordance with the law.

Integrated interface management and various communication formats ensure the exchange of information and targeted technical management of the decentralized data protection organization, especially in light of the wide range of services and products within DB Group and the associated wide-ranging advice requirements.

In 2010, a Data Protection Advisory Board 201 was also established, consisting of representatives from the fields of society, politics and science. It advises the Management Board on data protection issues, ensures that the legitimate data protection interests of the groups represented are taken into account, and simultaneously makes an important contribution to DB Group's stakeholder dialog on data protection.

DATA PROTECTION STRATEGY

Based on the Strong Rail strategy 52ff., a five-year data protection strategy was drawn up in 2023, focusing on the structure of the GDPR and digitalization. In particular, legal changes by data protection supervisory authorities and courts in Germany and Europe as well as the increase in digitalization, for example in the field of artificial intelligence (AI), are leading to an increased need for in-house advice from the data protection organization. The objective is to minimize legal uncertainties, for example when using new technologies. The focal points are anchored in our Data Protection Management System both in terms of structure and process organization, including through the use of simple processes and clear responsibilities.

DATA PROTECTION MANAGEMENT SYSTEM

We rely on a professional data protection management system to achieve our data protection goals. With clear responsibilities, regulations, instruments, awareness measures, intensive training, standardization and data protection audits as its basis, our Data Protection Management System (DPMS) ensures that data protection is reliably implemented and practiced within DB Group. In this way, it minimizes risk and acts as a mechanism for integrating data protection easily into existing business processes.

DATA PROTECTION PRIORITIES

In 2023, the DPMS was implemented using various measures in data protection advice, processes, auditing and training.

A core element of our DPMS is the advice provided to employees and responsible parties by our data protection organization to ensure that personal data is processed in compliance with data protection regulations. In the light of national and international regulations on data protection, various measures have been discussed, supported and implemented with those responsible. For example, the increased number of rulings by the ECJ and the German Federal Supreme Court (BGH) regarding the right to information and the right to a copy provided greater legal certainty when processing data subjects' rights. As a result of the legal requirements, adjustments were made in the relevant business units, for example in the scope of the information provided. Group Data Protection represents the company's interests with regard to data protection in several associations. Another focal point of our advisory services was support for the launch of DB InfraGO AG 144. As part of this change under company law, the substantive aspects in relation to data protection law, in particular the impact on data protection information, were examined in 2023 and the necessary adjustments were initiated.

The new adequacy decision regarding the USA was the focus of international advisory. In July 2023, the European Commission adopted the adequacy decision for the EU-US Data Privacy Framework (successor to the Privacy Shield), which regulates the level of protection for data transfers to certified organizations in the USA. On this basis, the application of the EU-US Data Privacy Framework in DB Group was subjected to a critical review with the conclusion that the existing processes will be largely retained and that only adjustments within the scope of the review will be made.

In 2023, technical data protection advisory focused primarily on the topics of AI, big data and data-driven marketing. In addition, the topic of Microsoft Office 365 is associated with ongoing technical advice through the further development and introduction of new functions, particularly internally. Technical data protection was faced with challenging advisory tasks in connection with the tenders for telecommunications service providers, data protection support for the various IT security requirements placed on mobile devices and the awarding of cloud contracts.

The audit focused on central procedures in customer data protection and employee data protection. There was also a particular focus on auditing the implementation of SharePoint in 2023. Furthermore, numerous apps developed for customers and employees were reviewed (e.g. S-Bahn [metro] Berlin app, Bonvoyo app, Mosaik and the new DB Navigator). The focus of the app checks was on the use of cookies, the scope and processing of personal data as well as the technical safeguards in place for data transmission and storage. The app provision and quality assurance process in DB Group was discussed from a data protection and technical perspective and was implemented in 2023. In the communication with the audited parties, particular attention was given to the improvement of processes and the empowerment regarding data protection issues of responsible parties.

In addition, cooperation with the various audit units of IT Audit and the Information Security division within DB Group was further intensified. The focus here was on sharing relevant findings regarding the audits between the divisions and ensuring the provision of advice.

In addition to advisory, our DPMS also covers data protection-compliant process optimization. For example, the departments were assisted in implementing whistle-blower management in a data protection-compliant manner, which has been necessary since the German Whistleblower Protection Act (HinwSchG) came into force as an implementation of the Whistleblower Directive 2019/1937. This includes the development of data protection-compliant processes in the context of whistle-blower management, secure communication, protection of whistle-blowers and legally compliant enforcement of data subjects' rights.

The increased need for advice, particularly on topics relating to digitalization and generative AI, requires the data protection organization to be informed about the latest technical developments. For its regular qualification, internal events are offered in which, among other things, the advisors pass on their knowledge in their role as disseminators.

In 2023, the focus was once again on data protection awareness among all employees. There continues to be a high demand for online awareness-raising programs due to mobile working practices. The new e-learning course "data protection for mobile working" was released in 2023 and 3,464 e-learning units have been completed to date. Group-wide online campaigns to raise employee awareness were implemented in close cooperation with the Group Security, Information Security and Compliance divisions.

DATA PROTECTION ADVISORY BOARD

DB Group's Data Protection Advisory Board is an established advisory body to the Management Board on the latest central and strategic data protection issues. The advice serves to protect the personal rights of customers, employees and business partners. The involvement of the stakeholder groups represented on the Advisory Board ensures that the legitimate interests relevant to data protection are taken into account on a broad basis. The work of the body therefore makes an important contribution to ensuring that data protection within DB Group is as innovative and exemplary as possible.

The focus of the 2023 consultations was on advancing digitalization, particularly in the professional context. The various aspects of digitalization were discussed with the involvement of the relevant specialist departments and representatives of the data protection organization. In particular, the interplay between data protection, data security and co-determination was discussed in detail on the basis of key projects. The opportunities and risks associated with the use of AI, in particular generative AI applications, were discussed at length and from an interdisciplinary perspective. Other key advice topics included communication and training, data subject rights, video technology in infrastructure and international data protection within DB Group.

Corporate Governance report

Corporate governance rules are intended to ensure good, responsible and value-focused corporate management. The Federal Government amended its Public Corporate Governance Code (Public Corporate Governance Kodex; PCGK) on principles of good corporate and investment management by resolution dated September 16, 2020, and again by resolution dated December 13, 2023. The PCGK sets out the essential provisions of applicable law governing the management and monitoring of non-listed companies in which the Federal Republic of Germany holds a majority stake, while outlining the internationally and nationally acknowledged principles of good and responsible corporate management. The objective of the PCGK is to make the corporate management and oversight of companies more transparent and easier to understand as well as to establish more precisely the role of the Federal Government as a shareholder in such companies. It also intends to increase awareness of good corporate governance.

We are convinced that good corporate governance is fundamental to the success of DB Group. Our aim is to sustainably increase the enterprise value so as to promote the interests of customers, business partners, investors, employees and the public, while maintaining and expanding trust in DB Group.

For corporations under uniform management, the executive bodies of the parent company should jointly issue the statement of compliance for the parent company of the Group and the companies under its uniform management which are to apply the Code. Deutsche Bahn AG (DB AG) complies with this recommendation below. The statement of compliance is an essential part of the Corporate Governance report, which is therefore also submitted in its entirety at the level of the Group's parent company.

STATEMENT OF COMPLIANCE

I.

The Supervisory Board and the Management Board of DB AG declare that since the last declaration was issued on March 29, 2023, the recommendations of the Public Corporate Governance Code adopted by the Federal Government on September 16, 2020, and updated on December 13, 2023, have been complied with, with the following exceptions:

1. NO. 3.2 CLAUSES 1 TO 4

For 30 of the limited liability companies (GmbHs) covered by the PCGK within DB Group, shareholder's meetings did not take place in person once a year as recommended by the PCGK; instead, they were held by way of a written resolution in accordance with Section 48 of the Act on Limited Liability Companies (Gesetz betreffend die Gesellschaften mit beschränkter Haftung; GmbHG).

These companies are directly or indirectly wholly owned by DB AG and are integrated into DB Group via a domination and profit and loss transfer agreement. As part of DB Group, meetings held in person to discuss the financial statements with only one person present as shareholder representative would have no added value in terms of content, but would result in a significantly disproportionate administrative burden and additional expenses, due to the presence of the auditor, for example.

2. NO. 4.1.3 PARA. 2 CLAUSE 1 AND NO. 4.1.3 PARA. 4

Continuous quarterly reporting recommended by the PCGK for the companies it covers in accordance with Section 90 of the German Stock Corporation Act (Aktiengesetz; AktG) is not implemented for six GmbHs. The previous cycle of semi-annual reporting has proved successful in these companies. The proper, timely and comprehensive information of the supervisory body continues to be effectively ensured, even with the current reporting period of at least one meeting per calendar half-year. If there are additional events, written reports by the Management Board or extraordinary meetings of the Supervisory Board may continue to take account of the reporting requirements to the Supervisory Board.

3. NO. 4.1.3 PARA. 5 CLAUSES 4 AND 5

The respective rules of procedure for the companies covered by the scope of application of the PCGK generally stipulate that a 14-day period must be complied for convening the Supervisory Board, including communication of agenda items. Additions should be communicated no later than one week before the meeting (by means of subsequent dispatch). In justified exceptional cases, additions to the agenda or the submission of documents may be required at short notice so that the Supervisory Board can also be informed in urgent cases or can also make corresponding decisions. During the reporting period, some companies covered by the PCGK submitted documents within less than 14 days' notice in isolated cases. The companies strive to comply with the 14-day deadline in principle.

4. NO. 4.3.2 CLAUSE 2
In its D&O insurance policy, DB Group does not comply with the deductible recommended by the PCGK for members of GmbH management bodies. DB AG has taken out a Group-wide D&O insurance policy for all its management body members in fully consolidated companies. A deductible for management body members of GmbH companies is not prescribed by law. Unlike executives of stock corporations, for whom the deductible is prescribed by law, there are hardly any corresponding insurance offers on the market to cover such a deductible for members of the management body of GmbHs. DB AG continuously monitors the insurance market. If the corresponding offers are available on the market, DB AG will aim to implement this recommendation from the PCGK.

5. NO. 4.3.2 CLAUSE 3
In D&O insurance, there is no deductible for members of supervisory bodies.

DB AG has taken out a Group-wide D&O insurance policy for all its Board members in fully consolidated companies, which also covers the members of the supervisory bodies.

A deductible makes it difficult to compete for suitably qualified candidates for members of the supervisory bodies, especially since comparatively low remuneration is paid anyway.

A significant portion of the remuneration paid to representatives on DB Group Supervisory Boards who are delegated by/elected at the behest of the Federal Government is transferred to the Federal Treasury, unless they waive their remuneration altogether. Members of the Supervisory Board representing employees also transfer a significant amount of their remuneration, in this case to the Hans Böckler Foundation. DB executives who take on Supervisory Board mandates within DB Group do not receive any separate remuneration for Group-internal Supervisory Board mandates. This being the case, it does not seem appropriate to allow members of the supervisory bodies to share in the risks arising from Directors' and Officers' liability cases.

6. NO. 5.1.2 CLAUSE 4
DB Group has complied with the recommendation of the PCGK to subject the entity responsible for compliance directly to the general management, with two exceptions. In one company, the compliance officer is indirectly subordinated to general management, and the performance of the compliance function only represents a small proportion of their overall activity. However, there is a direct right to report to the management and professional independence, meaning that in this case indirect subordination is considered to be justifiable. In another case, responsibility for compliance is assigned to the chairman of the management body. The compliance officer assigned is responsible for compliance issues across the board for a number of companies in this business unit. As a result of the evaluation and audit, the overall approach presented was considered to be more efficient and therefore preferred to the establishment of compliance officers in the respective legal entities, who then report directly to the respective management body.

7. NO. 5.2.2 CLAUSES 1 AND 3
As part of the implementation of the PCGK recommendations, a standard procedure/sample documents for a transparent selection procedure were applied during the reporting period. In companies with minority shareholdings, there are, in some cases, rights to designate on the part of the minority shareholder for individual management mandates. In these cases, there is no room for DB AG to apply a structured selection procedure.

8. NO. 5.2.5
The recommendation not to appoint members of the Management Board beyond the age limit stipulated in the rules of procedure was not complied with in one case. The reason for this was the need to ensure a stable personnel situation during a phase of restructuring.

9. NO. 5.3.2 PARAS. 1 AND 2
The recommendations under no. 5.3.2 Clauses 1 and 2 of the PCGK, in accordance with which executive remuneration should be decided by the responsible corporate body, are, for the most part, complied with. In individual cases, there are still ongoing Group employment contracts for historical

reasons. In these cases, where the contractual partner is not the corporate body, but rather DB AG as management holding company, the recommendations of this section will be deviated from during the term of these Group employment contracts. There are no plans to conclude new Group employment contracts in the future.

10. NO. 5.3.2 PARA. 5

DB AG intends to comply with the recommendation to establish supplementary premium and clawback clauses in the employment contracts for members of a management body. This recommendation will be integrated into contractual regulations in the context of new appointments and reappointments. Accordingly, it will take several years for the companies covered by the PCGK to fully comply with this recommendation.

11. NOS. 5.3.3 AND 5.3.4

The recommendations under Nos. 5.3.3 and 5.3.4 of the PCGK with regard to the determination of variable remuneration components by the responsible corporate body are, for the most part, complied with. In individual cases, there are still ongoing Group employment contracts for historical reasons. In these cases, where the contractual partner is not the corporate body, but rather DB Group management, the recommendations of this section shall be deviated from during the term of these Group employment contracts, as the targets in these cases are agreed with Group management. There are no plans to conclude new Group employment contracts in the future.

The methods for the variable remuneration / profit share in DB Group were revised in the 2023 financial year. The established methodology continues to meet the requirements of the PCGK.

12. NO. 6.1.1 PARA. 1

In the case of DB Projekt Stuttgart—Ulm GmbH, DB Group does not comply with the PCGK's recommendation to anchor a supervisory body in the articles of association where this is not provided for by law. In 2013, the Management Board and Supervisory Board agreed to establish the project company DB Projekt Stuttgart—Ulm GmbH for the implementation of the major Stuttgart 21 / Wendlingen—Ulm projects and to set up an advisory board of specialist experts to support the company. The Advisory Board of DB Projekt Stuttgart—Ulm does not have any tasks, rights or duties within the meaning of the German Stock Corporation Act (Aktienrecht). However, the Chairman of the Advisory Board regularly brings the committee's positions into the deliberations of DB AG's Supervisory Board on the Stuttgart 21 project. In addition, the auditor PwC and the engineering firm Emch+Berger provide regular, independent monitoring and quarterly reporting on the project status to DB AG's Audit and Compliance Committee. There is, therefore, no intention to establish a separate supervisory board for DB Projekt Stuttgart—Ulm GmbH.

13. NO. 6.5 PARA. 1

DB AG does not comply with the recommendation that all companies covered by the PCGK hold one regular meeting of the supervisory body per calendar quarter. DB AG believes that holding meetings less frequently has proven to be effective, particularly in the case of smaller companies, and – given the size of the companies and the smaller variety of topics or number of reportable business transactions compared to large companies – it also constitutes proper monitoring of the Management Board. The proper, timely and comprehensive information of the supervisory body continues to be effectively ensured, even with the current reporting period of at least one meeting per calendar half-year. If there are additional events, written reports by the Management Board or extraordinary meetings of the Supervisory Board may continue to take account of the reporting requirements to the Supervisory Board.

14. NOS. 7.2.1 AND 7.2.2

DB AG does not follow the recommendation to disclose the remuneration of the executive bodies of the subsidiaries covered by the PCGK on an individual basis in the Corporate Governance report. Publishing the remuneration awarded to the respective members of management bodies, especially without their consent, would be questionable with regard to data protection. With the exception of the DB Group Management Board and the Chief Executive Officer of DB InfraGO AG, no such consents have been contractually agreed for the members of the management bodies. DB AG intends to systematize and then disclose the remuneration structures of the Group's stock corporations.

15. NO. 8.2.2

The recommendation that neither the first mandate of a selected auditor or audit firm nor this mandate in combination with renewed mandates should exceed the maximum term of ten years was not complied with in the reporting period. The mandate with the auditor had already existed beyond the recommended ten-year period in 2023. A change of auditor will take place with effect from the 2024 financial year.

16. NO. 8.2.4
Taking into account the reporting period, the audit partners responsible for the audit of the financial statements were already responsible for the audit beyond the five-year period recommended for the first time in the version of the PCGK dated December 13, 2023. The version of the PCGK dated December 13, 2023, also recommends for the first time that no services should be agreed with the auditor that would not be allowed to be provided to public-interest entities under Article 5 (1) subparagraph 2 point (a) of Regulation No. 537/2014/EU. The auditor for the reporting period provided a small number of tax advisory services for companies in DB Group in accordance with the statutory provisions and the recommendations of the PCGK until the new revised version was issued during the business year. A change of auditor and therefore a change of both the audit firm and the responsible audit partner will take place with effect from the 2024 financial year.

II.
The Supervisory Board and Management Board of DB AG further declare that the Group parent company and the companies under its uniform management that are required to apply the Code will, in principle, comply with the recommendations on the Public Corporate Governance Code (PCGK 2023) adopted by the Federal Government on September 16, 2020, and updated on December 13, 2023, with the aforementioned exceptions.

GRI COOPERATION BETWEEN THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

As a German Aktiengesellschaft (joint stock corporation), DB AG is subject to a two-tier management and monitoring structure in the form of the Management Board and Supervisory Board. These two bodies are strictly segregated in terms of both their membership and their competencies. The members of the Management Board bear joint responsibility for the management of the company. The Supervisory Board monitors the activities of the Management Board and is responsible for appointing members to, and dismissing members from, the Management Board.

In the interests of optimum company management, we see it as very important for the Management Board and the Supervisory Board to maintain continuous dialog with each other and to work together efficiently and in an atmosphere of mutual trust for the benefit of the company. The Management Board takes part in meetings of the Supervisory Board insofar as the Supervisory Board deems this necessary and provides the Supervisory Board with regular, prompt, comprehensive information on all matters relevant to the company, particularly those concerning planning, business development, risk exposure and risk management, as well as the internal control system.

An overview of the members of the Management Board and of the Supervisory Board of DB AG 284 ff., including the mandates they hold, is provided in the Notes to the consolidated financial statements.

Management Board

The members of the Management Board bear joint responsibility for the management of the company. The Management Board is required to safeguard the interests of the company and is committed to achieving the sustainable growth of enterprise value. It specifies the business goals and defines the strategies to be implemented in order to attain these targets. The Management Board is responsible for making decisions on all matters of fundamental and key importance for the company.

Based on the recommendations of the Public Corporate Governance Code and the corresponding regulations in the company documents, all Board members are required to report conflicts of interest. Conflicts of interest that have occurred are reported in the declaration of conformity to be issued annually. Accordingly, the members of the Management Board immediately disclose conflicts of interest to the Supervisory Board and inform their colleagues on the Management Board about them. In the reporting period, no such incidents arose.

Supervisory Board

The Supervisory Board advises and monitors the Management Board in its management of the company.

In line with the requirements of the Co-Determination Act (Mitbestimmungsgesetz; MitbestG), the Supervisory Board of DB AG consists of 20 members, of whom ten members are shareholders' representatives and ten members are employee representatives. Some of the shareholders' representatives are seconded to the Supervisory Board and some are elected at the Annual General Meeting. The selection process for the members of the Supervisory Board is carried out by the owner in accordance with the statutory provisions. The employees' representatives on the Supervisory Board are elected in line with the requirements of the Co-Determination Act. The company is therefore not able to provide detailed information about a selection procedure or any underlying criteria (including diversity characteristics). An overview of the incumbent members of the Supervisory Board 284 ff. together with their functions or job titles is shown in the consolidated financial statements.

There were no changes to the Supervisory Board of DB AG in the reporting period.

Any personal or business relationships of individual members of the Supervisory Board with the company are stated in the Notes to the consolidated financial statements.

Based on the recommendations of the Public Corporate Governance Code and the corresponding regulations in the company documents, all Board members are required to report conflicts of interest. Conflicts of interest that have occurred are reported in the declaration of conformity to be issued annually. The members of the Supervisory Board must also disclose any conflicts of interest to the Supervisory Board without delay and inform the Supervisory Board accordingly. In the reporting period, no such incidents arose.

Transactions of fundamental importance and other Management Board decisions with a major impact on the business operations and on the asset situation, financial position or income situation of the company require the authorization of the Supervisory Board. The Management Board reports to the DB Supervisory Board on the business development and the position of DB Group at least once every quarter. The Management Board also reports to the Supervisory Board regularly on all measures implemented within the company that are intended to ensure compliance with laws and corporate regulations. In addition, the tasks of the Supervisory Board include the audit and approval of the company's annual financial statements and the audit of the company's management report, which is combined with the Group management report, as well as the consolidated financial statements and the Group management report of the company. The Supervisory Board also monitors the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, as well as the process of auditing the annual financial statements.

The Chairman of the Supervisory Board is in regular contact with the Management Board and specifically the Chief Executive Officer to discuss company strategy, business development and risk management. The Chairman of the Supervisory Board receives regular reports from the Chief Executive Officer on all events that are of key importance for assessing the company's situation and development, as well as for its management.

There were no consultancy agreements or other comparable service agreements or contracts for services between the members of the Supervisory Board and DB AG in the year under review.

Supervisory Board committees

GRI

In order to enable it to carry out its monitoring activities to the best of its abilities, the Supervisory Board of DB AG has made use of the option of setting up further committees in addition to the Mediation Committee, which has to be set up in accordance with the Co-Determination Act, and has set up an Executive Committee, an Audit and Compliance Committee, and a Personnel Committee. An overview of the members of the committees 286 can be found in the Notes to the consolidated financial statements. Details of the work performed by the individual committees 27f. in the year under review are included in the report of the Supervisory Board. A functional description of the individual committees can be found on our Web site.

Share of women on the Management Board and Supervisory Board

GRI

As of the reporting date December 31, 2023, the Supervisory Board of DB AG included, and still includes, seven women (35.0%). A target of a 50% share of women on the Supervisory Board of DB AG has been set, with a deadline of June 30, 2027.

The Management Board of DB AG included, as of the reporting date of December 31, 2023, and still includes, three women (37.5%). A target of a 50% share of women on the Management Board of DB AG has been set, with a deadline of June 30, 2027.

At the other management levels of DB AG, the following targets have been set (deadline December 31, 2024): at the first management level below the Management Board, a 31.7% share of women, and at the second management level below the Management Board, a 40.2% share of women. As of December 31, 2023, a 30.3% share of women was realized at the first management level below the Management Board. At the second level, 36.3% was achieved.

DB Group is committed to the equal participation of women and men in management positions and, on the basis of the law, has decided to set a total target of 30% women in management for all applicable subsidiaries across all levels (Supervisory Boards, Management Boards/general management, 1st and 2nd management levels), with a deadline of December 31, 2024.

Comprehensive information on DB Group's diversity and sustainability activities is provided in the non-financial section of the Integrated Report.

TRANSPARENCY

All important information regarding the consolidated and annual financial statements, the interim report, the financial calendar and information on security transactions subject to a reporting obligation can be found on our Web site. In addition, we provide regular information on current developments within the framework of our investor relations activities and corporate communication.

TCFD

RISK MANAGEMENT

Good corporate management also encompasses a responsible approach to the risks and opportunities arising in connection with business operations. The early identification and limitation of business risks is therefore of paramount importance to the Management Board and the Supervisory Board.

The Management Board is responsible for ensuring, and continuously improving, adequate risk management and monitoring of risks within the company. The Accounting Law Modernization Act (Bilanzrechtsmodernisierungsgesetz; BilMoG) precisely defines the responsibilities of the Supervisory Board with regard to monitoring the accounting process and ensuring the effectiveness of the internal control system, the risk management system and the internal audit system. For the Supervisory Board to be able to discharge this responsibility, it must be provided with suitable information based on which it can form an opinion on the adequacy and effectiveness of systems. Regular reports are made to the Audit and Compliance Committee, concerning the adequacy and effectiveness of the internal control system. In addition, the Management Board reports to the Audit and Compliance Committee regarding risks of major importance to the Group companies and the handling of these risks by the Management Board. It also controls whether the early warning system for risks meets the requirements of Section 91 (2) of the German Stock Corporation Act (Aktiengesetz; AktG).

COMPLIANCE

Compliance is an integral component of the corporate and leadership culture at DB Group. To us, compliance means ensuring our business activities comply with the relevant laws and regulations that apply to them.

Our compliance activities focus on preventing and consistently combating corruption and other white-collar crime. Mandatory compliance directives serve to protect DB Group, our employees and our executives. Increasing awareness among our employees and executives remains of great importance, because only risk-aware employees can recognize risks and successfully avoid or, at least, minimize them.

DB Group's compliance work includes the early identification of compliance risks and the initiation of appropriate countermeasures. This work includes conducting compliance programs, constant communication and process improvements.

ACCOUNTING AND AUDITING

On March 29, 2023, the Annual General Meeting of DB AG appointed the auditing firm PricewaterhouseCoopers GmbH (PwC), Berlin, as auditor for the 2023 financial year. In addition, the Annual General Meeting of DB AG appointed KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as auditor for the 2024 financial year due to the upcoming change of auditor on March 29, 2023. The Audit and Compliance Committee prepared the Supervisory Board's proposals for the election of the auditors for both financial years and, following their election by the Annual General Meeting, initially determined the focal points of the audit with the auditor for the 2023 financial year. It was again agreed with the auditor for the reporting period that the Chairman of the Audit and Compliance Committee would be informed immediately of any reasons for exclusion or prejudice that emerge in the course of the audit. It was also agreed that the Chairman of the Committee will be notified immediately by the auditor of any separate findings and any irregularities in the statement of compliance.

EFFICIENCY AUDIT OF THE SUPERVISORY BOARD

GRI

The Supervisory Board regularly reviews the efficiency of its activities. An efficiency audit was carried out in the year under review.

REMUNERATION REPORT

GRI

The remuneration report outlines the remuneration system and lists the individual remuneration of the members of the Management Board and the Supervisory Board.

GRI TCFD

Remuneration system of the Management Board

The remuneration system for the Management Board of DB AG aims to provide appropriate remuneration to members of the Management Board in accordance with their duties and areas of responsibility.

The appropriate level of remuneration is reviewed regularly using a comparison process. This review examines the level of Management Board remuneration both in comparison to the external market (horizontal appropriateness) and in comparison to other levels of remuneration within the company (vertical appropriateness). If the review shows a need to adjust the remuneration system or the level of remuneration, the Personnel Committee of the Supervisory Board, which has equal representation of the stakeholders and shareholders involved through the shareholders and employee representatives on the committee, submits corresponding proposals in this regard to the Supervisory Board for approval. The appropriateness of the remuneration of the Board members was assessed in the year under review. The results of the review were taken into account as part of a revised version of the Management Board remuneration methodology, which will take effect from 2024.

GRI

REMUNERATION COMPONENTS

The total remuneration for Management Board members consists of a fixed salary, a performance-linked annual remuneration (short-term incentive, STI) and a long-term remuneration with a multi-year valuation basis (long-term incentive plan). Total remuneration also includes benefit commitments, other commitments and ancillary benefits.

The fixed salary is cash remuneration linked to the financial year. It is based on the scope of responsibility and the experience of each Management Board member. The individually defined fixed salary is paid out in 12 equal installments.

In December 2021, the Supervisory Board adopted an amendment to the STI methodology, which was applicable for the first time in the 2022 financial year. In the interests of transparent and uniform rules on profit-sharing in the Integrated Rail System, this also applies, as far as possible, to other Group subsidiaries and various management levels from 2022. The methodological revised version of the STI takes into account in particular the recommendations of the Federal Government's Public Corporate Governance Code. The main focus of the established STI methodology is on operating performance (punctuality) and customer satisfaction, but also takes into account the income situation and respective Board division-specific issues. The annual remuneration is calculated on the basis of the total of five individual targets with equal weightings. Three of these targets relate to the ESG (Environmental, Social, Governance) areas of "Customer," "Quality" and "Employees," and another target is the economic performance of DB Group. These four targets are common to all members of the Management Board. In addition, a Board division-specific target has been agreed for each Board member. After the arithmetical calculation of the STI, it is possible to modify the arithmetical result by means of a discretionary factor to allow extraordinary events that occurred during the reporting year and cannot be predicted at the start of the assessment period to be included in the target achievement via a modifier. The STI payout cannot exceed 200 % of the STI target value (for the last time in 2023). In accordance with the recommendations of the PCGK, supplementary premium and clawback provisions were also agreed with the Management Board members. The financial and personal targets of the Management Board members are determined by the Supervisory Board annually based on recommendations from the Personnel Committee, and are then agreed in writing with the Management Board members.

Together with the corporate planning adopted by the Supervisory Board, the personal targets form the basis for calculating the annual remuneration. This means that all of the key parameters for total remuneration are established at the beginning of the financial year. At the end of a financial year, the level of target achievement is determined for each member of the Management Board on the basis of consolidated profits. The target remuneration is achieved if every target is 100 % met. The final decision on this matter is made by the Supervisory Board and is prepared by the Personnel Committee.

The long-term incentive (LTI) for the Management Board is focused on long-term traffic and climate policy targets and the sustainable creditworthiness and profitability of DB Group. After the end of the respective plan term of four years, the extent to which LTI targets have been achieved at the end of the tranche is measured using the average target achievement for the individual years. The payment amount for the LTI plan has an upper limit and can – for the last time for the 2023 tranche – vary between 0 % and 200 %. Claims from the LTI plan are inheritable.

During the reporting period, the Supervisory Board continued to develop the remuneration structure of the Management Board in a methodical manner. The weighting of the remuneration components was changed in line with market practice by increasing the share of fixed remuneration and, in particular, the LTI in the interests of long-term and sustainable performance management and consequently reducing the weighting of short-term variable remuneration. Likewise, the caps for the STI as well as for the LTI and thus the maximum achievable remuneration were lowered overall. At the same time, the target key figures for both the STI and the LTI underwent further development. Additional ESG targets were added to the existing targets in the STI, for example in relation to customers and quality. If targets are missed, a newly established attenuation factor reduces the STI result even further beyond the reduction that would have resulted in any case. The changes outlined above will take effect from the 2024 financial year.

The Management Board members are entitled to an appropriate severance package if their contract is terminated before the contractually stipulated termination date, provided there is no good cause for which they are responsible. The severance package is based on the remaining term of the contract, the agreed target salary and, where applicable, the pension benefits already owed by DB AG for the remainder of the contract.

In accordance with the recommendations of the PCGK, a severance payment cap is included in all contracts of DB AG Management Board members. This cap means that payments made to a Management Board member due to premature termination of Management Board duties cannot, without good cause as defined by Section 626 of the German Civil Code (Bürgerliches Gesetzbuch; BGB), exceed the value of two years' salary, including variable remuneration components, and must not provide remuneration for more than the remaining term of the employment agreement.

Management Board members do not receive any additional remuneration for mandates exercised in control bodies of Group companies or affiliated companies.

Group-wide remuneration system for executives

In the interests of transparent and uniform rules on profit-sharing in the Integrated Rail System, the modified STI methodology adopted by the Supervisory Board of DB AG for the Management Board in December 2021 was implemented for other Group subsidiaries and management levels from 2022. Where possible, the further development of the remuneration methodology for the Group Management Board carried out in the reporting period was also implemented in the same way for other Group subsidiaries and management levels in 2023. This will also take effect from the 2024 financial year.

The remuneration system for executives aims primarily to closely link remuneration to the sustainable success of the company in the sense of the business success of the Integrated Rail System and of DB Group, as well as the alignment of all divisions toward this target.

The annual variable remuneration for executives and employees not subject to collective bargaining agreements in the Integrated Rail System is structured as profit-sharing. Personal targets are then agreed with executives as part of a regular process. The target achievement and / or personal performance assessments are then regularly included in the assessment, both in the profit sharing and in decisions to increase the fixed salary.

If executives are member of a corporate body of a DB AG subsidiary, the respective subsidiary's supervisory board is responsible for discussing the personal targets, if possible by the end of a financial year. Where applicable, the respective decision-making will take place after the DB AG Supervisory Board meeting in which the mid-term planning and the targets for the Group's Management Board are adopted. This chronological sequence of the handling of personal targets in the Supervisory Boards of the subsidiaries is due to the Group structure of DB AG.

In some cases, given the regulatory requirements, DB Netz AG (now DB InfraGO AG) is subject to separate regulations which take even greater account of the business success of the company.

Pension entitlements

In accordance with the provisions of the PCGK, the Supervisory Board of DB AG has determined that the Management Board should not include members who have reached the standard retirement age of the statutory pension insurance scheme. After leaving the company, Management Board members are entitled to pension payments. At the latest upon reaching the age of 65, Management Board members who were in office prior to 2017 are entitled to a lifelong pension if the term of employment ends due to permanent invalidity, or if the contract is terminated before the agreed termination date or is not extended, without good cause, or if the Management Board member refuses to continue the contract under the same or more beneficial conditions.

The system governing benefit commitments to Management Board members was amended in 2017. Members appointed to the Management Board since 2017 and thereafter receive a defined contribution benefit commitment under which a capital stock is saved up for the Board member for the duration of their employment and paid out when they reach retirement age. The commitment is granted in the form of a capital account plan with an annual contribution derived as a fixed percentage rate of the fixed salary. Company pension commitments for Management Board members already in office beforehand are based on a percentage of the basic salary depending on the length of time that the Management Board member has been with the company. Pension commitments include lifelong retirement and surviving dependent benefits. There is no lump sum payment option.

In addition, for Management Board member contracts entered into before January 1, 2009, a reinsurance policy was concluded to cover company pension benefits.

Contractual ancillary benefits

The contractual ancillary benefits for Management Board members include a company car with driver for business and personal use, a personal BahnCard 100 First travel card and standard insurance coverage. A housing allowance is provided for second homes where these are required for business purposes. Where these benefits in kind cannot be granted on a tax-free basis, they are taxed as monetary benefits for which the Management Board members are fully responsible. Management Board members, like any other member of the Group's executive personnel, can choose to take part in the company's deferred compensation program.

The members of the Management Board are covered by liability insurance against financial losses incurred due to DB AG's business operations (D&O insurance). In the year under review, this insurance was designed as a Group insurance policy with the deductible provided for under law; it provides coverage for financial losses that may occur during the performance of Management Board activities. The insurance coverage of the existing D&O insurance policy is valid for a period of five years after the termination of activities as a member of the Management Board.

REMUNERATION FOR THE 2023 FINANCIAL YEAR

DB AG Management Board

The variable remuneration for the previous financial year is due at the end of the month in which the company's Annual General Meeting takes place.

The payment of variable remuneration elements (STI, LTI) for the DB Management Board is prohibited for the 2023 financial year due to the provisions of the Act on the Introduction of an Electricity Price Brake (StromPBG) for the 2023 financial year. The LTI results for the 2020 tranche, which expired at the end of 2023, are therefore reduced by the partial result for the 2023 financial year. The members of the Management Board of DB AG and the Chief Executive Officer and Chairman of the Management Board of DB InfraGO AG will receive the following remuneration for their activities in the year under review:

		Variable remuneration				
TOTAL REMUNERATION OF THE MANAGEMENT BOARD / € thousand	Fixed remuneration	Short-term [1]	Long-term (payout of LTI 2020 to 2023) [2]	Long-term [3]	Other [4]	Total [5]
INCUMBENT MANAGEMENT BOARD MEMBERS OF DB AG AS OF DEC 31, 2023						
Dr. Richard Lutz	990	–	164	– 991	8	**1,162**
Dr. Daniela Gerd tom Markotten	400	–	–	–	15	**415**
Dr. Levin Holle	629	–	68	– 138	15	**712**
Berthold Huber	715	–	104	– 631	17	**837**
Dr. Sigrid Nikutta	650	–	74	– 151	11	**735**
Evelyn Palla	400	–	–	–	11	**411**
Dr. Michael Peterson	400	–	–	–	13	**413**
Martin Seiler	650	–	74	– 451	7	**732**
Total	**4,834**	**–**	**485**	**– 2,361**	**98**	**5,417**
FOR INFORMATION ONLY						
INCUMBENT CHIEF EXECUTIVE OFFICER AND CHAIRMAN OF THE MANAGEMENT BOARD OF DB INFRAGO AG ON DECEMBER 31, 2023 (NEITHER INCUMBENT NOR FORMER BOARD MEMBER OF DB AG)						
Dr. Philipp Nagl	400	240	–	47	19	**659**

Individual figures are rounded and therefore may not add up.
[1] Subject to the resolution of the Supervisory Board.
[2] Payment is planned for 2024, subject to the resolution of the Supervisory Board. It relates to the 2020–2023 LTI tranche without the portion for 2023.
[3] Long-term variable remuneration relates to the additions to / reversal of provisions for long-term incentives (LTI). No additions were made in the year under review. The provisions formed in previous years for LTI plans 2019 to 2022 were reversed in full in the reporting year, while the provisions formed for LTI plans 2020 to 2023 were adjusted to the expected payout amount by means of a pro rata reversal.
[4] Monetary benefits accruing from travel discounts, usage of company cars, and insurance and housing allowances.
[5] Total excluding change in provisions for long-term variable remuneration.

In the year under review, no Management Board member of DB AG received benefits or corresponding commitments from a third party with regard to their activities as a member of the Management Board.

Pension benefits for the Management Board for the 2023 financial year

In the year under review, an amount of € 1,684 thousand was added to the pension provisions.

ADDITIONS TO PENSION PROVISIONS / € thousand	2023
INCUMBENT MANAGEMENT BOARD MEMBERS OF DB AG AS OF DEC 31, 2023	
Dr. Richard Lutz	200
Dr. Daniela Gerd tom Markotten	170
Dr. Levin Holle	169
Berthold Huber	389
Dr. Sigrid Nikutta	167
Evelyn Palla	163
Dr. Michael Peterson	160
Martin Seiler	266
Total	**1,684**

Pension provisions for former Management Board members 275 are shown in total in the Notes to the consolidated financial statements.

Remuneration of the Supervisory Board for the 2023 financial year

The remuneration of the Supervisory Board of DB AG was most recently regulated by the Annual General Meeting resolution of September 21, 2010. In addition to being reimbursed for their cash outlays and the value-added tax due on their remuneration and cash outlays, the DB AG Supervisory Board members each receive fixed annual remuneration of € 20,000, plus performance-linked annual remuneration. The performance-based remuneration is calculated based on the relationship between operating profit (EBIT) as disclosed in the consolidated financial statements for the financial year compared to the previous year's figures, and the attaining of specific operational performance figures. Performance-based remuneration is limited to a maximum of € 13,000. The Chairman of the Supervisory Board receives twice this amount, while his deputy receives one and a half times the above figure. This remuneration is increased by a quarter for every position held on a committee by the individual Supervisory Board member. This remuneration increases by 100 % for the Chairman of the Executive Committee and the Chairman of the Audit and Compliance Committee, and by 50 % for the Chairman of the Personnel Committee. This does not include membership or chairmanship of the committee that is formed under the terms of Section 27 (3) of the Co-determination Act (MitbestG).

In addition, the members of the Supervisory Board of DB AG receive an attendance fee of € 250 for each meeting of the Supervisory Board and its committees at which they are present. The members of the Supervisory Board also have the choice between a personal BahnCard 100 First and five free train tickets.

The members of the Supervisory Board are covered by liability insurance against financial losses incurred due to DB AG's business operations (D&O insurance). This insurance is designed as a group insurance policy with no deductible and provides coverage for financial losses that may occur during the performance of Supervisory Board activities. There is also a Group accident insurance policy in place for members of the Supervisory Board. The company pays the premiums for these policies.

Supervisory Board members who have only been members for part of the respective financial year receive a twelfth of the total remuneration for each month or part of a month of their membership. This rule also applies to the increase in remuneration for the Chairman of the Supervisory Board and his or her deputy and to the increase in remuneration for membership and chairmanship of a Supervisory Board committee.

Remuneration is paid after the conclusion of the Annual General Meeting that votes to ratify the Supervisory Board's activities in the previous financial year.

Taxes due on remuneration received, including the personal BahnCard 100 First and the five free train tickets, are the individual responsibility of each Supervisory Board member.

Supervisory Board members currently hold no shares in the company, nor do they hold options entitling them to purchase shares in the company.

The payment of variable remuneration elements for the Supervisory Board of DB AG is prohibited for the 2023 financial year due to the regulations of the Law on the Introduction of An Electricity Price Brake (StromPBG) for the 2023 financial year. Only the fixed remuneration is paid out. Subject to the approval of the activities of the Supervisory Board by the Annual General Meeting on March 20, 2024, the members of the Supervisory Board of DB AG will receive the following remuneration for their work during the year under review:

	Annual remuneration 2023				
TOTAL REMUNERATION OF THE SUPERVISORY BOARD / € thousand	**Fixed remuneration**	**Variable remuneration**	**Meeting attendance fee**	**Ancillary benefits**	**Total**
ON DECEMBER 31, 2023, INCUMBENT SUPERVISORY BOARD MEMBERS OF DB AG [1]					
Werner Gatzer	70.0	–	3.8	–	**73.8**
Martin Burkert	40.0	–	3.8	–	**43.8**
Ralf Damde	20.0	–	1.8	6.9	**28.6**
Stefan Gelbhaar	20.0	–	1.8	–	**21.8**
Anja Hajduk [2]	–	–	–	6.9	**6.9**
Susanne Henckel	35.0	–	5.3	–	**40.3**
Jörg Hensel	25.0	–	2.5	0.9	**28.4**
Cosima Ingenschay	25.0	–	3.3	–	**28.3**
Alexander Kaczmarek	20.0	–	1.5	0.9	**22.4**
Prof. Dr. Susanne Knorre	20.0	–	1.8	6.9	**28.6**
Dorothee Martin	20.0	–	1.8	–	**21.8**
Daniela Mattheus	20.0	–	1.8	6.9	**28.6**
Heike Moll	20.0	–	1.8	6.9	**28.6**
Michael Puschel	20.0	–	1.8	6.9	**28.6**
Dr. Immo Querner	40.0	–	3.3	6.9	**50.1**
Bernd Reuther	20.0	–	1.8	0.9	**22.6**
Manfred Scholze	20.0	–	1.8	7.2	**29.0**
Klaus-Peter Schölzke	20.0	–	1.8	–	**21.8**
Jens Schwarz	30.0	–	3.3	6.9	**40.1**
Veit Sobek	20.0	–	1.8	6.9	**28.6**
MEMBERS WHO LEFT THE SUPERVISORY BOARD OF DB AG DURING THE YEAR UNDER REVIEW [1]					
Supervisory Board remuneration for further mandates at DB subsidiaries					**50.5**
Total					**673.0**

Individual figures are rounded and therefore may not add up.

[1] Some Supervisory Board members state that their remuneration is to be donated to the Hans Böckler Foundation in line with the directive of the German Trade Union Confederation (Gewerkschaftsbund).

[2] Ms. Hajduk has waived the remuneration to which she is entitled for her work as a member of the Supervisory Board, with the exception of the travel discount.

There are no pension obligations for members of the Supervisory Board.

The members of the Supervisory Board did not receive any remuneration in the year under review for any personally provided services.

EVENTS AFTER THE BALANCE SHEET DATE

Two bond issues

We issued two senior bonds through DB Finance at the beginning of 2024:

ISIN	Issuer	Currency	Volume (million)	Volume (€ million)	Coupon (%)	Maturity	Term (years)
XS2755487076	DB Finance	EUR	500	500	3.375	Jan 2038	14.0
XS2763525396 [1]	DB Finance	NOK	1,325	117	4.106	Feb 2039	15.0

[1] Private placement.

GRI

Collective bargaining negotiations with the GDL

In January 2024, DB Group submitted a total of two new offers to the German Train Drivers' Union (GDL), but two further GDL strikes followed. On January 27, 2024, the collective bargaining parties agreed to resume collective bargaining negotiations to the exclusion of the public, and not to engage in industrial action by at least March 3, 2024.

GRI

Federal budget 2024 approved

On February 2, 2024, the Federal budget for 2024 was approved. A total of more than € 17 billion is available for the major rail items, which is about € 7 billion more than in the 2023 Federal budget and just under € 7 billion more than had been planned in the previous Federal financial planning.

- Part of the funds for rail is an equity increase of € 5.5 billion for infrastructure, which was increased by € 4.375 billion compared to the so-called Government draft. The additional equity increase compared to the Government draft dated August 9, 2023, serves to compensate for the cancelled funds from the Climate and Transformation Fund.
- With an increase of almost € 2.8 billion compared to 2023, the funding of the budget item to modernize the existing network (Performance and Financing Agreement) was increased significantly to just under € 7.5 billion. The funding in the 2024 Federal budget means that the financing requirements for the general modernization and maintenance of the existing network are secured for 2024.
- The ERTMS (European Rail Traffic Management System) item for the digitalization of rail has been allocated just under € 1.1 billion in 2024, an increase of about € 0.45 billion compared to 2023.
- Just under € 1.7 billion has been secured for the new construction and expansion as part of the requirement plan, which is € 0.3 billion less than in 2023.

There are also remaining funds from previous years in both items (ERTMS as well as new construction and expansion).

In the area of support for rail transport, there have been reductions compared to the Government draft in order to compensate for the necessary overall budgetary consolidation in the budget of the BMDV budget. The cuts relate primarily to train-path and facility price support for rail freight transport, which now amount to € 229 million (instead of € 350 million) and € 20 million (instead of € 85 million) for 2024. The budget item for single wagon transport support remains at just under € 300 million, which is at a significantly higher level than in 2023. Together with the facility price support amounting to € 20 million, a total of almost € 320 million is available for supporting single wagon transport in 2024.

With the 2024 Federal budget, the current financial plan up to 2027 and DB Group's own contribution, additional funding totaling about € 27 billion is planned for the period from 2024 to 2027. The identified additional financing needs for rail by 2027 amount to a total of € 45 billion and are therefore not yet fully covered.

GRI

OUTLOOK

There are still uncertainties about the effects of the current geopolitical crises, the war in Ukraine and the war in Gaza. Our forecasts are based, among other things, on the assumption that inflation will continue to weaken in 2024 and that there will also be no significant intensification of the geopolitical situation. Furthermore, it cannot be estimated whether, to what extent and with what impact, further industrial action could take place in the 2024 financial year.

GRI

Overall statement of the Management Board regarding economic development

A return to a moderate growth path is forecast for the Eurozone in 2024. European foreign trade is also expected to recover slightly, but will not compensate for the slump in the previous year. On the other hand, industrial production growth is only viewed as somewhat positive.

Economic output is expected to stagnate in Germany in 2024. The main reasons for this forecast, which is also comparatively weak internationally, are, on the one hand, the high export dependence of the German economy and the structure of exports. The high proportion of capital goods in exports has a detrimental effect, because demand in this area is particularly affected by the current high level of economic uncertainty. On the other hand, fiscal leeway appears limited, which also has a negative impact on the overall economy. The construction industry will also only slowly recover once interest rates have been lowered by the European Central Bank. Private consumption, on the other hand, could stimulate economic development in Germany. It is benefiting from relatively high wage agreements in a robust labor market and significantly declining inflation.

In passenger transport, a significant increase is also expected for 2024, due in part to positive full-year effects from the Germany-Ticket 47. The medium- and long-term drivers of growth in public transport will continue to have an effect.

DB Group's ramp-up of capital expenditures continues. This is particularly true in the area of infrastructure, supported by higher Government funds.

Driven by weak economic stimuli, we expect a stagnating freight transport market for 2024. The further development of global trade in goods and, above all, freight rates in air and ocean freight is associated with high levels of uncertainty.

Major risks in 2024 result mainly from uncertain geopolitical and economic developments. The attacks on container ships in the Red Sea and the resulting potential impact on supply chains and price developments also play a role here. For this reason, cost developments in 2024 will continue to be subject to risk. In addition, ongoing collective bargaining negotiations may result in further increases in labor costs and strike costs. Another risk is that not all legal and contractual requirements for the payment of the growth of funds anchored in the Federal budget are yet available. The Management Board believes that DB Group has taken the necessary measures to mitigate certain risks and to take advantage of potential opportunities.

Future direction of DB Group

The Strong Rail strategy 52 ff., which was introduced in June 2019, continues to define the future direction of DB Group.

FUTURE SALES MARKETS

Our opportunities for growth in the German passenger transport market are limited, both due to the high level of competition and restrictions imposed by antitrust laws. On the other hand, the Federal Government would like to continue to support rail as an environmentally friendly mode of transport by means of targeted measures. As such, our focus remains on improving quality, expanding capacity, and therefore on defending our strong market position and increasing the share of rail in intermodal competition. In the German passenger transport market, we expect a continued shift toward needs-oriented road transport in the medium term. For example, autonomous driving could lead to ever fewer people having to own their own car.

In the area of rail freight transport, we continue to focus on the European market. We are well-positioned in the central European corridors and offer connections to locations as far afield as China.

Economic outlook

ANTICIPATED DEVELOPMENT / %	2023	2024
World trade	- 0.9	+ 1.5
GDP world	+ 2.7	+ 2.5
GDP Eurozone	+ 0.5	+ 0.5
GDP Germany	- 0.2	+ 0.0

As of January 2024.
Forecasts for 2024 rounded to half percentage points.
Source: Oxford Economics

For 2024, the global economy is expected to grow slightly less than in 2023, and growth in the Eurozone is expected to be as weak as in 2023. Global trade in particular will recover significantly. Foreign trade also supports the slightly positive development of the economy in Europe, while industrial production growth is only viewed as modestly positive.

On the one hand, supply-side risks exist in the development of sales markets. There are also uncertainties regarding future European and national requirements for climate-neutral economic transformation. Investment decisions are therefore delayed. In the Eurozone, the inflation rate is expected to stabilize and thus interest rates will also fall again. Forecasts predict a return of inflation in the Eurozone to less than 2 % in 2024. This will have a positive effect on demand through wage developments remaining relatively stable.

Transport markets

PASSENGER TRANSPORT

ANTICIPATED MARKET DEVELOPMENT / %	2023	2024
German passenger transport (based on pkm)	+ 2.7	+ 2.5

As of February 2024.
Forecast for 2024 rounded to half percentage points.

The German passenger transport market was marked by sustained growth in 2023, but the market remained well below the pre-Covid-19 level. Growth is expected to continue in a more abated form in 2024. The development of demand for transport strongly depends on regulatory policy measures, economic developments and the associated mobility behavior of the population. Commuter traffic and business trips are experiencing long-term, significant changes and, in some cases, total replacement due to mobile work and digital communication.

Motorized individual transport is expected to be close to pre-Covid-19 performance levels in 2024. Fuel prices, which remain high, continue to have little impact.

Domestic air transport is expected to claw back further Covid-19-related losses in 2024. However, due to a reduction in domestic flight offerings, market shares are likely to remain at a low level.

Public road passenger transport is expected to increase noticeably again in 2024. The Germany-Ticket 47 will have the first full-year effect on demand in local transport in 2024. Long-distance bus services are expected to grow more slowly in comparison, due to strong competition from rail passenger transport.

Volume sold in rail passenger transport is expected to continue to grow in local and long-distance transport. In particular, long-distance transport should gain passengers from the air and bus long-distance transport sector by expanding its available offers. Local transport will benefit greatly from the Germany-Ticket.

In European passenger transport, development will be specific to the mode of transport and will vary from region to region. Strategic realignment of providers makes a consolidation of the mobility market probable. However, the progressive climate policy of the EU and its member states remains the long-term engine powering the development of environmentally friendly public mobility – and therefore rail passenger transport in particular.

FREIGHT TRANSPORT AND LOGISTICS

ANTICIPATED MARKET DEVELOPMENT / %	2023	2024
German freight transport (based on tkm)	- 4.9	+ 0.1
European rail freight transport (based on tkm)	- 6.9	+ 0.1
European land transport (based on revenues) [1]	- 6.1	+ 4.5
Global air freight (based on t) [1]	- 14.7	+ 9.0
Global ocean freight (based on TEU) [1]	- 5.9	+ 5.5
Global contract logistics (based on revenues) [1]	+ 6.9	+ 7.2

As of February 2024.
[1] Only the markets relevant to DB Schenker were taken into account in the calculation.

After a significant decline in freight volume sold in 2023, freight volume sold is expected to stagnate in 2024 as no significant catch-up effects can be expected in the core industries that were declining in the previous year. The decline in coal transports since the second half of 2023 is expected to continue. Lower incoming orders in the construction industry due to lower interest rates will also lead to a decline in transport volumes. Positive stimulus comes from a slight increase in consumer demand, thanks to stable prices after two inflation-driven years and a simultaneous increase in wages. Although the economy will be stronger in the second half of 2024 than in the first half, increasing construction activities on the rail network could neutralize these effects and temporarily shift traffic onto the road. The market will continue to be characterized by sustained competitive pressure. In addition to prices, transport quality remains of great importance.

- Rail freight transport should maintain its level overall in 2024, after significant losses. A slight improvement is expected in steel transport; chemical and paper transports are expected to continue the downward trend experienced in 2023. After losses in the previous year, combined transport is expected to return to an initially slight growth rate, with automotive transport expected to continue to increase. The positive effects are expected to be dampened, mainly by a double-digit decline in coal and coke transport.
- After a significant decline in 2023, road freight transport should recover slightly in 2024. This is expected to be benefited by an increase in demand for consumer goods. Negative stimulus from the construction industry is expected to continue in 2024. The increase in tolls may lead to the transfer of volumes to other modes of transport over the medium to long term, but the actual volume cannot yet be estimated at this point in time.
- The freight volume sold on inland waterways having fallen to a historic low in the previous year, volume sold in 2024 will stagnate at a low level.

Provided that the energy crisis and inflation continue to taper off, stabilization is expected at the current level in 2024, following the significant declines in European rail freight transport in 2023. Due to the expected positive development of global and European trade, combined transport should return to the growth path and thus support the development of European rail freight transport. Moderate growth is expected for the European rail freight transport market in the medium-term.

- Growth is expected for the European land transport market again in 2024. The driving force is expected to be rising consumer demand in Europe, due in particular to falling inflation rates and higher wages. Freight rates will be at a relatively high level. Driver shortages and rising toll costs are expected to exacerbate the costs for freight forwarders; slightly falling energy costs will only partially compensate for this.
- Expectations for the global air freight market in 2024 are positive, but the slump in volume in the previous year will not be fully compensated for. Freight rates will be around the level of 2023.
- The development of global ocean freight in 2024 will be largely driven by world trade and freight rates. Freight rates are likely to come under further pressure in 2024 as a result of rising ship and transport capacities. Uncertainties arise in particular from the geopolitical situation, the increase in attacks on ships and resulting detours, and cost increases due to environmental policy requirements. The consequences are not yet fully foreseeable. It is assumed that growth in volumes will not yet compensate for the slump in 2023.
- The global contract logistics market is closely linked to the development of the global economy. Despite the expected weak economic momentum, the global market for contract logistics will continue to develop positively, as in the previous year. Above-average growth is forecast for Asian economies. The healthcare and electronics sectors, as well as batteries and electric drives in the automotive sector, are expected to keep exhibiting strong growth.

INFRASTRUCTURE

Train-path demand is expected to develop positively overall in 2024. Additional traffic in regional rail passenger transport and the service expansion in long-distance rail passenger transport are leading to an increase in sales. Slight growth is expected in freight transport. However, due to the only slowly recovering economic situation, this is weaker than in previous forecasts. This is countered by revenue losses from rising construction volume in 2024, including in the course of the general modernization of the Riedbahn.

With regard to the number of station stops, a decline is expected for 2024 – mainly due to construction in the infrastructure. Nevertheless, slightly higher revenues from station stops are expected due to price factors. Rental income in stations will continue to develop positively and will be slightly above the level of 2023.

Procurement markets

In 2023, bottlenecks in supply chains due to external influences, such as war and sanctions, were averted. As a baseline scenario, we expect scarcely any physical bottlenecks on the procurement side for DB Group in 2024. However, it remains to be seen how energy prices (gas, electricity and oil) will develop against the backdrop of the war in Ukraine, the war in Gaza, and also the overall economic situation in Germany. Overall, producer prices can be expected to ease further, but at a significantly higher level than in 2021. In the transport sector in particular, current expectations show a persistence at the current level due to high oil prices and increased wage costs.

Winter 2023/2024 started with a cold snap. However, temperatures were at a relatively mild level as early as the second half of December 2023. The energy system in Germany was able to meet demand, including peak demand. Natural gas storage was still about 70% full in Germany in mid-February 2024, and about 65% in the EU. This indicates a relaxed supply situation, which is also reflected in the spot and futures markets. The price level for natural gas in mid-February 2024 was equal to prices that had last been listed in 2020. The price of electricity on the wholesale market, depending on the development of the natural gas price, also fell further and was at 2020/early 2021 levels in mid-February 2024. It remains to be seen how quickly the lower wholesale prices will also be passed on to consumers.

Financial markets

With the further calming of inflation and the continuing tense economic situation, money-market interest rates are expected to have peaked. This should also be reflected in the development of yields in the capital market, while higher demand for government bonds could counter this trend. In this environment, there should continue to be higher fluctuations in returns depending on the day, but these should not achieve a clear and sustainable trend in one direction or another.

Development of DB Group

- *Progress in implementing the Strong Rail strategy.*
- *Capital expenditure activities continue to grow.*
- *Revenue and profit development is expected to be positive again.*
- *High capital expenditures are a burden on debt development.*

Our forecasts for the development of DB Group and the business units in the 2024 financial year are based on our expectations of developments in the market, competition and environment, and the success of the implementation of planned measures.

The business development of DB Group in 2024 is expected to continue to be characterized by burdens due to the high energy, purchasing and personnel costs. In addition, measures to improve and maintain quality, especially in the track infrastructure, have an impact on DB Group development. The weak economic development in Germany and Europe is also expected to dampen development in 2024. Countermeasures should partially compensate for this.

January 2024 saw extensive strike measures by the GDL. If there are further extensive strike measures during the course of the year, this is expected to have a significant impact on the development of the business units in the Integrated Rail System, which are not included in the current forecast.

STRONG RAIL TOP TARGETS

ANTICIPATED DEVELOPMENT	2023	2024
Volume sold in long-distance transport [1] (billion pkm)	45.5	~ 47
Passengers regional transport (rail) (billion)	1.7	~ 1.9
Train kilometers on track infrastructure (Germany) (billion train-path km)	1.12	~ 1.15
Condition grade high-performance network [1] (grade)	3.1	2.8
Customer satisfaction DB Long-Distance [2] (grade)	2.7	2.6
Customer satisfaction DB Regional (rail) [2] (grade)	2.2	2.2
Customer satisfaction DB Cargo [2] (grade)	2.8	3.0
Punctuality (operational) DB Long-Distance (%)	64.0	~ 70
Punctuality (whole journey) DB Long-Distance [1] (%)	68.9	~ 74
Punctuality DB Regional (rail) (%)	91.0	~ 93
Punctuality DB Cargo (Germany) (%)	70.5	~ 69
Absolute greenhouse gas emissions Scope 1 and 2 (Integrated Rail System) [1, 3, 4] (million t)	3.3	~ 3.2
Share of renewable energies in the DB traction current mix (Germany) [5] (%)	68	~ 69
Employee satisfaction (SI)	–	3.7
Women in leadership [1] (%)	29.4	~ 30
ROCE (%)	− 2.0	~ 2
Debt coverage (%)	5.2	> 11

1) Newly included in 2024 as a **Strong Rail target** 56 ff.
2) Figure converted to grade in 2023.
3) Not including non-material small Group companies and subsidiaries in the Integrated Rail System.
4) 2023 value audited with limited assurance.
5) The data for 2023 constitute a forecast as of February 2024. Since 2023, the proportion of renewable energy has been presented separately without EEG funding.

- **Performance development:**
  Performance development in rail passenger transport should continue to recover in 2024.
  - DB Long-Distance: We expect a slight increase in volume sold. Strike actions have a dampening effect.
  - DB Regional: Noticeably positive development in the number of passengers is expected, due in part to the first full year of the effect of the Germany-Ticket.
  - DB InfraGO: Overall, the train kilometers on track infrastructure should develop slightly positively.
- **Customer satisfaction:**
  - DB Long-Distance: We expect customer satisfaction to improve slightly at DB Long-Distance in 2024. The persistently challenging operating quality and the intensive construction work have a dampening effect.
  - DB Regional (rail): Challenging conditions are also expected for the development of customer satisfaction at DB Regional in 2024. With the start of the general modernizations, additional train cancellations and replacement services are to be expected, which will have a negative impact on customer satisfaction. In view of the parallel improvements in product quality, for example, due to new vehicles, expansion of services, new replacement service concepts and further developed passenger information systems, a stable development of customer satisfaction is nevertheless expected.
  - DB Cargo: Due to the unchanged situation with regard to construction activity in the network and due to operational restrictions, a further slight decline in customer satisfaction is expected.
- **Punctuality:**
  - For 2024, the aim is to achieve a noticeable improvement in punctuality. However, achieving punctuality targets remains very challenging due to the continued planned increase in volume of transport and the continuing infrastructure restrictions.
- **Climate protection:**
  - Our absolute greenhouse gas emissions in Scope 1 and 2 (Integrated Rail System) are set to decline slightly, due in particular to the further implementation of reduction measures, such as the further greening of traction current.
  - In order to reduce the level of greenhouse gas in the DB traction current mix in Germany, we intend to further increase the share of renewable energies. A slight increase is expected.
- **Social:**
  - The next employee survey will take place in 2024. Among other things, we expect a slight decline in employee satisfaction due to the persistently tense operating situation.
  - We intend to further increase the proportion of women in leadership by further implementing the measures introduced.
- **Profitability:**
  - Due to the expected significant improvement in adjusted EBIT, ROCE is expected to improve noticeably again despite a further increase in capital employed.
  - Debt coverage is also expected to increase noticeably again as a result of the expected significant improvement in operating profit.

ADDITIONAL KEY FIGURES ON THE INCOME SITUATION, FINANCIAL POSITION AND NET ASSETS

ANTICIPATED DEVELOPMENT / € billion	2023	2024
Revenues adjusted	45.2	~ 47
EBIT adjusted	-1.0	> 1
Gross capital expenditures	16.9	~ 21
Net capital expenditures	7.6	> 11
Maturities	2.4	2.1
Bond issues (senior)	3.0	> 1
Net financial debt as of Dec 31	34.0	~ 34

The economic development of DB Group is projected to improve noticeably again in 2024. Revenues are expected to increase significantly again in 2024 and operating profit is expected to be significantly positive again. This should be driven by strong improvements in the Integrated Rail System and, in particular, significant improvement in profits at DB InfraGO. A key aspect here is the Federal Government's commitment of repayment of prefinancing for maintenance measures in 2023. The required amendment to the law has been passed by the German Parliament (Bundestag), but still requires the approval of the German Upper House of Parliament (Bundesrat). Based on this, appropriate adjustments to the contractual agreements with the Federal Government are required. Further drivers include further increase in demand in rail passenger transport and the implementation of efficiency improvement measures. The latter is, in particular, a prerequisite for noticeable improvements at DB Cargo, supported by the expansion of support for single wagon transport 48.

We will continue our quality and capital expenditure initiative for the Integrated Rail System with large capital expenditures. We thus intend to improve our quality and customer satisfaction, drive forward digitalization (including IT security improvements) and increase our performance capability.

Gross capital expenditures in 2024 is expected to be significantly above the 2023 level. In this area, the additional Government funding for the track infrastructure is noticeable. Net capital expenditures are also likely to increase significantly. The increase results from additional Government funds, which are made available in the form of equity.

Efficient liquidity management is once again a top priority for us in 2024. We are focusing on continually forecasting the cash flow from operating activities, as this is our main source of cash and cash equivalents. We produce liquidity forecasts every month on the basis of a 12-month liquidity plan.

In 2024, we must redeem financial liabilities (excluding current bank liabilities and commercial papers) at about the same level as in 2023. Funding needs for this are met by issuing public and non-public bonds. Roadshows are planned in Europe and Asia in conjunction with the bond issues. In addition, we are also expected to take out short-term loans under committed facilities in 2024.

We continue to have adequate financial leeway for our capital market activities from our debt issuance programs 110 and our commercial paper program 111. Furthermore, guaranteed credit facilities 111 serve as a fallback in the event of interrupted access to the capital market. At the beginning of 2024, we issued two senior bonds 212 through DB Finance. Our short- and medium-term liquidity supply is therefore also secure in 2024.

The majority of our gross capital expenditures in 2024 will again be covered by investment grants. In addition, an additional Government equity measure 212 is planned. The capital expenditures to be financed by DB Group will once again likely not be fully covered by internal sources in 2024.

As of December 31, 2024, net financial debt is expected to be at the same level as at the end of the previous year as a result of the higher Government support for infrastructure measures, the expected improvement in profits and the sale of DB Arriva, with simultaneously significantly rising net capital expenditures. However, the forecast is subject to increased uncertainty regarding the still lacking legal and regulatory requirements for higher Government funding.

The potential impacts of a potential sale of DB Schenker 36 are not included in the forecasts.

ADDITIONAL KEY FIGURES FOR THE GREEN TRANSFORMATION

ANTICIPATED DEVELOPMENT	2023	2024
Track kilometers noise-remediated in total as of Dec 31 (km)	2,255	2,320
Recycling rate (%)	96.5	>95

- We will continue the noise remediation of lines as scheduled in 2024.
- We will continue to keep the recycling rate at a high level in 2024.

Forward-looking statements

This management report contains statements and forecasts pertaining to the future development of DB Group, its business units and individual companies. These forecasts are estimates based on information that is available at the current time. Actual developments and profits may diverge from the current expectations as a result of the non-materialization of the assumptions upon which our forecasts are based or the materialization of risks such as those presented in the risk report.

DB Group does not assume any obligation to update the statements made within this management report.

Cross-references in the management report

This management report contains cross-references to additional information that is not part of this management report. The corresponding parts are marked in the report with the symbol term and are not part of the management report.

Consolidated financial statements

GRI

CONSOLIDATED STATEMENT OF INCOME

JAN 1 THROUGH DEC 31 / € million	Note	2023	2022 [1]
Revenues	(1)	45,191	52,085
Inventory changes and other internally produced and capitalized assets	(2)	4,626	4,115
Overall performance		49,817	56,200
Other operating income	(3)	3,354	4,157
Cost of materials	(4)	- 25,276	- 32,017
Personnel expenses	(5)	- 19,604	- 18,288
Depreciation, amortization and impairments	(6)	- 3,912	- 3,576
Other operating expenses	(7)	- 5,652	- 5,037
Operating income (EBIT)		- 1,273	1,439
Result from investments accounted for using the equity method	(8)	9	- 7
Net interest income	(9)	- 617	- 351
Other financial result	(10)	- 78	9
Financial result		- 686	- 349
Profit / loss before taxes on income		**- 1,959**	**1,090**
Taxes on income	(11)	- 73	- 1,143
Net loss for the year (continuing operations)		**- 2,032**	**- 53**
thereof net loss attributable to shareholder of Deutsche Bahn AG		- 2,080	- 100
thereof remuneration entitlement of hybrid capital investors		25	25
thereof net profit for the year attributable to non-controlling interests		23	22
Net loss for the year (discontinued operations)		- 319	- 174
thereof net loss attributable to shareholder of Deutsche Bahn AG		- 319	- 174
thereof remuneration entitlement of hybrid capital investors		-	-
thereof net profit for the year attributable to non-controlling interest		0	0
Net loss for the year		**- 2,351**	**- 227**
thereof net loss attributable to shareholder of Deutsche Bahn AG		- 2,399	- 274
thereof remuneration entitlement of hybrid capital investors		25	25
thereof net profit for the year attributable to non-controlling interests		23	22
Earnings per share (€ per share) (continuing operations)			
Undiluted		- 4.84	- 0.23
Diluted		- 4.84	- 0.23
Earnings per share (€ per share) (discontinued operations)			
Undiluted		- 0.74	- 0.41
Diluted		- 0.74	- 0.41
Earnings per share (€ per share)	(12)		
Undiluted		- 5.58	- 0.64
Diluted		- 5.58	- 0.64

[1] Values for 2022 adjusted due to classification of DB Arriva as **discontinued operations** 231f.

Reconciliation of consolidated comprehensive income

JAN 1 THROUGH DEC 31 / € million	2023	2022 [1]
Net loss for the year	- 2,351	- 227
CHANGE IN ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE NOT RECLASSIFIED TO THE INCOME STATEMENT		
Changes due to the revaluation of defined benefit plans (continuing operations)	- 400	2,208
Changes due to the revaluation of defined benefit plans (discontinued operations)	- 48	- 44
	- 448	2,164
CHANGE IN ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE RECLASSIFIED TO THE INCOME STATEMENT		
Changes resulting from currency translation (continuing operations)	- 108	45
Changes resulting from currency translation (discontinued operations)	12	- 26
Changes resulting from market valuation of securities (continuing operations)	0	5
Changes resulting from market valuation of securities (discontinued operations)	0	- 5
Changes resulting from market valuation of cash flow hedges and reclassifications (continuing operations) [2]	- 67	277
Changes resulting from market valuation of cash flow hedges and reclassifications (discontinued operations)	- 11	2
Share of profit items not recognized in the income statement due to investments accounted for using the equity method (continuing operations)	3	- 9
Share of profit items not recognized in the income statement due to investments accounted for using the equity method (discontinued operations)	0	-
	- 171	289
Balance of profit items covered directly in equity - other profits (before taxes)	**- 619**	**2,453**
CHANGES IN DEFERRED TAXES ON PROFIT ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE NOT RECLASSIFIED TO THE INCOME STATEMENT		
Deferred taxes relating to revaluation of defined benefit plans (continuing operations)	- 6	- 114
Deferred taxes relating to revaluation of defined benefit plans (discontinued operations)	3	12
	- 3	**- 102**
CHANGES IN DEFERRED TAXES ON PROFIT ITEMS RECOGNIZED DIRECTLY IN EQUITY, WHICH ARE RECLASSIFIED TO THE INCOME STATEMENT		
Deferred taxes relating to the change in the market valuation of cash flow hedges (continuing operations)	- 1	- 3
Deferred taxes relating to the change in the market valuation of cash flow hedges (discontinued operations)	8	- 1
	7	**- 4**
Balance of profit items recognized directly in equity - other profits (after taxes)	**- 615**	**2,347**
Comprehensive income	**- 2,966**	**2,120**
Comprehensive income		
thereof comprehensive income attributable to shareholder of Deutsche Bahn AG	- 3,007	2,077
thereof remuneration entitlement of hybrid capital investors	25	25
thereof comprehensive income for the year attributable to non-controlling interests	16	18
Comprehensive income for the period attributable to shareholder of Deutsche Bahn AG from		
continuing operations	- 2,652	2,313
discontinued operations	- 355	- 236

[1] Values for 2022 adjusted due to classification of DB Arriva as discontinued operations 231f.
[2] Since January 1, 2023, effects from diesel price hedging are no longer reported in comprehensive income (item "Change in profit items recognized directly in equity, which are reclassified to the income statement"), but are recognized outside of comprehensive income in equity (item "± hedging results reclassified to the carrying amount of acquired inventories during the year"). A corresponding change in presentation as of December 31, 2022, would have resulted in a € 109 million higher comprehensive income.

CONSOLIDATED BALANCE SHEET

Assets

€ million	Note	Dec 31, 2023	Dec 31, 2022
NON-CURRENT ASSETS			
Property, plant and equipment	(13)	54,037	52,268
Intangible assets	(14)	2,819	2,854
Investments accounted for using the equity method	(15)	408	446
Other investments and securities	(17)	62	134
Receivables and other assets	(19)	2,309	2,273
Derivative financial instruments	(21)	679	559
Deferred tax assets	(16)	652	510
		60,966	**59,044**
CURRENT ASSETS			
Inventories	(18)	2,099	2,076
Other investments and securities	(17)	519	502
Trade receivables	(19)	5,447	6,334
Other receivables and other assets	(19)	2,332	2,803
Income tax receivables	(20)	52	65
Derivative financial instruments	(21)	120	189
Cash and cash equivalents	(22)	2,631	5,138
Held-for-sale assets	(23)	3,306	152
		16,506	**17,259**
Total assets		**77,472**	**76,303**

Equity and liabilities

€ million	Note	Dec 31, 2023	Dec 31, 2022
EQUITY			
Subscribed capital	(24)	2,150	2,150
Reserves	(25)	5,388	4,901
Generated profits	(26)	2,443	5,489
Equity attributable to shareholder of Deutsche Bahn AG		**9,981**	**12,540**
Hybrid capital	(27)	2,002	2,002
Non-controlling interests	(27)	143	137
		12,126	**14,679**
NON-CURRENT LIABILITIES			
Financial debt	(28)	33,971	31,186
Other liabilities	(29)	986	933
Derivative financial instruments	(21)	336	329
Pension obligations	(31)	3,492	2,970
Other provisions	(32)	2,877	2,960
Deferred items	(33)	598	526
Deferred tax liabilities	(16)	109	241
		42,369	**39,145**
CURRENT LIABILITIES			
Financial debt	(28)	4,137	4,087
Trade liabilities	(29)	6,224	7,940
Other liabilities	(29)	3,998	4,463
Income tax liabilities	(30)	144	243
Derivative financial instruments	(21)	96	76
Other provisions	(32)	5,456	4,610
Deferred items	(33)	765	899
Liabilities in connection with assets held for sale	(23)	2,157	161
		22,977	**22,479**
Total assets		**77,472**	**76,303**

CONSOLIDATED STATEMENT OF CASH FLOWS

JAN 1 THROUGH DEC 31 / € million	Note	2023	2022 [1]
Profit / loss before taxes on income		- 1,959	1,090
Depreciation on property, plant and equipment and intangible assets	(8)	3,912	3,576
Write-ups / write-downs on non-current financial assets	(9)	77	- 29
Result of disposal of property, plant and equipment and intangible assets	(3), (7)	22	- 21
Result of disposal of financial assets	(3), (7)	- 2	5
Result of the sale of consolidated companies	(3), (7)	20	- 14
Interest and dividend income	(9), (10)	- 221	- 230
Interest expenses	(9)	834	536
Foreign currency result		- 3	- 9
Result of investments accounted for using the equity method		- 9	7
Other non-cash expenses and income [2]		2,434	1,509
Changes in inventories, receivables and other assets		134	- 192
Changes in liabilities, provisions and deferred items		- 1,845	48
Cash generated from operating activities		3,394	6,276
Interest received		149	67
Received (+) / paid (-) dividends and capital distribution		9	9
Interest paid		- 630	- 391
Paid (-) / reimbursed (+) taxes on income		- 318	- 436
Cash flow from operating activities (continuing operations)		2,604	5,525
Cash flow from operating activities (discontinued operations)		440	119
Cash flow from operating activities		**3,044**	**5,644**
Proceeds from the disposal of property, plant and equipment and intangible assets		192	229
Payments for capital expenditures in property, plant and equipment and intangible assets		- 16,204	- 14,085
Proceeds from investment grants		9,289	8,575
Payments for repaid investment grants		- 105	- 92
Proceeds from sale and disposal of financial assets		77	41
Payments for investments in financial assets		- 318	- 883
Proceeds (+) / payments (-) from sale of shares in consolidated companies less net cash and cash equivalents sold		- 1	38
Payments for acquisition of shares in consolidated companies less net cash and cash equivalents acquired as well as for the acquisition of share in companies		-	- 272
Proceeds from disposal of investments accounted for using the equity method		0	0
Payments for additions of investments accounted for using the equity method		- 1	- 3
Cash flow from investing activities (continuing operations)		- 7,071	- 6,452
Cash flow from investing activities (discontinued operations)		- 310	- 148
Cash flow from investing activities		**- 7,381**	**- 6,600**
Proceeds from capital injections	(25)	1,125	1,985
Profit distribution to shareholder	(26)	- 650	-
Distribution of profits to non-controlling interests and hybrid capital investors		- 35	- 34
Payments for redemption of leasing liabilities		- 1,021	- 935
Payments for redemption of IFRIC 12 leasing liabilities		- 17	- 17
Proceeds from issue of senior bonds		3,010	3,083
Payments for redemption of senior bonds		- 1,886	- 1,596
Payments for redemption and repayment of interest-free loans		- 155	- 157
Procceeds from taking out financial loans and commercial paper [3]		2,388	114
Payments for redemption of financial loans [3]		- 306	- 803
Cash flow from financing activities (continuing operations)		2,453	1,640
Cash flow from financing activities (discontinued operations)		- 123	- 79
Cash flow from financing activities		**2,330**	**1,561**
Net change in cash and cash equivalents		**- 2,007**	**605**
Cash and cash equivalents as of Jan 1	(22)	5,138	4,591
Changes in cash and cash equivalents due to changes in the scope of consolidation		0	-
Changes in cash and cash equivalents of non-current assets held for sale	(23)	- 431	- 14
Changes in cash and cash equivalents due to changes in exchange rates		- 69	- 44
Cash and cash equivalents as of Dec 31	**(22)**	**2,631**	**5,138**

[1] Values for 2022 adjusted due to classification of DB Arriva as discontinued operations 231f.
[2] Including additions to other provisions.
[3] Including change in short-term bank borrowings between reporting dates.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ million	Subscribed capital	Reserves							Generated profits	**Equity attributable to shareholder of Deutsche Bahn AG**	Hybrid capital	Non-controlling interests	**Equity**
		Capital reserves	Currency translation	Fair value valuation of securities and investments	Fair value valuation of cash flow hedges	Revaluation of pensions	Other movements	**Total**					
As of Jan 1, 2022	2,150	3,546	25	5	-87	-2,499	-12	**978**	5,357	**8,485**	2,002	134	**10,621**
+ Capital increase/injection	–	1,985	–	–	–	–	–	**1,985**	–	**1,985**	–	–	**1,985**
− Capital decrease	–	–	–	–	–	–	–	**–**	–	**–**	–	-1	**-1**
− Dividend payment/remuneration hybrid capital	–	–	–	–	–	–	–	**–**	–	**–**	-25	-9	**-34**
− Withdrawal from capital reserve	–	-413	–	–	–	–	–	**-413**	413	**–**	–	–	**–**
± Hedging results reclassified to the carrying amount of acquired inventories during the year[1]	–	–	–	–	–	–	–	**–**	–	**–**	–	–	**–**
± Other changes	–	–	–	–	–	–	0	**0**	-7	**-7**	–	-5	**-12**
± Comprehensive income	–	0	24	-9	275	2,061	–	**2,351**	-274	**2,077**	25	18	**2,120**
thereof net profit/loss (after taxes)	–	–	–	–	–	–	–	**–**	-274	**-274**	25	22	**-227**
thereof currency effects	–	–	24	–	–	–	–	**24**	–	**24**	–	-5	**19**
thereof deferred taxes	–	–	–	–	-4	-102	–	**-106**	–	**-106**	–	–	**-106**
thereof market valuation/reclassification	–	–	–	0	279	–	–	**279**	–	**279**	–	–	**279**
thereof revaluation of defined benefit plans	–	–	–	–	–	2,163	–	**2,163**	–	**2,163**	–	1	**2,164**
thereof share of items not recognized in the income statement from investments accounted for using the equity method	–	–	–	-9	–	–	–	**-9**	–	**-9**	–	–	**-9**
As of Dec 31, 2022	**2,150**	**5,118**	**49**	**-4**	**188**	**-438**	**-12**	**4,901**	**5,489**	**12,540**	**2,002**	**137**	**14,679**

[1] Since January 1, 2023, effects from diesel price hedging are no longer reported in comprehensive income (item "Change in profit items recognized directly in equity, which are reclassified to the income statement"), but are recognized outside of comprehensive income in equity (item "± hedging results reclassified to the carrying amount of acquired inventories during the year"). A corresponding change in presentation as of December 31, 2022, would have resulted in a € 109 million higher comprehensive income.

GRI

€ million	Subscribed capital	Reserves: Capital reserves	Reserves: Currency translation	Reserves: Fair value valuation of securities and investments	Reserves: Fair value valuation of cash flow hedges	Reserves: Revaluation of pensions	Reserves: Other movements	Reserves: Total	Generated profits	Equity attributable to shareholder of Deutsche Bahn AG	Hybrid capital	Non-controlling interests	Equity
As of Jan 1, 2023	2,150	5,118	49	- 4	188	- 438	- 12	**4,901**	5,489	**12,540**	2,002	137	**14,679**
+ Capital increase/injection	–	1,125	–	–	–	–	–	**1,125**	–	**1,125**	–	–	**1,125**
− Capital decrease	–	–	–	–	–	–	–	**–**	–	**–**	–	–	**–**
− Dividend payment/remuneration hybrid capital	–	–	–	–	–	–	–	**–**	- 650	**- 650**	- 25	- 10	**- 685**
− Withdrawal from capital reserve	–	–	–	–	–	–	–	**–**	–	**–**	–	–	**–**
± Hedging results reclassified to the carrying amount of acquired inventories during the year [1]	–	–	–	–	- 28	–	–	**- 28**	–	**- 28**	–	–	**- 28**
± Other changes	–	–	–	–	–	–	- 2	**- 2**	3	**1**	–	0	**1**
± Comprehensive income	–	–	- 90	3	- 71	- 450	–	**- 608**	- 2,399	**- 3,007**	25	16	**- 2,966**
thereof net profit/loss (after taxes)	–	–	–	–	–	–	–	**–**	- 2,399	**- 2,399**	25	23	**- 2,351**
thereof currency effects	–	–	- 90	–	–	–	–	**- 90**	–	**- 90**	–	- 6	**- 96**
thereof deferred taxes	–	–	–	–	7	- 3	–	**4**	–	**4**	–	–	**4**
thereof market valuation/reclassification	–	–	–	0	- 78	–	–	**- 78**	–	**- 78**	–	–	**- 78**
thereof revaluation of defined benefit plans	–	–	–	–	–	- 447	–	**- 447**	–	**- 447**	–	- 1	**- 448**
thereof share of items not recognized in the income statement from investments accounted for using the equity method	–	–	–	3	–	–	–	**3**	–	**3**	–	–	**3**
As of Dec 31, 2023	**2,150**	**6,243**	**- 41**	**- 1**	**89**	**- 888**	**- 14**	**5,388**	**2,443**	**9,981**	**2,002**	**143**	**12,126**

[1] Since January 1, 2023, effects from diesel price hedging are no longer reported in comprehensive income (item "Change in profit items recognized directly in equity, which are reclassified to the income statement"), but are recognized outside of comprehensive income in equity (item "± hedging results reclassified to the carrying amount of acquired inventories during the year"). A corresponding change in presentation as of December 31, 2022, would have resulted in a € 109 million higher comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Segment information by segments

JAN 1 THROUGH DEC 31 OR RESPECTIVELY AS OF DEC 31 / € million	DB Long-Distance		DB Regional		DB Cargo		DB Netze Track		DB Netze Stations	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
External revenues	5,729	4,845	9,536	8,921	5,279	4,998	2,157	2,035	662	593
Internal revenues	167	135	170	118	303	246	4,183	4,231	787	791
Total revenues	5,896	4,980	9,706	9,039	5,582	5,244	6,340	6,266	1,449	1,384
Other external income [3]	340	374	694	857	483	467	824	1,113	154	179
Other internal income	156	86	119	101	63	46	255	261	50	41
Inventory changes and other internally produced and capitalized assets	21	5	93	59	57	65	1,745	1,488	131	120
Total income	6,413	5,445	10,612	10,056	6,185	5,822	9,164	9,128	1,784	1,724
Cost of materials	-3,483	-3,056	-6,460	-6,162	-3,407	-3,361	-3,480	-2,689	-875	-752
Personnel expenses	-1,444	-1,264	-2,530	-2,367	-2,042	-1,954	-4,102	-3,700	-531	-476
Other operating expenses	-1,003	-736	-988	-908	-810	-764	-2,017	-1,495	-358	-301
EBITDA	**483**	**389**	**634**	**619**	**-74**	**-257**	**-435**	**1,244**	**20**	**195**
Depreciation [4]	-526	-428	-650	-647	-422	-408	-679	-665	-170	-166
Impairments recognized / reversed	–	–	-6	-3	-1	0	16	22	–	0
EBIT (operating profit / loss)	**-43**	**-39**	**-22**	**-31**	**-497**	**-665**	**-1,098**	**601**	**-150**	**29**
Operating interest balance [5]	-87	-36	9	-50	-66	-64	-146	-96	-35	-3
Operating income after interest [5]	**-130**	**-75**	**-13**	**-81**	**-563**	**-729**	**-1,244**	**505**	**-185**	**26**
Property, plant and equipment [6]	8,930	7,819	5,598	5,754	2,874	3,050	25,193	22,923	4,210	3,847
+ Intangible assets [6]	226	60	486	405	241	217	265	243	77	71
thereof goodwill [6]	0	0	6	6	0	0	–	11	–	–
+ Inventories [6]	255	216	323	431	207	196	339	271	0	0
+ Trade receivables [6),7)]	36	29	1,307	1,176	710	652	226	189	51	41
+ Receivables and other assets (excluding receivables from plan assets) [5),6)]	556	553	1,464	1,478	220	225	657	682	44	39
− Receivables from financing and earmarked bank deposits [5),6)]	–	–	–	–	–	–	–	–	–	–
+ Income tax receivables [6]	–	–	1	0	3	0	–	0	–	–
+ Held-for-sale assets [6),7)]	–	–	–	–	–	–	–	–	–	–
− Trade liabilities [6),7)]	-337	-444	-523	-657	-535	-494	-810	-823	-116	-107
− Miscellaneous and other liabilities [6),7)]	-534	-618	-1,109	-1,435	-224	-215	-985	-853	-171	-191
− Income tax liabilities [6]	–	–	-2	-1	-6	-5	–	–	-1	0
− Other provisions [6]	-29	-22	-4,064	-3,067	-239	-177	-738	-871	-27	-33
− Deferred items [6]	-524	-499	-438	-342	-16	-20	-167	-164	-93	-97
− Deferred liabilities [5]	-127	-107	-192	-179	-210	-212	-325	-297	-32	-28
− Liabilities due to assets held for sale [6),7)]	–	–	–	–	–	–	–	–	–	–
Capital employed [6),7),8)]	**8,452**	**6,987**	**2,851**	**3,563**	**3,025**	**3,217**	**23,655**	**21,300**	**3,942**	**3,542**
Net financial debt [6]	5,296	4,179	10	775	2,538	2,627	10,706	9,623	1,280	894
Investments accounted for using the equity method [6]	0	0	5	5	28	28	3	3	–	0
Result from investments accounted for using the equity method	0	0	0	0	2	2	0	1	0	–
Gross capital expenditures [6]	1,657	1,667	606	716	319	452	10,746	8,969	1,595	1,434
Investment grants received [6]	0	-1	-25	-21	-11	-49	-7,916	-7,231	-1,090	-1,037
Net capital expenditures	**1,657**	**1,666**	**581**	**695**	**308**	**403**	**2,830**	**1,738**	**505**	**397**
Additions due to changes in the scope of consolidation (acquisition of companies) [6]	–	–	2	–	–	–	–	–	–	–
Employees [1),9)]	20,966	19,139	39,587	37,738	31,359	31,167	56,084	52,510	7,786	6,997

1) Previous year's figures adjusted; see section "**Changes in segment allocation**" 230 and section "**Accounting and valuation methods, c) Discontinued operations**" 231f.
2) For the previous year, relates to the discontinued operations as well as special effects and reclassification of PPA amortization of customer contracts and the reconciliation of capital employed to the external presentation.
3) Compensation claims from the electricity price brake, which arose from energy consumption by subsidiaries of DB Group, were recognized in the DB Energy segment under other operating income. At Group level, the cost of materials decreased accordingly.
4) The non-cash items are included in the segment result shown.
5) Key figure from internal reporting, no external figures.
6) The DB Group total for 2022 includes the DB Arriva segment, which is classified as discontinued operations.
7) Content-related allocation in accordance with management reporting.
8) Profit transfer agreements were not assigned to segment assets or liabilities.
9) The number of employees comprises the workforce, excluding vocational trainees, and dual degree students at the end of the reporting period (part-time employees have been converted to full-time employees).

DB Energy		Subsidiaries/Other		Consolidation		**Integrated Rail System**		DB Schenker		Consolidation other [1]		**DB Group adjusted** [1]		Reconciliation [1, 2]		**DB Group** [1]	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
1,952	2,451	775	696	–	–	26,090	24,539	19,104	27,545	–	1	45,194	52,085	-3	0	45,191	52,085
2,018	1,749	6,054	5,427	-13,591	-12,576	91	121	23	59	-114	-180	–	–	–	–	–	–
3,970	4,200	6,829	6,123	-13,591	-12,576	26,181	24,660	19,127	27,604	-114	-179	45,194	52,085	-3	0	45,191	52,085
386	31	460	460	-357	–	2,984	3,481	325	252	-18	–	3,291	3,733	63	424	3,354	4,157
18	17	1,969	1,656	-2,561	-2,108	69	100	13	12	-82	-112	–	–	–	–	–	–
32	27	1,013	888	1,526	1,457	4,618	4,109	8	7	–	-1	4,626	4,115	–	–	4,626	4,115
4,406	4,275	10,271	9,127	-14,983	-13,227	33,852	32,350	19,473	27,875	-214	-292	53,111	59,933	60	424	53,171	60,357
-3,852	-3,818	-3,809	-3,354	11,380	10,294	-13,986	-12,898	-11,507	-19,249	69	130	-25,424	-32,017	148	0	-25,276	-32,017
-167	-154	-4,448	-4,137	–	–	-15,264	-14,052	-4,068	-4,101	1	–	-19,331	-18,153	-273	-135	-19,604	-18,288
-145	-118	-1,723	-1,599	3,430	2,811	-3,614	-3,110	-1,989	-2,013	124	143	-5,479	-4,980	-173	-57	-5,652	-5,037
242	185	291	37	-173	-122	988	2,290	1,909	2,512	-20	-19	2,877	4,783	-238	232	2,639	5,015
-77	-82	-622	-581	75	70	-3,071	-2,907	-780	-670	3	3	-3,848	-3,574	-12	-5	-3,860	-3,579
-2	–	-7	-2	7	–	7	17	0	-1	–	–	7	16	-59	-13	-52	3
163	103	-338	-546	-91	-52	-2,076	-600	1,129	1,841	-17	-16	-964	1,225	-309	214	-1,273	1,439
10	-6	-191	-110	–	–	-506	-365	-60	-60	-54	-42	-620	-467	–	–	–	–
173	97	-529	-656	-91	-52	-2,582	-965	1,069	1,781	-71	-58	-1,584	758	–	–	–	–
1,145	1,133	3,310	3,234	-967	-917	50,293	46,843	3,747	3,702	-3	-22	54,037	50,523	–	1,745	54,037	52,268
1	1	120	288	-94	-84	1,322	1,201	1,498	1,529	-1	-1	2,819	2,729	–	125	2,819	2,854
–	–	27	28	–	–	33	45	1,195	1,227	–	–	1,228	1,272	–	0	1,228	1,272
192	203	804	722	-43	-37	2,077	2,002	22	10	–	–	2,099	2,012	–	64	2,099	2,076
128	167	562	441	–	–	3,020	2,695	2,399	3,353	–	–	5,419	6,048	28	286	5,447	6,334
157	192	1,456	1,447	-1,634	-1,545	2,920	3,071	914	870	3,245	-85	7,079	3,856	-2,550	1,102	4,529	4,958
–	–	–	–	–	–	–	–	–	–	–	–	–	–	-784	-683	-784	-683
–	0	13	3	–	–	17	3	35	53	–	–	52	56	–	9	52	65
–	–	0	0	0	0	–	–	–	–	–	–	–	–	3,306	152	3,306	152
-450	-497	-790	-798	–	–	-3,561	-3,820	-2,660	-3,395	–	–	-6,221	-7,215	-3	-725	-6,224	-7,940
-63	-90	-1,039	-897	1,630	1,541	-2,495	-2,758	-599	-687	-2,102	86	-5,196	-3,359	212	-2,037	-4,984	-5,396
–	–	-30	-25	–	–	-39	-31	-108	-177	3	8	-144	-200	–	-43	-144	-243
-31	-31	-2,734	-2,686	–	–	-7,862	-6,887	-471	-475	–	–	-8,333	-7,362	–	-208	-8,333	-7,570
-1	-1	-98	-69	3	3	-1,334	-1,189	-29	-19	–	–	-1,363	-1,208	–	-217	-1,363	-1,425
-14	-12	-418	-401	–	–	-1,318	-1,236	-630	-658	–	–	-1,948	-1,894	1,948	1,894	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	-2,157	-161	-2,157	-161
1,064	1,065	1,156	1,259	-1,105	-1,039	43,040	39,894	4,118	4,106	1,142	-14	48,300	43,986	–	1,303	48,300	45,289
688	699	11,118	8,131	–	–	31,636	26,928	1,058	924	–	–	32,694	27,852	1,259	975	33,953	28,827
–	–	361	357	–	–	397	393	11	10	–	–	408	403	–	43	408	446
–	–	6	-11	–	–	8	-8	1	1	–	–	9	-7	–	–	9	-7
329	303	784	724	-119	-113	15,917	14,152	950	946	–	–	16,867	15,098	227	255	17,094	15,353
-241	-228	-3	-7	–	–	-9,286	-8,574	-3	–	–	–	-9,289	-8,574	-23	-29	-9,312	-8,603
88	75	781	717	-119	-113	6,631	5,578	947	946	–	–	7,578	6,524	204	226	7,782	6,750
–	–	–	–	–	–	2	–	–	499	–	–	2	499	–	–	2	499
2,055	1,943	61,876	59,992	–	–	219,713	209,486	72,710	76,591	–	–	292,423	286,077	–	–	292,423	286,077

Information by regions

FOR THE PERIOD FROM JAN 1 THROUGH DEC 31 / € million	External revenues		Non-current assets [1]		Capital employed [1]		Gross capital expenditures		Net capital expenditures		Employees [1]	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Germany	28,843	29,003	52,644	48,935	43,691	40,236	16,062	14,273	6,782	5,709	221,114	212,188
Europe (excluding Germany) [2]	9,063	11,681	3,293	5,087	2,584	3,868	827	801	799	762	39,624	40,849
Asia/Pacific	3,822	5,983	1,354	1,408	1,130	1,120	180	247	176	247	17,191	18,006
North America	2,746	4,417	659	750	808	1,025	121	106	121	106	10,853	11,299
Rest of world	720	1,001	62	58	94	93	23	39	23	39	3,641	3,735
Consolidation	–	–	-1,066	-1,024	-7	-1,053	-119	-113	-119	-113	–	–
DB Group adjusted [2]	**45,194**	**52,085**	**56,946**	**55,214**	**48,300**	**45,289**	**17,094**	**15,353**	**7,782**	**6,750**	**292,423**	**286,077**
Reconciliation	-3	0	–	–	–	–	–	–	–	–	–	–
DB Group [2]	**45,191**	**52,085**	**56,946**	**55,214**	**48,300**	**45,289**	**17,094**	**15,353**	**7,782**	**6,750**	**292,423**	**286,077**

[1] As of the balance sheet date.
[2] 2022 figures for external revenues and employees adjusted due to changes to the presentation of DB Arriva as discontinued operations 231 f.

Basic principles and methods

FUNDAMENTAL INFORMATION

Deutsche Bahn AG (DB AG), and its subsidiaries (together DB Group) provide services in the fields of passenger transport as well as transport and logistics, and operate an extensive rail infrastructure which is also available to non-Group users on a non-discriminatory basis. Whereas rail infrastructure and passenger transport activities are conducted primarily in the company's domestic market of Germany, business activities in freight transport are conducted on a Europe-wide basis and logistics activities are conducted on a worldwide basis.

DB AG, Potsdamer Platz 2, 10785 Berlin is an Aktiengesellschaft (stock corporation); its shares are held entirely by the Federal Republic of Germany (Federal Government). The company is listed in the trade register of the Amtsgericht (local court) of Berlin-Charlottenburg under the number HRB 50000. DB Group has issued securities in accordance with Section 2 (1) Clause 1 of the German Securities Trading Act (Wertpapierhandelsgesetz; WpHG); these securities are traded on organized markets in accordance with Section 2 (11) WpHG.

These consolidated financial statements have been prepared by the Management Board, and will be submitted to the Supervisory Board for the Supervisory Board meeting on March 20, 2024.

PRINCIPLES OF PREPARING FINANCIAL STATEMENTS

The consolidated financial statements are prepared on the basis of Section 315e of the German Commercial Code (Handelsgesetzbuch; HGB) and in accordance with the International Financial Reporting Standards (IFRS) as applied in the EU and their interpretation by the IFRS Interpretations Committee. The accounting standards have been applied consistently throughout the entire reporting period with no changes compared with the previous year.

The financial year of DB AG and its incorporated subsidiaries is the same as the calendar year. The consolidated financial statements are prepared in euros. Unless otherwise specified, all figures are stated in millions of euros (€ million).

The agreement to sell all remaining subsidiaries of the former DB Arriva segment was signed in October 2023. With the application of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations," DB Arriva is reported as discontinued operations until the completion of the sales process and henceforth no longer constitutes a business segment under IFRS 8. When used below, the term "Group" in the DB Group financial statements is generally used for continuing operations. Any use of the term that deviates from this is supplemented by separate explanations.

STRUCTURE OF THE BALANCE SHEET AND THE STATEMENT OF INCOME

Assets and liabilities are stated in the balance sheet either as current or non-current items. Assets and liabilities are classified as current if they will be realized or are due within 12 months after the end of the year under review. The notes to the balance sheet take account of the requirements of the ordinance relating to the structure of the annual financial statements of transport companies. The statement of income uses the structure of total cost accounting.

CONSOLIDATION METHODS

a) Consolidation principles

In the consolidated financial statements of DB AG, DB AG and all companies (subsidiaries) are fully consolidated in accordance with IFRS 10 from the time at which DB AG acquires control.

For the purpose of standardized accounting, the affiliated companies have applied the accounting directives of the parent company.

Capital is consolidated in accordance with the acquisition method in line with IFRS 3.

The equity attributable to Group shareholders is shown separately from the non-controlling interests in the equity of subsidiaries. The amount is calculated based on the non-controlling interests at the time of the initial consolidation and the changes in equity attributable to this interest after that time.

Non-controlling interests are calculated on a pro rata basis from the assets, liabilities and contingent obligations valued with their fair value.

Intra-Group liabilities as well as expenses and income and intercompany results between fully consolidated companies are completely eliminated.

b) Business combinations

All subsidiaries acquired after December 31, 2002, have been consolidated using the acquisition method under IFRS 3.

Any difference between the acquisition costs of the business combination and the acquired assets valued at fair value is shown as goodwill. If the purchase price is lower than the fair value of the acquired assets, the difference is recognized immediately in the statement of income after reassessment.

The acquisition and sale of shares in an already fully consolidated company that do not result in a change of control are recognized in equity transactions. In this respect, there have been no changes in the carrying amounts of the assets and liabilities recognized from such transactions.

c) Joint ventures, joint operations and associated companies

Joint ventures are defined as companies which are managed by DB AG jointly with another party either directly or indirectly, and in which the partners own rights to the net assets of the company.

A joint operation is defined as agreements that are managed by DB AG jointly with another party either directly or indirectly, and in which the parties involved in the joint operation have rights relating to the assets and obligations relating to the liabilities attributable to the agreement.

Associated companies are defined as equity participations in which DB Group is able to exercise a significant influence on the financial and business policy. Significant influence is normally defined as a situation in which DB AG directly or indirectly holds 20 to 50% of the voting rights in these companies and the related assumption of association is not refuted.

In exceptional cases, companies in which DB Group holds fewer than 20% of the voting rights are also classified as associated companies. Despite such a low shareholding, a significant influence is deemed to exist in such cases, for instance as a result of various rights of codetermination in major issues concerning business policy or because members of general management are appointed by DB Group.

Joint ventures and associated companies are accounted for using the equity method in accordance with IAS 28 (Investments in Associates and Joint Ventures). Alternatively, they are valued in accordance with IFRS 5 if the shares are classified as held for sale.

Intercompany results attributable to transactions with associated companies or joint ventures are eliminated on a pro rata basis.

In the case of joint operations, the assets, liabilities, income and expenses have to be recognized on a pro rata basis.

CURRENCY TRANSLATION

Currency translation uses the concept of functional currency according to IAS 21 (The Effects of Changes in Foreign Exchange Rates) or IAS 29 (Financial Reporting in Hyperinflationary Economies) for annual financial statements of subsidiaries that are based in a hyperinflationary country. The currency translation of income and expense items was based on the simplifications of IAS 21.40 (application of average exchange rates for a period).

No major subsidiary was domiciled in a hyperinflationary economy in the year under review or the previous year.

The consolidated financial statements are prepared in euros (reporting currency); in accordance with IAS 21, the financial statements of subsidiaries whose functional currency is not the euro are converted into the reporting currency.

The following exchange rates are some of the rates used for currency translation purposes:

	As of Dec 31		Annual average	
€ 1 EQUIVALENT TO	**2023**	2022	**2023**	2022
Australian dollar (AUD)	1.62630	1.56930	1.62889	1.51653
Canadian dollar (CAD)	1.46420	1.44400	1.45974	1.36975
Swiss franc (CHF)	0.92600	0.98470	0.97174	1.00475
Renminbi yuan (CNY)	7.85090	7.35820	7.66013	7.07898
Danish krone (DKK)	7.45290	7.43650	7.45099	7.43955
Pound sterling (GBP)	0.86905	0.88693	0.86984	0.85268
Hong Kong dollar (HKD)	8.63140	8.31630	8.46748	8.24745
Japanese yen (JPY)	156.33000	140.66000	151.95065	138.02515
Norwegian krone (NOK)	11.24050	10.51380	11.42476	10.09953
Polish zloty (PLN)	4.33950	4.68080	4.54169	4.68564
Swedish krona (SEK)	11.09600	11.12180	11.47431	10.62887
Singapore dollar (SGD)	1.45910	1.43000	1.45242	1.45127
US dollar (USD)	1.10500	1.06660	1.08157	1.05335

CRITICAL ESTIMATIONS AND ASSESSMENTS

The consolidated financial statements are based on assessments and assumptions relating to the future. Based on past experience and reasonable expectations of future events, the estimations and assessments that are derived are continuously reviewed and adjusted where appropriate. Nevertheless, the estimations will not always correspond to the subsequent actual circumstances.

The estimations and assessments that may involve a significant risk during the next financial year in the form of major adjustments to the carrying amounts of assets and liabilities are discussed under the relevant items.

As an operator of critical infrastructure and an organization that operates over a wide area, DB Group is potentially strongly affected by the possible impact of climate change. The financial impact of extreme weather conditions is already being recorded as part of major loss events.

Accounting and valuation methods

A) STANDARDS, REVISIONS OF STANDARDS AND INTERPRETATIONS THAT ARE THE SUBJECT OF MANDATORY FIRST-TIME ADOPTION FOR REPORTING PERIODS STARTING JANUARY 1, 2023, OR EARLY ADOPTION

In the year under review, the consolidated financial statements first took account of all new and revised standards and interpretations which are the subject of mandatory first-time adoption starting on or after January 1, 2023, which are also relevant for DB Group and which have not been the subject of early adoption in previous periods. The changes to the standards have been recognized in accordance with the transitional regulations. The impact of the new regulations is considered to be immaterial.

B) STANDARDS, REVISIONS OF STANDARDS AND INTERPRETATIONS THAT HAD BEEN ADOPTED AS OF THE REPORTING DATE, BUT THAT ARE NOT YET THE SUBJECT OF MANDATORY ADOPTION AND EARLY ADOPTION

Various new accounting standards and interpretations were published in 2023, but these are not mandatory for reporting periods up to December 31, 2023. These were not applied early by DB Group. The impact of the new regulations is considered to be immaterial.

COMPARABILITY WITH THE PREVIOUS YEAR

Changes in segment allocation

With the signing of the binding agreement on the sale of all subsidiaries of the DB Arriva segment in October 2023, the Group division is classified as a discontinued operation 231f. according to IFRS 5 and has been reported as such. Since the year under review, DB Arriva has no longer been reported as a segment in the consolidated financial statements of DB Group. Segment reporting as of December 31, 2023, was adjusted accordingly:

- **Period-related values:** Adjustment of previous year's figures in the DB Group column.
- **Reporting date-related figures:** No adjustment of the previous year's figures in the DB Group column; values for the former DB Arriva segment were shown in the reconciliation column.
- **Gross and net capital expenditures and investment grants:** Presentation of the values of the former DB Arriva segment until October 2023 and the previous year in the reconciliation column.
- **Employees:** Adjustment of the previous year's figure in the DB Group column; no reconciliation of the values of the former DB Arriva segment.

DB Group's continuing operations are now comprised of the remaining eight segments alone.

Introduction of Group charges

Since January 1, 2023, the segments have been partly burdened by a Group charge on the apportionable costs for the various governance functions of Group management. As a result, the net profit and loss for the Subsidiaries/Other segment improved by € 335 million as of December 31, 2023, and declined accordingly in the other segments (mainly DB Netze Track: € 157 million, DB Regional: € 50 million, DB Long-Distance: € 44 million, DB Cargo: € 30 million, DB Netze Stations: € 23 million).

Scope of consolidation and investments in other companies

A) SUBSIDIARIES

According to IFRS 3, the acquisition cost of a business combination is determined by the fair values of the assets given and the liabilities incurred or assumed at the date of the transaction. The acquired identifiable assets, liabilities and contingent liabilities are valued under IFRS 3 at their fair value at the date of acquisition, irrespective of any non-controlling interests. Alternatively, acquired non-current assets or groups of assets which are classified as held for sale in accordance with IFRS 5 are shown at their fair value less costs to sell.

Changes in the scope of fully consolidated companies of DB Group are detailed in the following:

	Germany 2023	Rest of world 2023	Total 2023	Total 2022
FULLY CONSOLIDATED SUBSIDIARIES				
As of Jan 1	103	398	**501**	**523**
Additions	24	3	**27**	**20**
Additions from change in the type of inclusion	1	0	**1**	**0**
Disposals	-26	-32	**-58**	**-42**
Disposals from changein the type of inclusion	-1	0	**-1**	**0**
As of Dec 31	**101**	**369**	**470**	**501**

Additions of companies and parts of companies

DB Group had no expenses in the year under review (previous year: € 288 million) on company acquisitions according to IFRS 3. The additions concerned the first-time full consolidation of GHT Mobility GmbH Group (GHT), Berlin. Prior to this, GHT was included in the consolidated financial statements using the equity method. As a result of amended company law agreements and against the background of the financing conditions, DB Group has controlled GHT since January 1, 2023:

COMPANY	Activities	Segment
GHT Mobility GmbH Group, Berlin, Germany	Operating on-demand transport services	DB Regional, from January 1, 2023

The addition of GHT was not significant for DB Group. After being initially consolidated, GHT has generated revenues of € 2 million and a net profit of € 0 million.

As a result of DB AG's decision to withdraw from the company as a majority owner and not to provide any further financial resources, GHT filed for insolvency at the beginning of May 2023.

The additions also included the founding of three companies.

Disposals of companies and parts of companies

The disposals from the scope of consolidation include GHT, seven mergers, ten liquidations and 17 sales (mainly companies from the former DB Arriva segment in Denmark, Serbia and Poland, the sale of which was already complete and independent of the sale of the remaining companies in October 2023, as well as companies in Russia from the DB Schenker segment). The sales have generated a cash outflow of € 15 million (previous year: cash inflow of € 47 million).

As was the case in the previous year, there were no major effects on profits due to the loss of control in the year under review.

The deconsolidation of GHT resulted in a disposal loss of € 15 million and the sale of the companies in Russia resulted in a disposal loss of € 5 million. The results are shown in other operating expenses (Note (7) 239f.) or other operating income (Note (3) 235). In addition, there was a loss of € 13 million from discontinued operations.

Effects on the consolidated statement of income

Overall, the effects of the changes in the scope of consolidation on the consolidated statement of income which have occurred compared with the changes in the previous year are not significant and are presented in the following overview:

€ million	DB Group Jan 1 to Dec 31, 2023	thereof from additions to the scope of consolidation	Amounts for disposals from the scope of consolidation
Revenues	45,191	412	- 295
Inventory changes and other internally produced and capitalized assets	4,626	0	0
Overall performance	49,817	412	- 295
Other operating income	3,354	83	- 3
Cost of materials	- 25,276	- 230	202
Personnel expenses	- 19,604	- 121	53
Scheduled depreciation, amortizations and impairments	- 3,912	- 96	7
Other operating expenses	- 5,652	- 125	19
Operating profit (EBIT)	- 1,273	- 77	- 17
Result of investments accounted for using the equity method	9	0	0
Net interest income	- 617	- 8	0
Other financial result	- 78	0	- 9
Financial result	- 686	- 8	- 9
Profit / loss before taxes on income	**- 1,959**	**- 85**	**- 26**
Taxes on income	- 73	4	1
Net profit / loss for the year after taxes on income from continuing operations	**- 2,032**	**- 81**	**- 25**
Net profit / loss for the year after taxes on income from discontinued operations	- 319	-	21
Net profit / loss for the year after taxes on income	**- 2,351**	**- 81**	**- 4**

The revenues attributable to changes in the scope of consolidation were as follows:

JAN 1 THROUGH DEC 31 / € million	Revenues from Additions to the scope of consolidation	Revenues from Disposals from the scope of consolidation
USA Truck Group, Van Buren / USA [1]	409	-
GHT Mobility GmbH Group, Berlin, Germany	2	-
Les Triporteurs Group, Rennes / France [1]	1	-
Bitergo, Dortmund [1]	0	-
MTS-Markentechnik Group, Rülzheim [1]	-	242
ELAG Emder Lagerhaus und Automotive GmbH, Emden [1] and EVAG Emder Verkehrs und Automotive Gesellschaft mbH, Emden [1]	-	37
Etihad Rail DB Operations LLC, Abu Dhabi / United Arab Emirates [1]	-	8
Luxemburger Transport Logistik Diekirch S.A., Wilwerdange / Luxembourg	-	5
AO Schenker, Moscow / Russia Schenker Business Services OOO, Moscow / Russia	-	3
Total	**412**	**295**

[1] Acquired / sold during the previous year.

B) JOINT VENTURES, ASSOCIATED COMPANIES AND COMPANIES WITH JOINT BUSINESS OPERATIONS

	Germany 2023	Rest of world 2023	Total 2023	Total 2022
JOINT VENTURES ACCOUNTED FOR USING THE EQUITY METHOD				
As of Jan 1	11	10	**21**	**25**
Additions	1	0	**1**	**1**
Additions from change in the type of inclusion	0	0	**0**	**0**
Disposals	- 1	0	**- 1**	**- 5**
Disposals from change in the type of inclusion	0	0	**0**	**0**
As of Dec 31	**11**	**10**	**21**	**21**
ASSOCIATED COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD				
As of Jan 1	48	37	**85**	**83**
Additions	2	0	**2**	**9**
Additions from change in the type of inclusion	0	0	**0**	**0**
Disposals	- 1	0	**- 1**	**- 6**
Disposals from change in the type of inclusion	- 4	- 1	**- 5**	**- 1**
As of Dec 31	**45**	**36**	**81**	**85**
COMPANIES WITH JOINT BUSINESS OPERATIONS				
As of Jan 1	0	0	**0**	**1**
Additions	0	0	**0**	**0**
Additions from change in the type of inclusion	0	0	**0**	**0**
Disposals	0	0	0	**- 1**
Disposals from change in the type of inclusion	0	0	**0**	**0**
As of Dec 31	**0**	**0**	**0**	**0**

From the perspective of DB Group, no joint venture, associated company or company with joint business operations is significant, either individually or when viewed together.

C) DISCONTINUED OPERATIONS

On October 16, 2023, DB AG signed the agreement to sell all remaining subsidiaries of DB Arriva to I Squared Capital, Miami / USA. This means that the former DB Arriva segment met the classification criteria under IFRS 5 for reporting as discontinued operations. Subject to regular completion conditions, the closing of the sales transaction is expected in 2024.

For the discontinued operations, income was reported separately in the consolidated statement of income and the individual cash flows per category were reported separately in the consolidated statement of cash flows. The financial information was adjusted accordingly for the previous year in the consolidated statement of income, the consolidated statement of comprehensive income and the consolidated statement of cash flows in accordance with IFRS 5. In the consolidated balance sheet as of December 31, 2023, the assets and liabilities attributable to the discontinued operations were reported separately. The classification also included the scheduled depreciation of the assets within the discontinued operations.

The assets and liabilities in connection with the discontinued operation were as follows:

AS OF DEC 31 / € million	2023
Property, plant and equipment	1,362
Intangible assets	81
Investments accounted for using the equity method	32
Available for sale financial assets	2
Inventories	68
Receivables and other assets	1,299
Derivative financial instruments	0
Cash and cash equivalents	445
Deferred tax assets	17
Assets	**3,306**
Financial debt	536
Other liabilities	1,011
Derivative financial instruments	0
Pension obligations	47
Other provisions	224
Deferred income	243
Deferred tax liabilities	96
Liabilities	**2,157**

As of December 31, 2023, there were restrictions on the right of disposal over property, plant and equipment amounting to € 33 million (as of December 31, 2022: € 27 million).

As of December 31, 2023, cash and cash equivalents amounting to € 320 million (as of December 31, 2022: € 329 million) fell to companies that may be restricted mainly due to the requirements of the rail franchises in the United Kingdom.

In detail, net loss after taxes from the discontinued operations was as follows:

€ million	2023	2022
Revenues	4,018	4,212
Other income, inventory changes and other internally produced and capitalized assets, income from companies accounted for using the equity method, other financial result	293	412
Expenses	- 4,208	- 4,783
Net profit / loss before taxes from discontinued operations	**103**	**- 159**
Taxes on income	9	- 15
Impairment losses in connection with discontinued operations	- 431	-
Net loss after taxes from discontinued operations	**- 319**	**- 174**

The number of employees excluding apprentices and dual degree students (part-time employees converted to full-time employees) for the discontinued operations as of December 31, 2023: 34,358 (as of December 31, 2022: 38,059).

CAPITAL MANAGEMENT IN DB GROUP

The purpose of the financial management of DB Group is not only to achieve sustainable growth in the enterprise value but also to comply with a capital structure that is adequate for maintaining a very good credit rating.

Based on adjusted EBIT, return on capital employed (ROCE) is calculated as a key component of the value management concept. The capital employed represents the use of capital provided by shareholders and debt investors that is tied up in DB Group and that is associated with yield expectations. The derivation is based on the closing balance sheet for the year under review for the continuing operations and for the previous year, including discontinued operations. The following table shows the process of calculating capital employed, using the asset and liability items shown in the balance sheet.

AS OF DEC 31 / € million	2023	2022	Change absolute	Change %
Property, plant and equipment	54,037	52,268	+ 1,769	+ 3.4
+ Intangible assets / goodwill	2,819	2,854	- 35	- 1.2
+ Inventories	2,099	2,076	+ 23	+ 1.1
+ Trade receivables	5,447	6,334	- 887	- 14.0
+ Receivables and other assets	4,641	5,076	- 435	- 8.6
− Receivables from plan assets	- 112	- 118	+ 6	+ 5.1
− Financial receivables and earmarked bank deposits (excluding receivables from finance lease)	- 784	- 683	- 101	+ 14.8
+ Income tax receivables	52	65	- 13	- 20.0
+ Non-current assets held for sale	3,306	152	+ 3,154	-
− Trade liabilities	- 6,224	- 7,940	+ 1,716	- 21.6
− Miscellaneous and other liabilities	- 4,984	- 5,396	+ 412	- 7.6
− Income tax liabilities	- 144	- 243	+ 99	- 40.7
− Other provisions	- 8,333	- 7,570	- 763	+ 10.1
− Deferred income	- 1,363	- 1,425	+ 62	- 4.4
− Liabilities in connection with assets held for sale	- 2,157	- 161	- 1,996	-
Capital employed	**48,300**	**45,289**	**+ 3,011**	**+ 6.6**

For further calculation, the adjusted EBIT and adjusted EBITDA in the following table are derived from the operating profit (EBIT) shown in the statement of income for the continuing operations. The corresponding details at the segment level have been calculated using the same method.

€ million	2023	2022	Change absolute	Change %
Operating profit / loss (EBIT)	- 1,273	1,439	- 2,712	-
Income from the disposal of financial instruments	- 4	- 15	+ 11	- 73.3
Expenses from the disposal of financial instruments	22	6	+ 16	-
Train-path price support to overcome the effects of the Covid-19 pandemic	-	- 316	+ 316	- 100
Adjustment of provisions / receivables from tunnel accident	- 30	- 38	+ 8	- 21.1
Electricity price brake	- 163	-	- 163	-
Restructuring / contract obligations (personnel)	332	88	+ 244	-
Allocation to provision for ecological burdens	67	-	+ 67	-
Adjustment of provisions for dismantling obligations and reversals of impairment of real estate	19	21	- 2	- 9.5
Depreciation on assets for sale	-	11	- 11	- 100
Other	56	24	+ 32	+ 133
Operating profit / loss (EBIT) adjusted for special items	**- 974**	**1,220**	**- 2,194**	**-**
PPA amortization customer contracts (depreciation)	10	5	+ 5	+ 100
EBIT adjusted	**- 964**	**1,225**	**- 2,189**	**-**
Scheduled depreciation and impairments	3,912	3,576	+ 336	+ 9.4
PPA amortization customer contracts (depreciation)	- 10	- 5	- 5	+ 100
Special items for scheduled depreciation, recognized impairment losses / reversals	- 61	- 13	- 48	-
EBITDA adjusted	**2,877**	**4,783**	**- 1,906**	**- 39.8**

In the year under review, special items totaling € 299 million (previous year: € 219 million) were adjusted in EBIT. These resulted mainly from expenses for restructuring and personnel contractual commitments. As part of transformation programs to increase profits at DB Cargo and DB Schenker, provisions have been made for personnel measures and impairments have been made for property, plant and equipment and rights of use. Other expenses resulted from the set up of provisions for commitment surpluses from employment relationships (Subsidiaries/Other segment). The expenses for existing ecological burdens in the Subsidiaries/Other segment included the adjustment of the provision for ecological burdens at DB AG and for risks in connection with the sale of Brenntag in 2004. This was counteracted by the reclassification of positive effects in connection with the electricity price brake. With the exception of the DB Regional and DB Cargo segments, the relief from the electricity price brake was completely adjusted as a special item. At DB Regional and DB Cargo, partial adjustments were made to energy expenses on the basis of the price adjustments agreed with the contracting organizations and customers.

The special items recorded from continuing operations are attributable to the following segments:

€ million	**2023**	**thereof affecting EBIT**	2022	thereof affecting EBIT
DB Long-Distance	112	112	337	337
DB Regional	- 4	- 4	–	–
DB Cargo	- 94	- 94	- 20	- 20
DB Netze Track	- 23	- 14	- 9	- 2
DB Netze Stations	13	13	–	–
DB Energy	–	–	–	–
Other/consolidation Integrated Rail System	- 170	- 170	- 90	- 90
Integrated Rail System	**- 166**	**- 157**	**218**	**225**
DB Schenker	- 142	- 142	- 6	- 6
Consolidation other	–	–	–	–
DB Group	**- 308**	**- 299**	**212**	**219**

The capital employed and the adjusted EBIT have resulted in the following figures for return on capital employed (ROCE):

€ million	**2023**	2022	Change absolute	Change %
EBIT adjusted (continuing operations)	- 964	1,225	- 2,189	–
/ Capital employed as of Dec 31	48,300	45,289	+ 3,011	+ 6.6
ROCE (%)	**- 2.0**	**2.7**	**–**	**–**

Taking into account the discontinued operations, there would have been no change in ROCE for DB Group (previous year: 2.8%).

Notes to the statement of income

As a general rule, all income and expenses are reported on an unnetted basis, unless IFRS accounting rules permit or require balancing.

Expenses are recognized in the income statement at the point at which the service is used or at the point at which the expenses are incurred.

The special items detailed at income and expenses ("Total") are issues that are considered to be unusual either in terms of the amount involved and/or the actual reason behind the issue. Irrespective of the amount involved, this item comprises book profits and losses arising from transactions with subsidiaries/financial assets as well as depreciation on long-term customer contracts that have been capitalized as part of the purchase price allocation process in connection with company acquisitions. In addition, the special items recognize individual issues if they are of an exceptional nature, if they are definable for accounting purposes, if they can be measured and if the amount involved is material. In addition to the special items, effects from changes in the scope of consolidation and exchange rate effects are also disclosed separately. The item "Total – comparable" does not involve IFRS figures; instead, it involves additional disclosures in accordance with internal reporting.

Unless otherwise stated, the following disclosures and explanations on the items in the statement of income relate to the continuing operations.

(1) REVENUES

Revenues generated in DB Group result from the provision of passenger transport, freight transport and logistics services, the provision of rail infrastructure, the sale of goods and other revenues related particularly to services in rail operations, less value-added tax, discounts and any price reductions. In addition, revenues from the leasing of railway-related assets such as station space are also reported within revenues, while other rental revenues are recognized within other operating income.

In passenger transport, revenues from individual tickets are recorded in a simplified way on the first day of validity of the ticket. Revenues from season tickets are recorded over the validity period.

In the DB Regional segment, the order processing in the form of long-term transport contracts concluded with the contracting organizations of the Federal states in Germany are very important for business development. Contractual relations with customers covering several years also exist in the contract logistics line of business in the DB Schenker segment, which accounts for about 6% of Group revenues. Revenues are realized accordingly over the contractual term of the respective long-term contract.

Revenue recognition in accordance with IFRS 15 is based on the principle that revenues are recognized when control over a product or service is transferred to the customers. Revenues from the provision of services is recorded at the amount expected to be received by a company in exchange for the transfer of promised goods or services to a customer (transaction price).

€ million	2023	2022
Revenues from freight and passenger transport services	39,404	45,878
thereof concession fees for rail transport	6,759	6,508
Revenues from operating track infrastructure	2,429	2,276
Revenues from rental and leasing	398	359
Revenues from sales of products	1,961	2,706
Other revenues	1,106	955
Revenue discounts	-107	-89
Total	**45,191**	**52,085**
± Special items	3	0
± Effects from changes in the scope of consolidation	-412	-295
± Exchange rate effects	463	–
Total - comparable	**45,245**	**51,790**

Revenues from freight and passenger transport services were generated mainly by companies operating in the DB Schenker, DB Regional, DB Arriva, DB Long-Distance and DB Cargo segments. They included a minor amount of revenues from sub-operating leases in the DB Schenker segment. The DB Netze Track and DB Netze Stations segments generated revenues mainly from the operation of track infrastructure, while revenues from rental and leasing were generated mainly by the DB Netze Stations segment. Revenues from sales of products were generated almost exclusively in the DB Energy segment. Other revenues relate to virtually all segments.

In the year under review, DB Group revenues fell by € 6,894 million to € 45,191 million (-13.2%). The decline in revenues was driven largely by the DB Schenker segment and resulted mainly from the normalization of freight rates in ocean and air freight after a sharp increase in previous years. An increase in available capacity and falling demand led to a significant decline in freight rates, while transport volumes at DB Schenker also decreased. The war in Ukraine, inflation as well as global economic uncertainties put pressure on demand for transport. Revenues in the DB Energy segment also fell due to lower quantities in energy trading and in the supply of non-Group customers. In contrast, transport operators recorded increased revenues. In addition to price increases, increased demand at DB Long-Distance in particular led to a significant increase in revenues.

Positive exchange rate effects of € 463 million, mainly from the DB Schenker segment, were included in revenues. This was mainly the result of the strong performance of the Chinese renminbi and the Swedish krona against the euro.

The lower revenues at DB Energy had an impact on the decline in revenues from sales of products. In addition, the sale of MTS Group in the previous year had a revenue-reducing effect, as revenues from sales of products was still included on a pro rata basis in the previous year.

Even when adjusted for special items, effects from changes in the scope of consolidation and exchange rate effects, revenues were significantly below the previous year's level (€ -6,545 million / -12.6%).

Movements in revenues broken down by business segments and regions are set out in Segment information by segments 226f.

The revenue discounts related primarily to compensation payments to customers due to delays and train cancellations. As was the case in the previous year, revenue discounts from long-term transport contracts (contractual penalties) were netted directly with the revenues from freight and passenger transport services.

The order book of customer contracts with contractually agreed outstanding revenues (secured revenues) was broken down as follows:

ORDER BOOK SECURED AS OF DEC 31 / € million	2023	2022 [1]
Passenger transport contracts	84,804	87,183
Logistics and freight transport contracts [2]	337	304
Other contracts [2]	1,588	1,657
Total	**86,729**	**89,144**

[1] Values including discontinued operations.
[2] Contracts with a contract term of at least 12 months and a contract volume of at least € 5 million.

Most of the secured order book will be fulfilled within a period of ten years, with percentages declining over a period of time.

The decline in the order book for passenger transport contracts was due mainly to the elimination of the order book from the discontinued operations at € 7.9 billion. In the DB Regional segment, the order book increased by € 5.8 billion due to transport contracts awarded; the decline as a result of services rendered had a dampening effect.

The exemption regulation of IFRS 15.121 (a) has been used for the logistics contracts and the other contracts.

Variable considerations of transport contracts such as price adjustment clauses or contractual penalties are only taken into consideration in the estimation of secured revenues if they are highly likely.

Claims relating to contractual assets [1] were recognized together with the other receivables and assets and developed as follows:

CONTRACTUAL ASSETS / € million	2023	2022
As of Jan 1	96	30
Currency translation effects	-1	-1
Additions	259	215
Impairments	0	0
Changes due to amended payment terms	0	–
Fulfillment / payment	-158	-165
Other changes	-85	17
Changes in the scope of consolidation	–	–
As of Dec 31	**111**	**96**

In particular, the clearing of advance payments received was included in other changes. An amount of € 28 million (as of December 31, 2022: € 24 million) was attributable to non-current contractual assets.

The contractual liabilities in DB Group include advance payments received as well as other payments received in advance in relation to revenues for subsequent periods (e.g. for season tickets). Obligations from contractual liabilities were shown under trade liabilities and deferred items and developed as follows:

CONTRACTUAL LIABILITIES / € million	2023	2022
As of Jan 1	1,290	1,101
Transfers of liabilities held for sale	-221	–
Currency translation effects	-1	-2
Additions	2,586	2,098
Fulfillment of liabilities	-2,613	-1,873
Other changes	-6	-35
Changes in the scope of consolidation	0	1
As of Dec 31	**1,035**	**1,290**
thereof non-current	259	213

The majority of the contractual liabilities will be fulfilled in the following year.

[1] The contractual assets include, among other things, claims from work-in-progress from long-term orders.

(2) INVENTORY CHANGES AND OTHER INTERNALLY PRODUCED AND CAPITALIZED ASSETS

€ million	2023	2022
Inventory changes	16	- 8
Other internally produced and capitalized assets	4,610	4,123
Total	**4,626**	**4,115**
± Special items	–	–
± Effects from changes in the scope of consolidation	0	0
± Exchange rate effects	- 1	–
Total – comparable	**4,625**	**4,115**

Own investments relate mainly to construction and project business in rail infrastructure and also the modernization of vehicles as well as the processing of appropriate spare parts. The increase compared to the previous year resulted from a higher construction volume in the track infrastructure and vehicle maintenance.

(3) OTHER OPERATING INCOME

€ million	2023	2022
SERVICES FOR THIRD PARTIES AND SALE OF MATERIALS		
Income from maintenance and repair	0	0
Sale of materials and energy	135	167
Other services for third parties	617	539
	752	**706**
Leasing and rental income	197	176
Income from compensations for damages and refund of expenses	351	281
INCOME FROM GOVERNMENT GRANTS		
Federal Government compensation payments	120	116
Other investment grants	0	0
Income from reversal of deferred items	0	0
Other Government grants	752	1,528
	872	**1,644**
Income from the disposal of property, plant and equipment and intangible assets	201	263
Income from the disposal of non-current financial instruments	4	15
Income from the release of provisions	237	282
OTHER INCOME		
Income from third-party fees	33	29
Income from the rehabilitation of existing ecological damage	42	45
Utilization of provisions for impending losses	129	136
Miscellaneous other income	536	580
	740	**790**
Total	**3,354**	**4,157**
± Special items	- 63	- 424
± Effects from changes in the scope of consolidation	- 83	- 3
± Exchange rate effects	5	–
Total – comparable	**3,213**	**3,730**

Adjusted for special items, effects from changes in the scope of consolidation and exchange rate effects, other operating income was well below the previous year (€ –517 million).

The decline before adjustment for special items, effects from changes in the scope of consolidation and exchange rate effects was almost entirely attributable to income from other Government grants. One of the main factors that reduced income was the loss of the Federal Government's temporary train-path price reimbursements to compensate for the effects of the Covid-19 pandemic for long distance rail passenger transport (€ 519 million) and compensation payments from the public sector within the framework of the 9-Euro-Ticket in the DB Regional segment (€ 170 million). Compensation payments from the public sector for the Germany-Ticket are mainly reported in revenues, as the compensation payments were regulated in corresponding general rulings.

Payments of the Federal Government to DB Group were reported as Government grants, provided these payments were not made on the basis of the Federal Government's legal status as a shareholder of DB Group and are therefore to be reported as capital increases.

The decline in income from the sale of materials and energy was mainly due to lower income from sales of scrap in connection with construction work (DB Netze Track), especially as scrap prices, having risen sharply in the previous year, returned to normal and were below the previous year.

Other services for third parties increased, due mainly to commissions in connection with the Germany-Ticket.

The leasing and rental income included subletting income of € 37 million (previous year: € 31 million).

The increase in income from compensations for damages and refund of expenses was due mainly to insurance payments for damages in connection with the accident in the Rastatt tunnel.

The decrease in income from the disposal of property, plant and equipment and intangible assets was due, among other factors, to the sale of non-operating real estate in the previous year.

The miscellaneous other income comprises the reversal of liabilities as well as a range of individual issues that are individually of a minor nature.

(4) COST OF MATERIALS

€ million	2023	2022
EXPENSES FOR RAW MATERIALS AND SUPPLIES AND FOR PURCHASED PRODUCTS		
ENERGY EXPENSES		
Electricity	2,646	2,872
Electricity tax	124	151
Diesel, other fuel	832	1,019
Other energies	291	509
Energy price derivatives	21	- 310
	3,914	**4,241**
Other supplies and purchased goods	279	419
Price adjustments and impairments for materials	- 111	- 91
	4,082	**4,569**
EXPENSES FOR PURCHASED SERVICES		
Purchased transport services	13,220	20,803
Cleaning, security, disposal, winter service	550	472
Commissions	198	166
EXPENSES FOR UTILIZATION OF INFRASTRUCTURE		
Train-path usage	139	108
Station usage	2	1
Use of local installations	–	–
	141	**109**
Other purchased services	1,099	858
	15,208	**22,408**
Expenses for maintenance and production	5,986	5,040
Total	**25,276**	**32,017**
± Special items	148	0
± Effects from changes in the scope of consolidation	- 230	- 202
± Exchange rate effects	298	–
Total – comparable	**25,492**	**31,815**

Even when adjusted for special items, effects from changes in the scope of consolidation and exchange rate effects, the cost of materials decreased by € 6,323 million compared with the previous year (–19.9%).

The impairments on inventories recognized in cost of materials amount to € 33 million (previous year: € 23 million). Write-ups amounting to € 9 million were carried out (previous year: € 24 million).

Energy expenses fell mainly as a result of reimbursements in connection with the electricity and gas price brake. As a result, expenses decreased, in particular for electricity, by € 358 million. Lower market prices only had a small effect due to long-term procurement contracts and hedging transactions.

The expenses for purchased services decreased significantly by € 7,200 million compared with the previous year (–32.1%). The purchased transport services at DB Schenker were significantly below the previous year's figure, in particular because freight rates in ocean and air freight have returned to normal after having risen sharply in previous years. Other purchased services related to a large number of individual issues that are of minor importance individually.

The expenses for maintenance and production increased by € 946 million (+18.8%), and were mainly attributable to the DB Netze Track and Subsidiaries/Other segments; this was primarily for vehicle maintenance and DB Rail construction in this case.

(5) PERSONNEL EXPENSES AND EMPLOYEES

€ million	2023	2022
WAGES AND SALARIES		
for employees	15,215	14,019
for assigned civil servants	621	688
	15,836	**14,707**
SOCIAL SECURITY EXPENSES		
for employees	2,821	2,626
for assigned civil servants	144	164
Expenses for personnel adjustment	272	182
Retirement benefit expenses	531	609
	3,768	**3,581**
Total	**19,604**	**18,288**
± Special items	- 273	- 135
± Effects from changes in the scope of consolidation	- 121	- 53
± Exchange rate effects	82	-
Total – comparable	**19,292**	**18,100**

The figure stated for personnel expenses (social security expenses) included expenses of € 1,242 million for defined contribution plans (previous year: € 1,182 million).

The amount shown for personnel adjustment mainly comprises expenses for restructuring costs, obligation surpluses relating to employment agreements and costs of severance packages and semi-retirement agreements.

The retirement benefit expenses related to active persons as well as persons who are no longer employed in DB Group or their surviving dependents. They were attributable primarily to service costs, employers' contributions to the company top-up benefit scheme and contributions to Pensions-Sicherungs-Verein aG (pension backing association). The interest expense resulting from compounding the pension obligations and the expected income from plan assets is shown in financial result. Detailed explanations on the development of pension obligations can be found in Note (31) 258 ff.

The activities of civil servants in DB Group are based on statutory allocation under Article 2 Section 12 of the Rail Restructuring Act (Eisenbahnneuordnungsgesetz; ENeuOG). For the work of the allocated civil servants, DB AG reimburses the Federal Railway Fund (Bundeseisenbahnvermögen; BEV) those costs which would be incurred if a tariff employee covered by collective bargaining arrangements were to be employed instead of the allocated civil servant in each case (pro forma calculation).

The increase in wages and salaries was largely driven by the collective bargaining agreement reached in the course of arbitration with the Railway and Transport Workers Union (Eisenbahn- und Verkehrsgewerkschaft; EVG). For 2023, this included the payment of a tax-free inflation compensation premium of € 2,850 in October 2023 and, from December 2023, the increase in scale wages by a fixed amount of € 200 per month and extra pay by 4.0%. In addition, a one-time additional allocation of the Social Security Fund amounting to € 25 million was agreed for 2023.

Furthermore, the collective bargaining agreement with the German Train Drivers' Union (Gewerkschaft Deutscher Lokomotivführer; GDL) from 2021 had a linear increase in scale wages of 1.8% from March 2023.

The development in the number of employees in DB Group (converted to full-time employees (FTE) in each case) had the effect of increasing expenses and is shown in the following overview:

	As of Dec 31		Annual average	
FTE	2023	2022	2023	2022
Workers	281,818	273,741	279,108	270,447
Civil servants	10,605	12,336	11,398	13,225
Employees	**292,423**	**286,077**	**290,506**	**283,672**
Trainees and dual degree students	14,154	13,346	12,310	11,956
Total	**306,577**	**299,423**	**302,816**	**295,628**

Including the discontinued operations, DB Group had an annual average of 338,551 employees in the year under review (converted to FTE) (previous year: 336,321), thereof 314,837 are workers (previous year: 311,135), 11,398 civil servants (previous year: 13,225) and 12,316 trainees and dual degree students (previous year: 11,961).

In the event of changes in the scope of consolidation, the employees are included in the calculation for the annual average on a pro rata basis up to the time of deconsolidation or after the date of initial consolidation.

At the end of the financial year, the number of employees in DB Group was greater than the figure at the end of the previous year. In the DB Netze Track segment, the increase in personnel was mainly in the areas of project management, maintenance and operations, resulting mainly from the implementation of measures to improve operational quality and the general modernization of the infrastructure. In the DB Long-Distance segment, the increase in employees occurred mainly in the operational areas and resulted in particular from the implementation of measures to improve quality and increase capacity, increases in demand and the partial transfer of activities from DB Sales. The DB Regional segment recorded an increase compared to the end of the previous year, in particular due to increased recruitment activities and the acceptance of trainees, the expansion of services and commissioning of bus services and the integration of ioki GmbH (as of December 31, 2022: Subsidiaries/Other segment).

In the Subsidiaries/Other segment, the increase resulted in particular from increased business activities in Germany and abroad of DB E.C.O. North America Inc., Tarrytown/USA. At DB Systel, the higher number of employees resulted from the expansion of innovative topics and increased vertical production. DB Bahnbau Group increased its number of employees due to the increased volume of construction.

The increase in personnel in the Integrated Rail System is contrasted by a reduction at DB Schenker. The changes in transport volume in air and ocean freight and land transport, as well as efficiency programs implemented, resulted in adjustments.

Employees, based on the number of number of natural persons (NP), have developed as follows:

	As of Dec 31	
NP	2023	2022
Workers	293,069	284,262
Civil servants	10,941	12,710
Employees	**304,010**	**296,972**
Trainees and dual degree students	14,154	13,346
Total	**318,164**	**310,318**

(6) SCHEDULED DEPRECIATION, AMORTIZATION AND IMPAIRMENT

In the case of property, plant and equipment, scheduled depreciation is recognized using the straight-line method over the expected useful life of the assets or, in the case of leased assets, over the contract duration if it is shorter. The following useful lives for the main groups of property, plant and equipment are taken as a basis:

	Years
Permanent way structures, tunnels, bridges, railway crossings	15-100
Track infrastructure	13-30
Buildings, halls, roofs	10-85
Other structures	5-60
Signaling equipment	7-40
Telecommunications equipment	5-20
Traction current installations	10-52
Rolling stock	10-30
Other technical equipment, machinery and vehicles	5-40
Operating and business equipment	3-15

The appropriateness of the chosen depreciation method and the useful lives is subject to an annual review. Our expectations regarding the residual value are also updated annually.

Intangible assets are amortized as scheduled using the straight-line method. The following useful lives are used as the basis for the scheduled amortization of the main groups of intangible assets for the continuing operations:

	Years
Franchises, rights, etc.	Duration of contract
Brand names	5-7
Customer base	7-10
Purchased software	3-10
Software produced in-house	3-25

The adequacy of the amortization method and the useful lives are subject to an annual review.

Goodwill arises as a positive difference between the acquisition costs of purchasing the shares and the fair values of the individually acquired assets, absorbed liabilities and contingent liabilities. It is not subject to scheduled depreciation, but to an annual impairment test. Impairment losses on goodwill are not recovered.

Impairment of assets

IAS 36 governs the impairment test for substantial and intangible assets with a certain useful life, which is carried out using a so-called indicator-based asset impairment test. Such an asset impairment test has to be carried out when indicators (so-called triggering events) indicate a possible loss of value. In addition, according to IAS 36, goodwill and intangible assets with an indefinite useful life have to be subjected at least once a year to an impairment test.

DEFINITION OF CASH-GENERATING UNITS

Goodwill impairment tests have to be carried out at the level of individual assets as part of the asset impairment test. If it is not possible to determine future cash flows, which are to a large extent independent, for an individual asset, so-called cash-generating units (CGUs) have to be formed as an aggregation of assets whose future cash flows depend on each other. With no changes compared to the previous year, the CGU structure is fully in line with the planning and reporting structure of DB Group.

Due to the congruence between management structure and legal structure, the identified CGUs also always consist of at least one legal unit. This means that the data necessary for the asset impairment test can be derived from annual financial statements and planning data. Regardless of the presence of impairment indicators, an annual asset impairment test is carried out at the level of the groups of CGUs, which corresponds to the operating segments of DB Group. In addition, a test is also performed if current issues arising from business development or changes in assumptions indicate that there has been a major deterioration in the value in use.

The impairment test on goodwill is carried out at the level of the group of CGUs to which goodwill has been allocated. This is also applicable to the operating segments. Significant goodwill currently exists in the DB Schenker CGU. With regard to the recognition of goodwill for each CGU, please also refer to *Segment information by segments 226f.*

METHOD

In the impairment test in accordance with IAS 36, the carrying amount of an asset or a CGU has to be compared with the corresponding recoverable amount. If the positive carrying amount is no longer covered by the recoverable amount, this results in a corresponding impairment requirement.

The carrying amount of a CGU is established by adding the carrying amounts of the assets less the liabilities which are related to the relevant assets (net position). In addition, for determining the carrying amount of a CGU, it is also necessary to recognize corporate assets and corporate liabilities jointly used by several CGUs, and the working capital necessary for the corresponding CGU must also be taken into consideration.

The recoverable amount is defined as the higher of the fair value less costs of disposal and the value in use. In the impairment tests carried out in DB Group, the recoverable amount is represented by the value in use. The value in use is established as the present value of the free cash flows before interest and after taxes attributable to the continuation of a CGU. The flat tax rate increases from 30.5% for the CGUs of the Integrated Rail System to 31.2% due to the increased trade tax rates (previous year: 30.5%). Since the actual tax rates outside Germany sometimes differ significantly from the applied tax rate of 31.2%, the tax rate for the CGU that mainly operates internationally, i.e. DB Schenker, was adjusted to 24.2% in the 2023 financial year (previous year: 22.0%). The forecast of cash flows reflects previous experience, and takes account of corporate management expectations with regard to future market developments. This cash flow forecast is based on the medium- and long-term planning adopted by the Management Board of DB AG, which covers a planning horizon that extends until 2030. An exception to this is the DB Regional CGU, for which the planning horizon in financial year 2023 extends until 2040. The extension of the planning horizon at DB Regional has become necessary due to the long terms of transport contracts in order to maintain the equivalence between the carrying amount and the recoverable amount. For cash flow forecasts beyond the planning horizon, a sustainable free cash flow is derived and is extrapolated on the basis of a growth rate related to the specific market development. In order to take account of increased inflation expectations, *a growth rate in free cash flow of 1.5% p.a. is expected for the transport operators DB Long-Distance, DB Regional and DB Cargo, unchanged from the previous year. Due to the higher growth rates and expansion opportunities worldwide, the internationally operating DB Schenker CGU is still expected to achieve sustainable growth in free cash flow of 2.0% p.a. For the remaining rail infrastructure CGUs, the long-term growth rate is in line with the derivation method used by the Federal Network Agency for Electricity, Gas, Telecommunications, Post and Railways (BNetzA) for costs of capital and remains unchanged compared with the previous year at 1.0%.*

A weighted average cost of capital (WACC) is used for discounting the free cash flows; this reflects the capital market interest rate request for providing debt capital and shareholders equity to the relevant CGU. Because free cash flow after taxes has been calculated, a WACC after taxes has also been used. Risks of free cash flows are recognized by a risk-equivalent capitalization rate.

The WACC of the CGUs that are applicable for the 2022 and 2023 annual financial statements are detailed in the following table:

	2023		2022	
%	Before taxes	After taxes	Before taxes	After taxes
DB Long-Distance	8.6	5.9	8.6	6.0
DB Regional	7.7	5.3	7.8	5.4
DB Cargo	10.5	7.3	10.6	7.4
DB Netze Track	3.4	2.3	3.4	2.4
DB Netze Stations	3.4	2.3	3.6	2.5
DB Energy	6.2	4.3	6.2	4.3
DB Schenker	10.8	8.2	10.6	8.3

The changes in the WACCs compared with the previous year are attributable to current expectations of medium- to long-term developments in the capital market. For the CGUs of the rail infrastructure, DB Netze Track and DB Netze Stations, the WACC determined by BNetzA has been used to discount cash flows since the previous year.

ASSET IMPAIRMENT TEST

Processes that comply with the specific requirements of IAS 36 have been implemented in order to carry out the asset impairment test. The useful lives of the individual CGUs used for the asset impairment test are based on the useful life of the asset or a group of homogeneous assets which is most significant for the particular CGU.

In addition, the process of establishing the value in use disregards assets or future cash flows that result from major structural changes, disinvestment measures or extension capital expenditures. Resultant adjustments to the original plans relate mainly to the major new and expansion infrastructure projects, where it is assumed that the construction process will be completed beyond the observation period (2030) and for which most of the intended DB funds have not yet been invested. The cash flow forecasts take account of intra-Group transfer prices on the basis of arm's length assessments of the companies involved. The published infrastructure prices are applicable to service relationships between transport and infrastructure segments; price increases in the forecast period have also been taken into consideration.

At the DB Netze Track CGU, there was a shortfall in the value in use compared with the carrying amount of the assets employed as of the balance sheet date. The impairment requirement for DB Netze Track was € −24,253 million (as of December 31, 2022: € −14,455 million). Subsequently, it was examined to what extent the identified shortfall can be allocated to individual assets. Since for the assets of the DB Netze Track CGU a recognition of the calculated impairment would result in the carrying amounts of the individual assets falling below their respective fair values, no further impairment loss was recognized in accordance with IAS 36.105. Due to the shortfall from previous years and the low surplus coverage in the current financial year, impairment was also tested for the DB Cargo CGU on the level of the individual assets. As a result, the assets of the DB Cargo CGU are also subject to the fact that the fair value exceeds the carrying amount of the individual assets.

During the period under discussion, all other CGUs were able to cover their carrying amount with the value in use.

Independently of the impairment tests carried out in relation to the CGUs, impairments are recognized in relation to individual assets which are no longer capable of being used fully. These impairments are shown under the disclosures for the respective balance sheet item.

GOODWILL IMPAIRMENT TEST

A goodwill impairment test must be carried out annually for all CGUs to which goodwill can be allocated. As the goodwill which arises in DB Group as a result of acquisitions is allocated to a CGU, this goodwill impairment test is an integral element of the asset impairment test that is always carried out annually for all CGUs.

The respective recoverable amount is represented by the value in use of the CGU, which in turn has been derived from the planning of the relevant segments. The details relating to methods for the asset impairment tests presented above are thus applicable correspondingly.

CRITICAL ESTIMATIONS AND ASSESSMENTS

Impairment requirement at cash-generating units (CGUs)

Within the framework of the impairment test, the key premises and assumptions that have an impact on the impairment of a CGU were reviewed in the form of standardized sensitivity analyses. With the DB Netze Track CGU, it can be assumed that the fair value less costs of disposal has no scope for sensitivities. The fair value derivation method outlined in the methodological statements ensures a correlation between achievable returns and the costs of capital, which makes it unlikely that the rail infrastructure assets will require impairment.

Rail infrastructure CGUs are also exposed to risks relating to the extent of long-term investment grants for replacement capital expenditures in the existing network and the related scope of the infrastructure companies' own funds. The investment grants included in the medium- and long-term planning are based on the Performance and Financing Agreement signed by the Federal Ministry for Digital and Transport (Bundesministerium für Digitales und Verkehr; BMDV; formerly the Federal Ministry of Transport and Digital Infrastructure (Bundesministerium für Verkehr und digitale Infrastruktur; BMVI)) and DB Group as well as the project and financing concept agreed between the Federal Government and DB Group for setting out the objectives of the Climate Action Program 2030.

Due to the late adoption of the Federal budget for 2024 and the associated uncertainty concerning infrastructure financing, post planning was required in the 2023 financial year. The financing assumptions applied in the post planning are subject to risk due to the current budgetary situation. In a scenario known as "Federal Financial Planning," the impact of significantly reduced infrastructure financing on the impairment test was examined. The central assumption of the scenario is a lower train path availability due to underfunding in the infrastructure with an impact on the transport operators DB Long-Distance, DB Regional and DB Cargo. The "Federal Financial Planning" scenario was created for the new DB InfraGO CGU that emerged from the DB Netze Track and DB Netze Stations CGUs as of January 1, 2024. For the DB InfraGO CGU, there is an impairment requirement *in the "Federal Financial Planning" scenario. It can be assumed that, if DB InfraGO is separated into the CGU structure applied as of December 31, 2023, there will be an impairment requirement in the scenario analysis for the DB Netze Track CGU, as the DB Netze Track CGU already has an impairment requirement at the end of the 2023 financial year. If the impairment requirement were to be allocated to the individual assets of the DB Netze Track CGU, the carrying amount of the respective assets would fall below the respective fair value. In accordance with IAS 36.105, impairment would also be waived in the "Federal Financial Planning" scenario in this case. For the DB Netze Stations CGU, it can be assumed that, in the event of shortfall in the "Federal Financial Planning" scenario similar to the DB Netze Track CGU, it would be possible to have recourse to IAS 36.105 so that no impairment requirement would be applied to the individual assets in this case. In the scenario analysis, the DB Cargo CGU also shows a shortfall. For the DB Cargo CGU, it can be assumed in the "Federal Financial Planning" scenario that the fair values of the individual assets exceed the carrying amounts.*

The sensitivities shown in the following relate to an impairment test on the basis of the value in use. If a shortfall is identified in the course of the scenario analyses, this does not necessarily result in an impairment requirement. If the assumption set out in the respective scenario analysis materializes, a second step would be to analyze the coverage of carrying amounts via fair value less costs of disposal, similarly to DB Cargo and DB Netze Track. A scenario analysis of the fair value is only carried out if the fair value represents the relevant valuation variable in the financial year.

EBIT margin

For the scenario analysis of profit shortfalls, the risk of a 10 % reduction in EBIT margin was considered. This model calculation identified a shortfall in the DB Long-Distance (€ −378 million), DB Cargo (€ −623 million) and DB Netze Stations (€ −544 million) CGUs; this means that the value in use for these CGUs does not provide adequate cover for the carrying amount of the capital employed. The DB Long-Distance CGU can withstand a reduction of up to 8.4 % in the EBIT margin, DB Cargo up to 2.3 % and DB Netze Stations up to 7.7 %. The rest of the CGUs report stable surplus coverage even if the EBIT margin is reduced by 10 %.

Average real growth rate of cash flows

A reduction of 10 % in the long-term growth rate was simulated in order to assess the sensitivity of the impairment test result in relation to the assumed long-term growth rate of cash flows. As was the case in the previous year, no impairment requirement was identified for any of the CGUs considered in this scenario.

Weighted average cost of capital

Risks relating to the assumptions of the capitalization rate, which is normally used for calculating the present value of the value in use, were analyzed by simulating the impairment of each CGU in conjunction with a capital cost markup of 10 %. The basis for this simulation was the current weighted cost of capital (after taxes). This model calculation resulted in a shortfall for the DB Cargo CGU (€ −312 million). The maximum capital cost markup up to which DB Cargo has surplus coverage is 3.4 %.

Useful life and residual value

With regard to the assumptions relating to useful life and residual value, the effect of a 10 % reduction in the residual value at the end of useful life (terminal value) was analyzed. This model calculation resulted in a shortfall for the DB Cargo CGU (€ −133 million). DB Cargo has a surplus coverage up to a reduction of the terminal value of 5.8 %.

Depreciation was broken down as follows in the year under review:

€ million	2023	2022
Scheduled depreciation and amortization	3,860	3,579
Recognized impairments	68	21
Recognized reversals	- 16	- 24
Total	**3,912**	**3,576**
± Special items	- 71	- 18
± Effects from changes in the scope of consolidation	- 96	- 7
± Exchange rate effects	18	-
Total - comparable	**3,763**	**3,551**

Depreciation increased, relating mainly to the property, plant and equipment used as rail infrastructure as well as to rolling stock. It is shown in the statement of income less any reversals recognized in the reporting period. The recorded reversals of € 16 million related to write-ups of track infrastructure in the DB Netze Track segment.

Further explanations on the development of property, plant and equipment or intangible assets can be found under Notes (13) 242 ff. and (14) 244 f.

(7) OTHER OPERATING EXPENSES

€ million	2023	2022
LEASING AND RENTAL EXPENSES		
Leasing expenses	887	823
Variable leasing expenses	21	18
	908	**841**
Legal, consultancy and audit costs	239	202
Fees and contributions	221	214
Insurance expenses	219	157
Advertising and sales promotion expenses	160	148
Printing and stationery expenses	61	50
Travel and representation expenses	377	314
Research and non-capitalized development costs	42	31
OTHER PURCHASED SERVICES		
Purchased IT services	780	658
Other communication services	46	44
Other services	1,003	999
	1,829	**1,701**
Expenses for compensation for damages	223	211
Impairments recognized in relation to receivables and other assets [1]	92	42
Losses from the disposal of property, plant and equipment and intangible assets	223	241
Expenses from disposal of non-current financial instruments	22	6
Impairments from disposal groups	–	11
Other operating taxes	104	50
OTHER EXPENSES		
Grants for third-party facilities	147	134
Concession fees for passenger transport	–	–
Other personnel-related expenses	232	204
Miscellaneous other expenses	553	480
	932	**818**
Total	**5,652**	**5,037**
± Special items	- 173	- 57
± Effects from changes in the scope of consolidation	- 125	- 19
± Exchange rate effects	48	-
Total - comparable	**5,402**	**4,961**

[1] Including payments for receivables written down in the previous year.

Other operating expenses increased in total by € 615 million (+12.2 %). In almost all types of expenses, it was mainly price-related cost increases that led to additional charges.

Leasing expenses increased by € 67 million (+8.0%) and, as well as the service element of capitalized lease contracts, also included short-term leases (€ 219 million; previous year: € 202 million) and leased assets of minor value (€ 75 million; previous year: € 69 million). The higher leasing expenses resulted mainly from higher rents for software in the Subsidiaries/Other segment and higher ancillary rental costs in the DB Schenker segment.

Insurance expenses rose, mainly in the DB Schenker segment.

The increase in other purchased services resulted from an increase in purchased IT services in almost all segments.

The slight increase in miscellaneous other expenses resulted mainly from additions to provisions in the Subsidiaries/Other segment for ecological burdens at DB AG and risks in connection with the sale of Brenntag in 2004.

(8) RESULT FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The following contributions to profits are recognized in the statement of income as a result of shares in companies over which significant influence can be exercised or which are managed as joint ventures:

€ million	2023	2022
JOINT VENTURES		
Container Terminal Enns GmbH, Enns/Austria	1	1
Other	-1	-1
	0	**0**
ASSOCIATED COMPANIES		
EUROFIMA European Company for the Financing of Railroad Rolling Stock (EUROFIMA), Basel/Switzerland	6	4
DCH Düsseldorfer Container-Hafen GmbH, Düsseldorf	1	0
Bäckebols Åkeri AB, Gothenburg/Sweden	1	0
Container Terminal Dortmund GmbH, Dortmund	1	1
GHT Mobility GmbH, Berlin	–	-16
TriCon Container-Terminal Nürnberg GmbH, Nuremberg	0	1
Other	0	3
	9	**-7**
Total	**9**	**-7**

(9) NET INTEREST INCOME

€ million	2023	2022
INTEREST INCOME		
Net interest income from pension provisions	19	4
Other interest and similar income	132	53
Income from securities	1	1
Operating interest income	**152**	**58**
Interest income from the reversal of deferred items and other interest income	65	168
	217	**226**
INTEREST EXPENSES		
Other interest and similar expenses	-543	-393
Net interest expenses for pension provisions	-128	-61
Interest expenses for leasing liabilities	-110	-78
Operating interest expenses	**-781**	**-532**
Compounding of long-term provisions and liabilities	-53	-45
	-834	**-577**
Total	**-617**	**-351**
± Special items	9	7
± Effects from changes in the scope of consolidation	8	0
± Exchange rate effects	-3	–
Total - comparable	**-603**	**-344**
For information only:		
Operating interest balance	-629	-474

Interest income and interest expenses are recognized in the income statement using the effective interest method in the period in which the income arises.

The increase in other interest and similar income was due in particular to increased interest income from banks as a result of increased market interest rates.

The decrease in interest income from the reversal of deferred items and other interest income is mainly attributable to the adjustment of the discount rate in the previous year for other provisions.

A higher level of interest rates was mainly responsible for the increase in other interest and similar expenses.

The increase in net interest expenses for pension provisions resulted from an increase in the discount rate.

(10) OTHER FINANCIAL RESULT

€ million	2023	2022
Result from subsidiaries	4	3
Result from exchange rate effects	-90	60
Result from currency-related derivatives	93	-51
Result from other derivatives	-10	6
Result from disposal of financial instruments	–	0
Fair value change of financial instruments	-73	29
Impairment losses and write-ups on shares in associated companies	-4	–
Other financial result	2	-38
Total	**-78**	**9**
± Special items	–	–
± Effects from changes in the scope of consolidation	0	-9
± Exchange rate effects	-16	–
Total - comparable	**-94**	**0**

Dividend income is recognized at the point at which the right to receive the payment arises.

The result from exchange rate effects was attributable to the conversion of foreign currency liabilities and receivables with an impact on the income statement using the spot rate applicable on the balance sheet date (IAS 21). The result from exchange rate effects has to be netted with the result from currency-related derivatives. The exchange rate fluctuations in 2023 are mainly attributable to the development of the exchange rate between the euro and the Swiss franc, the Norwegian krone and the Australian dollar. The result from currency-related derivatives contains reclassifications in other income from currency-induced fair value changes in cash flow hedges with no impact on profit and loss. The result from other derivatives relates to the development in the fair value of derivatives that are not classified as effective hedges in accordance with IFRS 9 (Financial Instruments).

The fair value changes in financial instruments are to be regarded as an offsetting position for the fair value assessment of other investments (Note (17) 246f.).

(11) TAXES ON INCOME

€ million	2023	2022
Actual tax expense	-294	-501
Income due to discontinuation of tax obligations	29	54
Actual taxes on income	**-265**	**-447**
Deferred tax income (previous year: deferred tax expense)	192	-696
Taxes on income	**-73**	**-1,143**

The actual taxes on income in the year under review were incurred mainly at foreign Group companies. The reduction compared to the previous year resulted from reduced contributions to profit from foreign Group companies. Deferred taxes resulted in income (previous year: expense). This resulted from the anticipated future utilization of tax losses carried forward increasing again, while in the previous year there was a significant deferred tax expense due to an adjustment to future use.

Starting with the net profit/loss before taxes on income and the imputed taxes on income calculated using an imputed tax rate of 31.2%, (previous year: 30.5%) the tax reconciliation for the actual income taxes is presented below:

€ million	2023	2022
Profit/loss before taxes on income	-1,959	1,090
Group tax rate (%)	31.2	30.5
Deferred tax income (-)/tax expense (+)	**611**	**-332**
Adjustment of the expected future use of loss carry-forwards and new temporary differences and loss carry-forwards which have arisen	-620	-837
Income not subject to tax	27	29
Tax effects related to IAS 12.33	23	29
Expenses not deductible for tax purposes	-49	-32
Differences in tax rates for foreign companies	33	111
Other effects	-98	-111
Taxes on income as reported	**-73**	**-1,143**
Effective tax rate (%)	3.7	104.9

In 2023 there were new tax loss carry-forwards for which deferred tax assets were not recognized in full, because sufficient taxable income was not expected for the loss carry-forwards and temporary differences at the time of the forecast period.

The reconciliation amount as detailed in IAS 12.33 related exclusively to additional tax write-downs resulting from the fact that tax-free grants in the IFRS financial statements have been deducted directly from the asset acquisition costs. It is not permissible for deferred taxes to be created in relation to these temporary differences.

In the year under review, the other effects included in particular effects attributable to the difference in the assessment bases of different income tax bases, and additional local income taxes outside Germany.

Global minimum taxation (Pillar Two)

In December 2021, the Organization for Economic Cooperation and Development (OECD) issued model regulations for a new global minimum taxation for companies (Pillar Two of the international taxation of companies; Pillar Two). Various governments across the world have enacted legislation in this respect or are engaged in a legislative process. DB Group falls within the scope of application of the OECD model regulations on minimum taxation. A corresponding Minimum Tax Act (Mindeststeuergesetz) was passed in Germany (registered office of DB AG) and entered into force on December 28, 2023. As the Minimum Tax Act applies to financial years beginning after December 30, 2023, DB Group is currently not subject to any tax charge.

DB Group has started developing an assessment of the implications of the Minimum Tax Act for DB Group. Country-by-country reporting was used in 2022 in consideration of the voting rights under the temporary country-by-country reporting (CbCR) and safe harbor regulations as set out in legislation. A few countries were identified for which full calculation would be necessary in accordance with the Minimum Tax Act. DB Group expects this to result in a single-digit million euro figure for taxes in connection with the minimum taxation. Further details can be found in the following overview:

REGION / € million	Profit (IFRS) 2022	Tax expenses 2022	Average effective tax rate (%)
Europe	63	8	12
Middle East	6	0	7
Rest of world	5	0	2
Total	**74**	**8**	**11**

Although the average tax rate for the aforementioned regions is less than the agreed minimum tax rate of 15%, DB Group may not be required to pay taxes on income within the framework of the minimum taxation. This is due to specific adjustments provided for in legislation, which may result in deviations from the effective tax rates calculated in accordance with IAS 12.86. Due to the complexity of the application of legislation and the calculation of income in accordance with the regulations on global minimum taxation, the quantitative effects of the legislation adopted are uncertain. Even in countries with an effective tax rate of over 15%, the minimum taxation may have tax implications. DB Group also works together with external tax specialists to support the application of legislation on minimum taxation.

(12) EARNINGS PER SHARE

Under IAS 33 (Earnings per Share), undiluted earnings per share are calculated by dividing the net profit/loss of DB Group attributable to the shareholders of DB AG by the weighted average number of shares in issue during the year under review. Undiluted earnings per share correspond to diluted earnings per share.

€ million	2023	2022
Net profit/loss for the year after taxes on income	-2,351	-227
thereof due to shareholders of DB AG	-2,399	-274
thereof attributable to providers of hybrid capital	25	25
thereof attributable to non-controlling interests	23	22
thereof continuing operations	-2,080	-100
thereof discontinued operations	-319	-174
Number of issued shares as of Dec 31	430,000,000	430,000,000
EARNINGS PER SHARE (€/SHARE)		
Undiluted	-5.58	-0.64
Diluted	-5.58	-0.64
EARNINGS PER SHARE – CONTINUING OPERATIONS (€/SHARE)		
Undiluted	-4.84	-0.23
Diluted	-4.84	-0.23
EARNINGS PER SHARE – DISCONTINUED OPERATIONS (€/SHARE)		
Undiluted	-0.74	-0.41
Diluted	-0.74	-0.41

Notes to the balance sheet

Unless otherwise stated, the following explanations on the balance sheet items as of December 31, 2023, relate to continuing operations and as of December 31, 2022, to continued and discontinued operations. In this respect, comparability with the respective previous year-end figures is limited in some cases.

(13) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is measured at cost of purchase and cost of production in accordance with IAS 16 (Property, Plant and Equipment). Cost of production comprises individual costs as well as indirect costs which are directly allocatable.

If at least two years are required for manufacturing an asset in order to place it in its intended state in which it is capable of being used or sold, any directly attributable costs of debt are capitalized as costs of production of the asset. If a direct link cannot be established, the average cost of debt rate for the year under review is used. Value-added tax incurred in connection with the purchase or production of property, plant and equipment is only capitalized to the extent that authorization to deduct input tax is not given.

Subsequent costs are capitalized if the expenses enhance the economic benefit of the property, plant and equipment and if the costs can be reliably measured. Other repairs or maintenance, on the other hand, are generally recognized as an expense.

Components of property, plant and equipment that are significant in relation to the total cost of purchase and cost of production are recognized separately and written down over their useful life using the linear method.

Investment grants are deducted directly from the cost of purchase and cost of production of the subsidized assets.

Rights of use from leasing contracts

In the case of rented or leased assets, if they fall under the scope of IFRS 16, a right of use (in accordance with IFRS 16.24) and a lease liability are recognized as soon as the assets are available for use by DB Group. Depreciation is recognized using the straight-line method over the economic useful life of the asset or the duration of the lease, whichever is shorter. This is not applicable for lease contracts for minor-value assets (up to and including € 5,000) and short-term lease contracts with a duration of 12 months or less, the costs of which are recognized on a linear basis in the statement of income. Components of lease payments that do not relate to the use of the asset are not included in the measurement of the right of use and the lease liability.

Critical estimations and assessments

With regard to defining the duration of the lease, management takes account of all facts and circumstances that have an influence on the possible exercising of an extension option or termination option. This assessment is reviewed regularly.

PROPERTY, PLANT AND EQUIPMENT / € million	Land	Commercial, operating and other buildings	Permanent way structures	Track infrastructure, signaling and control equipment	Vehicles for passenger and freight transport	Technical equipment and machinery	Other operating and business equipment	Advance payments and assets under construction	Total
COST OF PURCHASE AND COST OF PRODUCTION									
As of Jan 1, 2023	4,754	14,465	16,186	16,690	39,558	2,345	6,114	8,523	**108,635**
Changes in the scope of consolidation	0	-1	0	–	-4	0	–	0	**-5**
thereof additions to scope of consolidation	0	0	–	–	1	–	1	–	**2**
thereof disposals from scope of consolidation	0	-1	0	–	-5	0	-1	0	**-7**
Additions	154	983	818	1,563	2,132	112	635	10,350	**16,747**
Addition of cost of debt	–	–	–	–	–	–	–	82	**82**
Investment grants	0	-219	-733	-1,436	-34	-38	-95	-6,728	**-9,283**
Transfers	16	232	245	236	390	65	130	-1,316	**-2**
Transfers of non-current assets held for sale	-203	-464	-11	-3	-2,997	-33	-358	-19	**-4,088**
Changes with no impact on profit and loss	–	0	–	–	–	–	–	–	**0**
Disposals	-24	-232	-11	-266	-742	-60	-429	102	**-1,662**
Currency translation effects	1	-45	2	0	28	0	-15	1	**-28**
As of Dec 31, 2023	**4,698**	**14,719**	**16,496**	**16,784**	**38,331**	**2,391**	**5,982**	**10,995**	**110,396**
ACCUMULATED DEPRECIATION									
As of Jan 1, 2023	-712	-6,579	-6,221	-13,062	-24,085	-1,570	-4,136	-2	**-56,367**
Changes in the scope of consolidation	0	0	0	–	3	0	–	–	**3**
thereof additions to scope of consolidation	–	0	–	–	0	–	-1	–	**-1**
thereof disposals from scope of consolidation	0	0	0	–	3	0	1	–	**4**
Depreciation	-50	-921	-206	-330	-1,756	-130	-531	–	**-3,924**
Impairments	-24	-13	0	-1	-17	-1	-1	–	**-57**
Reversals	–	4	0	16	0	0	0	–	**20**
Transfers	0	-1	0	1	1	-2	2	-1	**0**
Transfers of non-current assets held for sale	65	240	10	1	1,779	22	282	2	**2,401**
Disposals	14	162	7	254	691	55	373	–	**1,556**
Currency translation effects	1	24	-1	0	-24	0	9	0	**9**
As of Dec 31, 2023	**-706**	**-7,084**	**-6,411**	**-13,121**	**-23,408**	**-1,626**	**-4,002**	**-1**	**-56,359**
Carrying amount as of Dec 31, 2023	**3,992**	**7,635**	**10,085**	**3,663**	**14,923**	**765**	**1,980**	**10,994**	**54,037**
Carrying amount as of Dec 31, 2022	4,042	7,886	9,965	3,628	15,473	775	1,978	8,521	**52,268**

PROPERTY, PLANT AND EQUIPMENT / € million	Land	Commercial, operating and other buildings	Permanent way structures	Track infrastructure, signaling and control equipment	Vehicles for passenger and freight transport	Technical equipment and machinery	Other operating and business equipment	Advance payments and assets under construction	**Total**
COST OF PURCHASE AND COST OF PRODUCTION									
As of Jan 1, 2022	4,675	13,740	15,928	16,602	38,300	2,294	5,922	7,257	**104,718**
Changes in the scope of consolidation	7	- 107	–	–	152	- 12	- 4	- 1	**35**
thereof additions to scope of consolidation	25	39	–	–	424	0	19	1	**508**
thereof disposals from scope of consolidation	- 18	- 146	–	–	- 272	- 12	- 23	- 2	**- 473**
Additions	109	1,096	954	1,404	2,084	119	552	8,463	**14,781**
Addition of cost of debt	–	–	–	–	–	–	–	61	**61**
Investment grants	- 10	- 195	- 699	- 1,288	- 60	- 30	- 76	- 6,239	**- 8,597**
Transfers	25	275	13	244	386	37	89	- 1,082	**- 13**
Transfers of non-current assets held for sale	- 5	- 69	0	–	- 408	- 4	- 17	- 1	**- 504**
Changes with no impact on profit and loss	–	1	–	–	–	–	0	–	**1**
Disposals	- 32	- 226	- 7	- 272	- 764	- 55	- 340	66	**- 1,630**
Currency translation effects	- 15	- 50	- 3	0	- 132	- 4	- 12	- 1	**- 217**
As of Dec 31, 2022	**4,754**	**14,465**	**16,186**	**16,690**	**39,558**	**2,345**	**6,114**	**8,523**	**108,635**
ACCUMULATED DEPRECIATION									
As of Jan 1, 2022	- 677	- 6,008	- 6,024	- 13,012	- 23,418	- 1,505	- 3,966	- 8	**- 54,618**
Changes in the scope of consolidation	5	76	–	–	55	8	2	–	**146**
thereof additions to scope of consolidation	0	- 19	–	–	- 105	0	- 16	–	**- 140**
thereof disposals from scope of consolidation	5	95	–	–	160	8	18	–	**286**
Depreciation	- 51	- 898	- 204	- 335	- 1,713	- 130	- 498	–	**- 3,829**
Impairments	–	- 1	0	0	- 3	0	- 1	–	**- 5**
Reversals	–	–	–	23	0	0	1	–	**24**
Transfers	0	0	0	0	- 1	0	3	6	**8**
Transfers of non-current assets held for sale	0	45	0	–	212	2	12	–	**271**
Disposals	9	176	5	262	707	51	303	0	**1,513**
Currency translation effects	2	31	2	0	76	4	8	0	**123**
As of Dec 31, 2022	**- 712**	**- 6,579**	**- 6,221**	**- 13,062**	**- 24,085**	**- 1,570**	**- 4,136**	**- 2**	**- 56,367**
Carrying amount as of Dec 31, 2022	**4,042**	**7,886**	**9,965**	**3,628**	**15,473**	**775**	**1,978**	**8,521**	**52,268**
Carrying amount as of Dec 31, 2021	3,998	7,732	9,904	3,590	14,882	789	1,956	7,249	**50,100**

Leased assets

DB Group classifies every lease for which it is the lessor as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers essentially all risks and opportunities associated with the ownership. If this is not the case, the lease is classified as an operating lease.

The additions to the cost of debt contain an average cost of debt rate of 1.44% (previous year: 1.34%).

The impairments of € 57 million (previous year: € 5 million) related primarily to leased real estate (see also “Rights of use from leasing contracts (IFRS 16)”) and vehicles for passenger and freight transport.

Reversals of € 20 million (previous year: € 24 million) were mainly attributable to track infrastructure in the DB Netze Track segment.

In 2023, the carrying amount disposals for assets under construction included positive carrying amount disposals of € 125 million (previous year: € 75 million). These were attributable to the repayment of investment grants that had been received in previous years and deducted from assets.

Rights of use from leasing contracts (IFRS 16)

DB Group leases mainly consist of real estate. Compared with a solution involving purchasing of such assets, leasing provides much greater flexibility and results in lower amounts of capital being tied up. DB Group simultaneously participates in positive market developments by regularly agreeing extension options. In addition, DB Group rents rolling stock particularly if the economic useful life considerably exceeds the duration of the transport contract for which the rolling stock is intended.

Property, plant and equipment contains rights of use from leases that are shown separately in the following overview:

€ million	Rights of use for							
	Land	Commercial, operating and other buildings	Permanent way structures	Track infra-structure, signaling and control equipment	Vehicles for passenger and freight transport	Technical equipment and machinery	Other operating and business equipment	Total
AS OF DEC 31, 2023								
Additions	25	625	1	0	187	11	39	**888**
Depreciation	- 40	- 679	- 1	- 1	- 246	- 30	- 21	**- 1,018**
Carrying amount	342	3,284	1	13	456	121	49	**4,266**
AS OF DEC 31, 2022								
Additions	58	764	1	1	234	9	25	**1,092**
Depreciation	- 42	- 661	- 2	- 1	- 223	- 32	- 17	**- 978**
Carrying amount	391	3,492	1	14	615	142	37	**4,692**

Further details of leasing-related liabilities, expenses and other financial obligations are set out in the Notes (6) 237ff., (7) 239f., (9) 240, (28) 253ff. and (35) 272 as well as in the Notes to the statement of cash flows 265f.

The main reason for the decrease in the carrying amounts for rights of use compared to December 31, 2022, was the reclassification of the assets of the former DB Arriva segment as being available for sale.

Rented assets

The rental activities of DB Group related mainly to premises in stations as well as the leasing of excess locomotive and rail car capacities. Agreements are not normally made with regard to assuring any residual values.

Subletting activities are carried out to a minor extent, mainly at DB Schenker. Where appropriate, storage facilities are rented only for the purpose of fulfilling a logistics contract with a specific customer. If these customers take on the economic opportunities and risks with regard to the leased premises, the subletting income is not recognized in the income statement; instead, this is recognized as a sub-financing lease. Income from subletting amounted to € 37 million (previous year: € 31 million).

The assets which in certain cases are determined on the basis of retrospective calculations and completed surveys and which are leased by way of operating leases have the following residual carrying amounts:

RENTED ASSETS CLASSIFIED AS OPERATING LEASES / € million	Real estate	Mobile assets
Cost of purchase and cost of production	1,246	7,040
Accumulated depreciation	- 420	- 4,932
Carrying amount as of Dec 31, 2023	**826**	**2,108**
Cost of purchase and cost of production	1,428	6,880
Accumulated depreciation	- 511	- 4,701
Carrying amount as of Dec 31, 2022	**917**	**2,179**

The process of renting the assets is expected to generate rental and leasing inflows in future years as shown in the following overview:

EXPECTED RENTAL AND LEASING INFLOWS (NOMINAL VALUES) / € million	Residual maturity							
	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total more than 1 year	Total
AS OF DEC 31, 2023								
Minimum lease payments	359	193	147	131	119	393	**983**	**1,342**
AS OF DEC 31, 2022								
Minimum lease payments	374	198	178	135	121	473	**1,105**	**1,479**

(14) INTANGIBLE ASSETS

Purchased intangible assets are recognized at their acquisition cost in accordance with IAS 38 (Intangible Assets). Intangible assets manufactured in-house are recognized at their cost of production, if the reporting criteria are met, and consist mainly of software.

Costs of production mainly comprise costs for material and services, wage and salary costs as well as relevant indirect costs.

Intangible assets (excluding goodwill) are subsequently valued at cost of purchase and cost of production less scheduled amortization and impairments plus any reversals of previous impairments.

INTANGIBLE ASSETS / € million	Capitalized development costs for products currently in use		Capitalized development costs for products under development		Purchased intangible assets		Goodwill		Advance payments		**Total**	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	**2022**
COST OF PURCHASE AND COST OF PRODUCTION												
As of Jan 1	987	897	483	425	2,321	2,193	2,956	3,144	0	1	**6,747**	**6,660**
Changes in the scope of consolidation	- 13	- 21	0	0	–	28	0	- 27	–	–	**- 13**	**- 20**
thereof additions to scope of consolidation	–	1	–	–	1	77	–	53	–	–	**1**	**131**
thereof disposals from scope of consolidation	- 13	- 22	0	0	- 1	- 49	0	- 80	–	–	**- 14**	**- 151**
Additions	50	37	210	179	87	356	–	–	0	0	**347**	**572**
Investment grants	- 1	- 2	- 26	- 4	- 2	0	–	–	–	–	**- 29**	**- 6**
Transfers	256	86	- 262	- 95	8	23	–	0	0	- 1	**2**	**13**
Transfers of non-current assets held for sale	- 64	–	- 1	0	- 685	- 49	- 1,211	- 127	–	–	**- 1,961**	**- 176**
Changes with no impact on profit and loss	–	–	–	–	–	–	–	–	–	–	**–**	**–**
Disposals	- 28	0	- 3	- 22	- 18	- 199	0	–	–	0	**- 49**	**- 221**
Currency translation effects	1	- 10	0	0	7	- 31	- 10	- 34	–	–	**- 2**	**- 75**
As of Dec 31	**1,188**	**987**	**401**	**483**	**1,718**	**2,321**	**1,735**	**2,956**	**0**	**0**	**5,042**	**6,747**
ACCUMULATED AMORTIZATION												
As of Jan 1	- 465	- 390	0	0	- 1,744	- 1,958	- 1,684	- 1,925	–	–	**- 3,893**	**- 4,273**
Changes in the scope of consolidation	9	12	–	–	1	43	0	70	–	–	**10**	**125**
thereof additions to scope of consolidation	–	0	–	–	0	0	–	–	–	–	**0**	**0**
thereof disposals from scope of consolidation	9	12	–	–	1	43	0	70	–	–	**10**	**125**
Depreciation	- 115	- 89	–	–	- 77	- 82	–	–	–	–	**- 192**	**- 171**
Impairments	0	- 3	0	–	0	- 1	- 12	- 13	–	–	**- 12**	**- 17**
Reversals	–	–	–	–	–	–	–	–	–	–	**–**	**–**
Transfers	–	–	–	–	0	- 8	–	–	–	–	**0**	**- 8**
Transfers of non-current assets held for sale	50	–	0	–	597	42	1,212	127	–	–	**1,859**	**169**
Disposals	20	0	–	–	17	199	0	–	–	–	**37**	**199**
Currency translation effects	- 1	5	–	–	- 8	21	- 23	57	–	–	**- 32**	**83**
As of Dec 31	**- 502**	**- 465**	**0**	**0**	**- 1,214**	**- 1,744**	**- 507**	**- 1,684**	**–**	**–**	**- 2,223**	**- 3,893**
Carrying amount as of Dec 31	**686**	**522**	**401**	**483**	**504**	**577**	**1,228**	**1,272**	**0**	**0**	**2,819**	**2,854**
Carrying amount as of Dec 31 of previous year	522	507	483	425	577	235	1,272	1,219	0	1	**2,854**	**2,387**

The acquired intangible assets mainly included claims from capital expenditures made for a transport contract that are to be recognized in accordance with IFRIC 12 (carrying amount as of December 31, 2023: € 406 million; as of December 31, 2022: € 340 million) and software (carrying amount as of December 31, 2023: € 74 million; as of December 31, 2022: € 92 million).

The impairments of € 12 million (previous year: € 17 million) were recognized in the DB Netze Track segment.

The allocation of the reported goodwill to the segments is shown in Segment information by segments 226f.

(15) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Shares in associated companies and joint ventures are accounted for using the equity method in accordance with IAS 28. The carrying amount, based on the acquisition cost of DB Group at the time of the purchase, is updated according to the DB Group share of changes in equity position of the company accounted for using the equity method.

The shares in the companies accounted for using the equity method have developed as follows:

€ million	**2023**	2022
As of Jan 1	446	461
Additions	0	0
Disposals	0	- 20
Share of DB Group in profit	11	11
Capital increase	1	3
Other movements in capital	–	- 2
Dividends received	- 7	- 9
Impairments	- 4	0
Reversals	–	11
Reclassifications	0	–
Transfers of non-current assets held for sale	- 42	–
Currency translation effects	0	0
Other valuation	3	- 9
As of Dec 31	**408**	**446**

The figure shown in the balance sheet as of December 31, 2023, was mainly attributable to the shares held in the associated companies EUROFIMA European Company for the Financing of Railroad Rolling Stock (EUROFIMA), Basel/Switzerland. The shares in EUROFIMA are subject to restrictions in terms of being sold; new shareholders must be railway administration entities which also require a guarantee from their respective state guaranteeing their obligations.

(16) DEFERRED TAXES

Deferred taxes are calculated in accordance with IAS 12 (Income Taxes).

The theoretical income tax rate for corporations of 31.2% is used as the basis for calculating deferred taxes for domestic companies (previous year: 30.5%). The income tax rate comprises the corporate income tax rate plus solidarity surcharge and an average trade tax rate, which increased compared to the end of the previous year. Foreign subsidiaries use their relevant local tax rates for calculating deferred taxes.

A deferred tax asset is recognized in accordance with IAS 12.24 or IAS 12.34 if, after corresponding deferred tax liabilities have been deducted, it is likely that adequate taxable income is available. The mid-term planning with additional estimates is used for the domestic companies as the basis of this process. The international companies use mid-term planning as the basis. Deferred tax assets relating to income which can be generated after the forecast period are not recognized, on the grounds that they cannot be reliably determined.

Deferred taxes are established on the basis of the tax rates that can be expected for the period in which the deferred tax is realized on the basis of existing laws or laws that have in essence been adopted.

Critical estimations and assessments

The calculation of deferred tax assets is based on the mid-term planning. If the sum of net profits planned in the medium-term planning were to decline by 10% in conjunction with otherwise unchanged tax parameters, deferred tax assets would have to be reduced by € 35 million (previous year: € 14 million).

Deferred tax assets are broken down as follows:

AS OF DEC 31 / € million	2023	2022
Deferred tax assets in respect of temporary differences	368	343
Deferred tax assets in respect of tax losses carried forward	284	167
Total	**652**	**510**

No deferred tax assets have been created in relation to the following losses carried forward and temporary differences:

AS OF DEC 31 / € million	2023	2022
Tax loss carry-forwards for which no deferred tax asset has been created	24,256	23,531
Temporary differences for which no deferred tax asset has been created	3,269	2,853
Temporary differences that are subject to prohibition of recognition under IAS 12.24b in conjunction with 12.33	1,696	1,771
Total	**29,221**	**28,155**

The losses carried forward are mainly attributable to the tax law treatment of Federal Government grants paid in the past to DB AG in accordance with Section 21 (5) and Section 22 (1) of the Deutsche Bahn Foundation Act (Deutsche Bahn Gründungsgesetz; DBGrG) as a contribution as well as further tax losses in recent years.

On the basis of current law, the domestic losses carried forward are fully permissible in accordance with current legislation (in terms of the actual amount and justification).

The temporary differences which are not permitted to be recognized in accordance with IAS 12.33 relate exclusively to additional tax depreciation from previously received tax-free investment grants.

The following deferred tax assets and deferred tax liabilities shown in the balance sheet were due to statement and valuation differences for the individual balance sheet items and tax losses carried forward:

	Deferred tax assets		Deferred tax liabilities	
AS OF DEC 31 / € million	2023	2022	2023	2022
NON-CURRENT ASSETS				
Property, plant and equipment [1]	58	80	180	252
Intangible assets	38	0	2	25
CURRENT ASSETS				
Trade receivables	9	7	4	5
NON-CURRENT LIABILITIES				
Leasing liabilities	129	130	0	0
Derivative financial instruments	0	0	1	0
Pension obligations [2]	90	83	62	60
Other provisions [1,2]	153	134	86	126
CURRENT LIABILITIES				
Trade liabilities	63	76	0	0
Other liabilities	29	29	0	0
Other provisions [1]	25	42	0	11
Losses carried forward	284	167	0	0
Subtotal	**878**	**748**	**335**	**479**
Balancing [1,2,3]	-226	-238	-226	-238
Amount stated in the balance sheet	**652**	**510**	**109**	**241**

[1] Previous year's figure adjusted for deferred tax assets.
[2] Previous year's figure adjusted for deferred tax liabilities.
[3] To the extent permissible under IAS 12 (Income Taxes).

Tax claims and liabilities are netted if they exist in relation to the same tax authority, if they are of congruent maturity and if they relate to the same tax subject.

Under IAS 12.22A, deferred tax assets and liabilities for temporary differences arising from leases for foreign companies were reported on an unnetted basis for the first time. For domestic companies, deferred tax assets of € 962 million on lease liabilities were offset against deferred tax liabilities of € 890 million on right-of-use assets from leases.

Of the deferred tax assets of € 878 million (as of December 31, 2022: € 748 million), € 126 million (as of December 31, 2022: € 154 million) will probably be realized in the course of the next 12 months. Of the deferred tax liabilities of € 335 million (as of December 31, 2022: € 479 million), € 4 million (as of December 31, 2022: € 16 million) will probably be realized in the course of the next 12 months.

The deferred taxes recognized in the balance sheet include deferred tax assets, set up with no impact on profit and loss, of € 15 million (as of December 31, 2022: € 71 million) and deferred tax liabilities, set up with no impact on profit and loss, of € 1 million (as of December 31, 2022: € 8 million).

DB Group makes use of the exemption from recognizing deferred taxes in connection with income taxes within the framework of minimum taxation for companies, which was the subject of the amendment to IAS 12 published in May 2023.

(17) OTHER INVESTMENTS AND SECURITIES

Other investments are accounted for at fair value if the relevant information can be derived. Changes in the fair value with no impact on profit and loss are shown in the "Fair value securities and equity investments" reserve.

Long- or short-term securities are recognized at their fair values as of the balance sheet date where such values exist. Changes in fair value are taken into account with no impact on profit and loss in the reserve from the fair value assessment of securities.

Other investments and securities developed as follows:

€ million	Other investments 2023	Other investments 2022	Securities 2023	Securities 2022	Total 2023	Total 2022
As of Jan 1	132	97	504	3	**636**	**100**
Currency translation effects	0	0	0	0	**0**	**0**
Additions	6	8	67	501	**73**	**509**
Disposals	-3	-3	-50	0	**-53**	**-3**
Fair value changes	-72	30	0	0	**-72**	**30**
Reclassifications	0	0	-1	-	**-1**	**0**
Transfers of non-current assets held for sale	-2	-	-	-	**-2**	**-**
Other	0	0	-	-	**0**	**0**
As of Dec 31	**61**	**132**	**520**	**504**	**581**	**636**
thereof at cost/acquisition cost	-	-	-	0	**-**	**0**
thereof fair value (with no impact on profit and loss)	28	31	1	2	**29**	**33**
thereof fair value (recognized in the income statement)	33	101	519	502	**552**	**603**
Non-current share	61	132	1	2	**62**	**134**
Current share	-	-	519	502	**519**	**502**

In the year under review, there were fair value changes in other investments totaling € −72 million (previous year: € 30 million). This included € −66 million for the revaluation of the shares in Volocopter GmbH, Bruchsal. The valuation of the shares in Volocopter GmbH as of December 31, 2023, was based, among other things, on information from probable future financing transactions of the company. Further fair value adjustments of € −6 million were attributable to the shares in Gideon Brothers (USA) Inc., Dover/USA.

Of the additions to other investments recognized at fair value, € 3 million was attributable to FERNRIDE GmbH, Munich, and € 1 million to Versorger-Allianz 450 Beteiligungs GmbH & Co. KG, Bonn. The disposals amounting to € 3 million resulted from the sale of the shares in InstaDeep Limited, London/United Kingdom.

The additions and disposals within the securities mainly related to acquisitions and disposals of money market funds by DB AG. Money market funds are available on a daily basis and are comparable in liquidity to cash and cash equivalents. Due to potential risks of changes in value, they are recognized under other investments and securities.

(18) INVENTORIES

All costs which are directly related to the procurement process are capitalized as the acquisition costs of the inventories. The average method is used as the basis for establishing the acquisition cost of fungible and homogeneous raw materials and supplies. The costs of production comprise the individual costs and also the directly attributable indirect costs; borrowing costs and idle costs are not capitalized, and instead are recognized as expense in the period in which they are incurred.

As of the balance sheet date, inventories are measured with the lower of cost or net realizable value.

CO_2 certificates are also reported under inventories.

Inventories are broken down as follows:

AS OF DEC 31 / € million	2023	2022
Raw materials and supplies	2,443	2,256
Unfinished goods, unfinished services	156	139
Finished goods and products	6	145
Advance payments	0	0
Impairments	-506	-464
Total	**2,099**	**2,076**

(19) RECEIVABLES AND OTHER ASSETS

In general, receivables and other financial assets are measured at amortized acquisition cost. Finance lease receivables, advance payments made and plan assets in accordance with IAS 19 (Employee Benefits) are not allocated to any category of IFRS 9. With regard to the measurement categories according to IFRS 9 please refer to Additional disclosures relating to the financial instruments 271.

For trade receivables, DB Group uses the simplified approach according to IFRS 9 in order to measure the risk provision for the expected loan losses. Accordingly, for all trade receivables, the loan losses expected over the life of the receivables are used for this purpose. To this end, trade receivables were initially allocated to various collectives on the basis of common credit risk characteristics. The expected credit losses were then estimated using impairment rates that take into account past data and country-specific future-related risk characteristics.

For receivables from financing, other financial receivables and contractual assets, DB Group uses the general approach under IFRS 9 to measure the expected loan losses. Receivables for which objective indications of impairment are available are individually impaired.

The fair values of receivables and other assets, trade receivables, as well as other receivables and assets essentially correspond to the carrying amounts.

Any impairments that are recognized are deducted from financial assets on the assets side of the balance sheet. Previous impairments are reversed if the reasons for the original impairments are no longer applicable. In DB Group, the maturities of the receivables and default risks are monitored constantly.

Some transport contracts include a handover obligation specifying that the deployed assets owned by DB Group have to be handed over at the end of the contract. Other transport contracts include a clause specifying that the deployed assets have to be rented from the contracting organization or a capital service guarantee is to be provided by the contracting organization for leasing from independent financial service providers. In accordance with IFRIC 12 (Service Concession Arrangements), the corresponding capital expenditures are capitalized as receivables from transport concession arrangements at the end of the contract, with the guaranteed residual values being separated. The receivables are redeemed out of the concession fees, which means that not all of the concession fees result in revenues. The residual value receivables are disclosed at their present value under the financing receivables.

Commitments and claims from the independent acknowledgement of debt have been recognized in the balance sheet. The commitments correspond to equal amounts of receivables from supply contracts, hedged by bank guarantees, in the event of a claim.

Critical estimations and assessments

The calculation of expected credit losses to a considerable extent comprises assessments and appraisals that are based on the creditworthiness of the particular customer, current economic developments as well as an analysis of historical bad debts at the portfolio level. If the provision for expected credit losses is derived on the basis of historical default rates at the portfolio level, any decline in the overall volume of receivables results in a corresponding decrease in such provisions (and vice versa).

The receivables and other assets are broken down as follows:

€ million	Trade receivables	Financial receivables and earmarked bank deposits	Receivables from transport concessions	Advance payments	Other assets	Total
AS OF DEC 31, 2023						
Gross value	5,614	1,106	895	269	2,382	**10,266**
Impairments	-143	0	–	–	-35	**-178**
Net value	**5,471**	**1,106**	**895**	**269**	**2,347**	**10,088**
thereof due to related parties	50	2	–	–	180	**232**
AS OF DEC 31, 2022						
Gross value	6,517	1,033	855	343	2,878	**11,626**
Impairments	-163	-10	–	–	-43	**-216**
Net value	**6,354**	**1,023**	**855**	**343**	**2,835**	**11,410**
thereof due to related parties	41	2	–	0	221	**264**

DB Group concluded factoring agreements with a bank; according to the terms of this agreement, the bank is obliged to purchase on a revolving basis current trade receivables (denominated in euro and Swedish kronar) in companies of the DB Schenker segment up to a maximum volume of € 692 million (previous year: € 695 million) and under which rights or obligations remain with DB Group. The agreement has been concluded for an indefinite period of time. DB Group will continue to be responsible for sales ledger accounting and the dunning system on behalf of the bank until further notice. The risks relating to the receivables that are sold and that are relevant for the risk assessment are the credit risk and the risk of late payment. The purchase price is equivalent to the nominal amount. DB Group bears credit-risk-related default and late payment risks from the various tranches up to a certain amount in each case. The other bad debts related to the credit risk are borne by the bank. Virtually none of the opportunities and risks associated with the receivables have been transferred or retained (breakdown of major risks between DB Group and bank).

For some of the receivables, the right of disposal over the receivables that have been sold has been transferred to the bank as the bank has the actual ability to sell on the receivables. These receivables have been completely derecognized.

Disclosures on DB Group's continuing involvement in fully derecognized trade receivables:

€ million	2023	2022
Receivables sold as of Dec 31	260	260
Carrying amount of liabilities recorded in the balance sheet, which represent the sustained exposure as of Dec 31 [1]	0	0
Maximum risk of loss from sustained exposure to credit and late payment risks as of Dec 31	85	74
EFFECT ON THE CONSOLIDATED STATEMENT OF INCOME		
Expenses in the year under review	10	2
Expenses accumulated since the start of the contract	17	7
Expenses from the transfer within the scope of the factoring agreement	1	1

[1] Essentially corresponds to the fair value.

DB Group continues to account for the remainder of the trade receivables transferred under factoring agreements for which the power of disposal does not pass to the bank in the amount of its continued commitment, i.e. the maximum amount in which DB Group is still liable for the credit risk and the late payment risk of the sold receivable, and has a corresponding obligation within the other liabilities (continuing involvement). The receivables and the associated liabilities are derecognized to the extent that DB Group's sustained exposure is reduced due to the receipt of payments from customers.

Disclosures on DB Group's sustained exposure in partially derecognized trade receivables:

AS OF DEC 31 / € million	2023	2022
Receivables sold as of Dec 31	432	435
Remaining carrying amount of transferred receivables as of Dec 31 [1]	132	114
Carrying amount of the associated liabilities as of Dec 31 [1]	145	126
EFFECTS ON THE CONSOLIDATED STATEMENT OF INCOME		
Expenses in the year under review	14	4
Expenses accumulated since the start of the contract	33	13
Expenses from the transfer within the scope of the factoring agreement	2	2

[1] The fair values of the receivables and the associated liabilities essentially correspond to their carrying amounts.

Purchase price payments received by the bank in the year under review increased the cash flow from operating activities.

The financial receivables and earmarked bank deposits include residual values agreed with the contracting organizations of transport contracts of € 532 million (as of December 31, 2022: € 470 million). These residual value receivables mainly relate to rolling stock that is sold for a fixed price at the end of the transport contract to the contracting organization or to a third party designated by the contracting organization. In addition, financial receivables and earmarked bank deposits also disclosed a figure of € 322 million for finance lease receivables (as of December 31, 2022: € 340 million) and cash collateral in the form of credit support agreements (CSAs) of € 228 million (as of December 31, 2022: € 142 million). As of

December 31, 2022, this item still included earmarked cash and cash equivalents in the amount of € 27 million, which can only be used for contributions to certain retirement benefit plans.

The other assets include contract fulfillment costs of € 1 million (December 31, 2022: € 6 million).

The impairments recognized for receivables and other assets classified in accordance with IFRS 7 have developed as follows:

€ million	Trade receivables	Financial receivables and earmarked bank deposits	Receivables from transport concessions	Other assets	Total
As of Jan 1, 2023	-163	-10	–	-43	**-216**
Additions	-32	–	–	-6	**-38**
Reversals	30	10	–	1	**41**
Amounts used	14	–	–	1	**15**
Reclassifications to short-term assets	7	0	–	12	**19**
Changes in the scope of consolidation	0	–	–	0	**0**
Currency translation effects	1	–	–	0	**1**
As of Dec 31, 2023	**-143**	**0**	**–**	**-35**	**-178**
As of Jan 1, 2022	-182	-11	0	-46	**-239**
Additions	-22	0	–	-3	**-25**
Reversals	28	–	0	4	**32**
Amounts used	4	–	–	2	**6**
Reclassifications to short-term assets	–	–	–	–	**–**
Changes in the scope of consolidation	9	–	–	0	**9**
Currency translation effects	0	1	–	0	**1**
As of Dec 31, 2022	**-163**	**-10**	**–**	**-43**	**-216**

Expenses increased to € 88 million in the year under review for the complete derecognition of receivables and other assets (previous year: € 48 million).

Income of € 3 million was reported for payments received in relation to previously derecognized receivables and other assets (previous year: € 4 million).

The expected loan losses amounted to € 25 million as of December 31, 2023 (as of December 31, 2022: € 32 million):

AS OF DEC 31 / € million	Net carrying amount	Expected loss rate (%)	Risk provisioning	thereof risk provisioning for overdue receivables	thereof risk provisioning for non-overdue receivables
Trade receivables	5,471	0.46	25	15	10

As of December 31, 2023, a risk provision of € 5 million was formed for receivables from financing, other financial receivables and contractual assets (as of December 31, 2022: € 3 million).

The following overview shows the maturity structure of the receivables for the financial instruments classified in accordance with IFRS 7 and the advance payments that have been made:

	Residual maturity							
€ million	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total more than 1 year	Total
AS OF DEC 31, 2023								
Trade receivables	5,447	5	11	4	3	1	**24**	**5,471**
Financial receivables and earmarked bank deposits	377	58	46	27	18	580	**729**	**1,106**
Receivables from transport concessions	90	84	85	83	83	470	**805**	**895**
Advance payments	208	61	–	–	–	–	**61**	**269**
Other assets	1,657	157	255	158	101	19	**690**	**2,347**
Total	**7,779**	**365**	**397**	**272**	**205**	**1,070**	**2,309**	**10,088**
thereof non-financial assets	775	165	226	149	100	15	**655**	**1,430**
AS OF DEC 31, 2022								
Trade receivables	6,334	5	5	10	0	0	**20**	**6,354**
Financial receivables and earmarked bank deposits	341	58	42	36	26	520	**682**	**1,023**
Receivables from transport concessions	78	87	77	76	76	461	**777**	**855**
Advance payments	278	65	–	–	–	–	**65**	**343**
Other assets	2,106	218	235	154	43	79	**729**	**2,835**
Total	**9,137**	**433**	**359**	**276**	**145**	**1,060**	**2,273**	**11,410**
thereof non-financial assets	1,160	231	167	153	42	77	**670**	**1,830**

The trade receivables decreased compared with the previous year. The decline in the DB Schenker segment was partially offset by increases in the Subsidiaries/Other, DB Regional and DB Cargo segments.

The decline in other current assets resulted in particular from the decrease in claims from independent debt recognitions and an increase in the Subsidiaries/Other segment.

As a result of the large number of customers in the various operating segments, there was no evidence of concentration of credit risks with trade receivables.

The maximum default risk was essentially equivalent to the carrying amount in each case. Collateral is not regularly held.

As of December 31, 2023, there were no indications that debtors of the receivables that are neither impaired nor overdue will not meet their payment obligations.

(20) INCOME TAX RECEIVABLES

The income tax receivables relate to advance payments that have been made as well as allowable withholding taxes.

(21) DERIVATIVE FINANCIAL INSTRUMENTS

Upon conclusion of the contract, derivative financial instruments are generally classified as hedging instruments for hedging cash flows (cash flow hedges) and changes in value (fair value hedges) from contractual obligations or anticipated transactions.

Cash flow hedges

Cash flow hedges are used to provide protection against fluctuations in the cash flows of financial assets or liabilities or anticipated transactions. When future cash flows are hedged, the hedging instruments are also recognized with their fair value. Changes in value are initially recognized in other comprehensive income with no impact on profit and loss, and are only recognized in the statement of income at the point at which the corresponding losses or profits from the underlying transaction have an impact on the statement of income or the transactions expire. Any ineffectiveness is recognized in the statement of income in accordance with IFRS 9.

Fair value hedges

Fair value hedges are used to hedge assets or liabilities against the risk of a change in fair value. The results from the hedging instruments are reported in the consolidated statement of income, in which the hedged underlying transaction is also shown.

Derivative financial instruments that do not satisfy the requirements for recognizing hedges in accordance with IFRS 9

If hedges that in economic terms are used for interest, currency or price hedging do not satisfy the requirements of IFRS 9 for being recognized as a hedge, the changes in fair value are immediately recognized in the statement of income.

Calculation of the fair value

The fair value of financial instruments that are traded in an active market is derived from the share price applicable on the balance sheet date. Common valuation methods such as option price or present value models are used for determining the fair value of financial instruments which are not traded in an active market. If valuation-relevant parameters are not directly observable on the market, forecasts are used based on comparable financial instruments that are traded in an active market; these forecasts are then adjusted by premiums or discounts on the basis of historical data. The mean value of bid and offer rates is used. DB AG operates with long-dated financial derivatives on a hedged basis, and does not perform any credit risk adjustment for the fair value for hedged transactions. For considerations of materiality, no credit risk adjustment is used for short-term derivatives. If credit risk adjustment is used, the relevant discounts are derived from the credit default swap (CDS) figures observable on the market.

All derivatives used in DB Group are measured using common methods such as option price or present value models, because their fair values are not traded on an active market. No parameters from non-observable markets are used for assessment purposes.

The volume of hedges concluded is shown in the following overview of nominal values:

AS OF DEC 31 / € million	Nominal value of hedging instrument 2023	2022	Residual maturity up to 1 year 2023	2022	Residual maturity more than 1 year 2023	2022
INTEREST-BASED CONTRACTS						
Interest swaps	1,400	800	–	–	1,400	800
	1,400	**800**	**–**	**–**	**1,400**	**800**
CURRENCY-BASED CONTRACTS						
Currency swaps	331	260	331	260	0	0
Currency forwards	1,789	2,704	1,683	2,675	106	29
Cross-currency swaps	8,677	8,925	773	622	7,904	8,303
	10,797	**11,889**	**2,787**	**3,557**	**8,010**	**8,332**

AS OF DEC 31 / 1,000 t	Volume 2023	2022	Residual maturity up to 1 year 2023	2022	Residual maturity more than 1 year 2023	2022
OTHER CONTRACTS						
Diesel	335	428	80	94	255	334
Hard coal	1,428	1,380	840	1,092	588	288

A further interest rate swap was concluded in the financial year to hedge interest rate risks, increasing the portfolio to € 1,400 million (as of December 31, 2022: € 800 million). The changes in the holdings of currency swaps and forwards vary in line with the corresponding hedging requirements of the subsidiaries of DB Group. The nominal value of the cross-currency swaps fell by € 248 million (as of December 31, 2022: increase of € 744 million), as effects from expired transactions exceeded the effects from new business.

The scope of diesel hedging fell due to lower levels of hedging and the (planned) sale of subsidiaries. As of December 31, 2023, coal hedges remained almost unchanged at 1.4 million t.

The following table shows the average hedging prices/hedging rates for the main derivative hedging instruments of DB Group (per currency):

	Hedging price per 1,000 t		Hedging rate			
Currency	Diesel	Hard coal	Cross-currency swaps (CCS)	Interest rate swaps (IRS)	Currency swaps	Currency forwards
EUR	657.13	126.39	–	0.02	–	–
USD	–	–	1.13	–	1.06	1.10
GBP	591.47	–	0.87	–	–	0.86
CHF	–	–	1.09	–	–	0.97
JPY	–	–	119.66	–	–	157.67
NOK	–	–	9.24	–	–	11.41
SEK	–	–	10.20	–	–	11.15
DKK	–	–	7.44	–	–	7.45
CAD	–	–	–	–	–	1.47
AUD	–	–	1.56	–	–	1.63
NZD	–	–	–	–	–	1.76
HKD	–	–	–	–	–	8.49
MXN	–	–	–	–	–	19.11
SGD	–	–	1.56	–	1.45	1.45
PLN	3,729.19	–	4.44	–	–	4.34
CZK	19,458.74	–	26.78	–	–	24.98
HUF	–	–	377.90	–	–	383.05
RON	–	–	4.85	–	5.02	4.98
CNY	–	–	–	–	–	7.99
ILS	–	–	–	–	–	4.03
SAR	–	–	–	–	–	4.08
AED	–	–	–	–	–	3.98
QAR	–	–	4.25	–	–	3.98
ZAR	–	–	–	–	–	20.46
THB	–	–	–	–	–	38.20

All derivative financial instruments are marked-to-market on the reporting date. The following overview shows the allocation of the item stated in the balance sheet depending on the type of underlying hedge:

	Assets		Liabilities	
AS OF DEC 31 / € million	**2023**	2022	**2023**	2022
INTEREST-BASED CONTRACTS				
Interest swaps	14	–	43	78
Interest forwards	0	–	–	–
	14	**–**	**43**	**78**
CURRENCY-BASED CONTRACTS				
Currency swaps	0	0	2	4
Currency forwards	12	26	9	12
Other currency derivatives	0	0	0	0
Cross-currency swaps	762	608	303	239
thereof effects from currency hedges	583	429	361	222
	774	**634**	**314**	**255**
OTHER CONTRACTS				
Energy price derivatives	11	114	75	72
	11	**114**	**75**	**72**
Total	**799**	**748**	**432**	**405**
Non-current share	679	559	336	329
Interest-based contracts	14	–	43	78
Currency-based contracts	658	507	262	225
Other contracts	7	52	31	26
Current share	120	189	96	76

Cash flow hedges

In order to minimize the interest rate and exchange rate risk, foreign currency issues as well as intra-Group foreign currency loans are converted into euros as a matter of principle, and floating-rate financial liabilities are generally converted into fixed-interest financial liabilities. Energy price hedging served to reduce price fluctuations attributable to energy sourcing.

The performance of the cross-currency swaps was mainly based on the development of interest rates in the individual currencies, in particular the Swiss franc and the Norwegian krone, as well as the devaluation of the euro against the Swiss franc. The appreciation of the euro against the Norwegian krone and the Australian dollar had a partially offsetting effect.

The market value of the energy price derivatives reflected the development on the underlying raw materials markets.

The fair values of the cash flow hedges are shown as follows under assets and liabilities:

	Assets		Liabilities	
AS OF DEC 31 / € million	**2023**	2022	**2023**	2022
CURRENCY-BASED CONTRACTS				
Currency swaps	0	0	2	4
Cross-currency swaps	762	608	292	223
	762	**608**	**294**	**227**
OTHER CONTRACTS				
Energy price derivatives	3	114	66	72
	3	**114**	**66**	**72**
Total	**765**	**722**	**360**	**299**
Non-current share	659	558	271	235
Currency-based contracts	658	506	249	209
Other contracts	1	52	22	26
Current share	106	164	89	64

Cash flow hedges are not classified under any category of IFRS 9.

The hedged cash flows of the underlying transactions are expected to materialize, and have an impact on the income statement, in 2024 to 2072 (interest payments and payments of principal) or in 2024 to 2027 (payments for energy).

The underlying and hedging transactions, as well as the hedge reserve of cash flow hedges, developed as follows:

	2023		as of Dec 31, 2023	2022		as of Dec 31, 2022
€ million	Changes in hedges and underlying transactions	thereof ineffective (with impact on income statement)	Status of the hedging reserve cash flow hedges	Changes in hedges and underlying transactions	thereof ineffective (with impact on income statement)	Status of the hedging reserve cash flow hedges
INTEREST-BASED CONTRACTS						
Interest swaps	+ 0	–	–	–	–	–
CURRENCY-BASED CONTRACTS						
Currency swaps	+ 2	–	+ 1	– 9	–	+ 2
Cross-currency swaps	+ 87	– 39	+ 150	+ 262	+ 3	+ 152
OTHER CONTRACTS						
Energy price hedges	– 105	– 2	– 66	– 28	–	+ 38

In the case of interest and cross-currency hedges, the effectiveness of the hedge is assessed using the critical terms match method. This method is used because the major valuation parameters of the underlying transaction and hedges are identical. Ineffectiveness is measured as of every balance sheet date by means of the hypothetical derivative method. In this method, the development in value of the hedge which is actually taken out is compared with the development in value of a theoretical hedge in which all valuation-relevant parameters are identical to those of the underlying transaction. In the case of energy price derivatives, the effectiveness of the hedge is assessed using linear regression. The ineffectiveness is calculated using the dollar-offset method. In this case, the fair value changes of the underlying transactions are compared with the fair value changes of the hedging instrument. The resultant quotient determines the ineffectiveness.

As in the previous year, in the year under review the inefficiencies of cash flow hedges of the energy price derivatives recognized in the income statement were immaterial.

Fair value hedge derivatives

The fair values are shown under assets and liabilities as follows:

AS OF DEC 31 / € million	Assets 2023	Assets 2022	Liabilities 2023	Liabilities 2022
INTEREST-BASED CONTRACTS				
Interest swaps	14	–	43	78
Total	**14**	**–**	**43**	**78**
Non-current share	14	–	43	78
Interest-based contracts	14	–	43	78
Current share	–	–	–	–

The interest rate swaps were used to hedge issued senior bonds (included in the balance sheet item financial liabilities 253 ff.) with a nominal value of € 1,400 million. The effectiveness of the hedging relationship was checked using the critical terms match method. There was no ineffectiveness in the year under review.

The performance of the interest rate swaps is attributable to a declining interest rate level in the Eurozone as of the valuation date.

Non-hedge derivatives

Currency forwards taken out to hedge operations are normally classified as non-hedge derivatives.

The fair values of the non-hedge derivatives are shown under assets and liabilities as follows:

AS OF DEC 31 / € million	Assets 2023	Assets 2022	Liabilities 2023	Liabilities 2022
CURRENCY-BASED CONTRACTS				
Currency forwards	12	26	9	12
Other currency derivatives	0	0	0	0
Cross-currency swaps	–	–	11	16
	12	**26**	**20**	**28**
OTHER CONTRACTS				
Energy price derivatives	8	–	9	–
Miscellaneous / other derivatives	–	–	–	–
	8	**–**	**9**	**–**
Total	**20**	**26**	**29**	**28**
Non-current share	6	1	22	16
Currency-based contracts	–	1	13	16
Other contracts	6	–	9	–
Current share	14	25	7	12

The cross-currency swaps are based on a redesignation of hedges as a result of the transfer of transactions between banks. The conditions including the cash flows of the derivatives were unchanged and the economic hedge is thus still in place. The decline was attributable to the reversal of the redesignated amounts in line with the remaining maturities of the swaps.

The energy price derivatives relate to diesel swaps concluded externally by DB AG and passed on to companies in discontinued operations.

The non-hedge derivatives are classified under the “held-for-trading” category of IFRS 9.

(22) CASH AND CASH EQUIVALENTS

This item comprises cash in hand and checks, deposits at banks that are due on sight, as well as time deposits with a maturity of up to three months.

Cash and cash equivalents are recognized with their nominal value (at amortized cost).

Cash and cash equivalents are broken down as follows:

AS OF DEC 31 / € million	2023	2022
Cash in hand and bank deposits	2,631	5,137
Cash equivalents	0	1
Total	**2,631**	**5,138**

The interest rates for short-term bank deposits were in a range of between 1.81 % and 4.08 % (previous year: −0.58 % to 2.00 %) and relate to euro-denominated cash investments. The durations of the investments are between one day and three months.

For a definition of cash and cash equivalents, please refer to Notes to the statement of cash flows 265 f.

(23) NON-CURRENT ASSETS HELD FOR SALE AND LIABILITIES IN CONNECTION WITH ASSETS HELD FOR SALE

Under IFRS 5, non-current assets are classified as non-current assets held for sale if their carrying amount is to be realized by way of sale and not by way of continued use. This can be an individual asset, a disposal group or a business area of a company. Non-current assets held for sale are measured at the lower of the carrying amount or the fair value, less costs of disposal incurred.

Non-current assets held for sale and liabilities in connection with assets held for sale have developed as follows:

€ million	Jan 1, 2023	Disposal	Addition	Dec 31, 2023
Property, plant and equipment	36	-36	1,362	1,362
Intangible assets	7	-7	81	81
Investments accounted for using the equity method	–	–	32	32
Financial assets available for sale	0	0	2	2
Inventories	17	-17	68	68
Receivables and other assets	75	-75	1,299	1,299
Derivative financial instruments	–	–	0	0
Cash and cash equivalents	14	-14	445	445
Deferred tax assets	3	-3	17	17
Assets	**152**	**-152**	**3,306**	**3,306**
Financial debt	30	-30	536	536
Other liabilities	69	-69	1,011	1,011
Derivative financial instruments	–	–	0	0
Pension obligations	0	0	47	47
Other provisions	58	-58	224	224
Deferred income	2	-2	243	243
Deferred tax liabilities	2	-2	96	96
Liabilities	**161**	**-161**	**2,157**	**2,157**

The companies held for sale as of December 31, 2022, from the former DB Arriva segment (in Denmark, Serbia and Poland) and DB Schenker (in Russia) were sold in the year under review. The item in the balance sheet as of December 31, 2023, related to discontinued operations.

(24) SUBSCRIBED CAPITAL

The share capital of DB AG is € 2,150 million. It consists of 430,000,000 no-par-value bearer shares. All shares are held by the Federal Republic of Germany.

(25) RESERVES

a) Capital reserves

Capital reserves comprise reserves that have not been part of profits. In the year under review, as in the previous year, € 1.1 billion was paid to DB InfraGO AG (formerly: DB Netz AG) from funds from the Climate Action Program.

b) Reserve resulting from valuation with no impact on profit or loss

RESERVE FOR CURRENCY TRANSLATION DIFFERENCES

The currency translation effects resulting from the functional currency method (IAS 21) are shown separately as part of consolidated shareholders' equity.

RESERVE FOR THE FAIR VALUE ASSESSMENT OF SECURITIES AND EQUITY INVESTMENTS

The reserve includes the changes in the fair value of financial instruments with no impact on profit and loss. The reserve is to be released to or derecognized from the profit or loss upon the sale, maturity or reclassification of a financial instrument if it is an equity instrument.

RESERVE FROM THE FAIR VALUE ASSESSMENT OF CASH FLOW HEDGES

The development of the reserve is shown in the following:

€ million	2023	2022
As of Jan 1	188	-87
Change in fair value [1]	-31	464
Hedging results reclassified to the carrying amount of acquired inventories during the year [2]	-28	-
RECLASSIFICATIONS		
Financial result	-93	50
Net interest income	-3	-34
Cost of materials [1]	49	-201
Changes in deferred taxes	7	-4
As of Dec 31	**89**	**188**

[1] Previous year figure adjusted.
[2] From January 1, 2023, the effects of diesel price hedging will be reported in the item "Hedging results reclassified to the carrying amount of acquired inventories during the year." A corresponding change in presentation as of December 31, 2022, would have resulted in a disclosure of € -109 million for this item.

RESERVE FOR THE REVALUATION OF PENSIONS

The effects resulting from the revaluation of defined benefit plans in accordance with IAS 19 (Employee Benefits) are recognized in other income with no impact on profit and loss.

OTHER CHANGES IN THE RESERVES

This item mainly shows amounts resulting from transactions in relation to reductions or increases in non-controlling interests between the shareholders of DB AG and the non-controlling interests.

(26) GENERATED PROFITS

The generated shareholders' equity comprises the entire net profits generated since January 1, 1994, less the goodwill offset under the German Commercial Code (Handelsgesetzbuch; HGB) up to December 31, 2002, as well as the dividends paid to the shareholders.

This item also shows the impact on shareholders' equity attributable to the first-time adoption of IFRS if they are not included in the reserves attributable to valuation with no impact on profit and loss.

Based on the resolution of the Annual General Meeting on November 27, 2023, DB AG paid a profit distribution of € 650 million to the Federal Government for the 2022 financial year in the year under review.

(27) HYBRID CAPITAL AND NON-CONTROLLING INTERESTS

In October 2019, Deutsche Bahn Finance GmbH (DB Finance) issued two junior hybrid bonds with a total volume of € 2 billion. The hybrid bonds have undated durations with an initial termination right for the issuer after 5.5 years (coupon: 0.95%) and ten years (coupon: 1.6%) respectively; the issue proceeds amounted to € 997 million and € 995 million respectively. The two hybrid bonds do not have a repayment obligation and do not have a termination right for the creditor. In addition, any retained interest payments only have to be made when a dividend is paid. According to IAS 32 (Financial Instruments: Presentation), the hybrid bonds have to be classified entirely as equity as there is no regular repayment obligation for the hybrid bonds, nor is there any termination right for the bond holders. Interest payments to be made to the bond holders (less the taxes on income) are recognized directly in equity. Interest payments of € 25 million were made in the year under review (previous year: € 25 million).

Non-controlling interests comprise the share of third parties in the net assets of consolidated subsidiaries. Third-party interests in the currency reserve amounted to € –24 million (as of December 31, 2022: € –19 million).

(28) FINANCIAL DEBT

In accordance with IFRS 9, financial debt and other non-current liabilities are initially measured at fair value, taking into account transaction costs and premiums/discounts. Subsequently, they are stated using amortized acquisition costs using the effective interest method. The differences between the disbursement amount less transaction costs and the repayment amount are recognized in profit or loss over the term.

Interest-free loans that are related to capital expenditures on infrastructure are recognized with the present value of the amounts to be repaid, and are adjusted to their nominal repayment amount over their life. The difference between the nominal amount of the loan and the present value is recognized as an interest benefit under accruals. The income from pro rata reversal of these accruals is shown as other operating income.

Liabilities from lease contracts for which a right of use has to be recognized in accordance with IFRS 16 are shown as the present value of the following lease payments: fixed payments less payments of the lessor that are received, variable payments based on an index, expected payments for residual value guarantees, the purchase price for probably exercised purchase options, probable compensation payments in the event of early *termination. The assessment of the lease liability also includes lease payments in relation to adequately certain utilization of extension options. The leasing installments are broken down into an interest component and a redemption component. The interest component of the leasing installment is recognized in the statement of income. The interest rate used corresponds to the implied interest rate of the lease contract or, if this is not known, the maturity-related marginal borrowing rate. Liabilities arising from leases are not classified under any category of IFRS 9.*

Some transport contracts comprise the leasing particularly of rolling stock from contracting organizations or from independent financial service providers, where the latter receive a capital service guarantee, a redeployment guarantee or similar from the contracting organization. The present value of these payment obligations is shown under the financing liabilities from transport concessions.

The financial debt comprises all interest-bearing liabilities including the interest-free loans stated with their present values. Financial debt has the following maturity structure:

€ million	Residual maturity: Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total more than 1 year	Total
AS OF DEC 31, 2023								
Interest-free loans	152	–	–	–	–	–	**–**	**152**
Senior bonds	1,966	1,973	2,216	2,801	2,101	18,985	**28,076**	**30,042**
Commercial paper	358	–	–	–	–	–	**–**	**358**
Bank borrowings	566	8	2,000	–	–	–	**2,008**	**2,574**
Leasing liabilities	1,052	788	610	470	361	1,506	**3,735**	**4,787**
Financing liabilities from transport concessions	21	21	20	19	18	52	**130**	**151**
Other financial liabilities	22	0	0	21	0	1	**22**	**44**
Total	**4,137**	**2,790**	**4,846**	**3,311**	**2,480**	**20,544**	**33,971**	**38,108**
thereof due to related parties	153	–	–	–	–	–	**–**	**153**
AS OF DEC 31, 2022								
Interest-free loans	153	145	–	–	–	–	**145**	**298**
Senior bonds	1,982	1,962	1,966	2,188	2,181	18,523	**26,820**	**28,802**
Commercial paper	–	–	–	–	–	–	**–**	**–**
Bank borrowings	539	0	6	–	–	–	**6**	**545**
Leasing liabilities	1,120	801	641	504	391	1,723	**4,060**	**5,180**
Financing liabilities from transport concessions	20	19	19	19	18	69	**144**	**164**
Other financial liabilities	273	2	1	1	0	7	**11**	**284**
Total	**4,087**	**2,929**	**2,633**	**2,712**	**2,590**	**20,322**	**31,186**	**35,273**
thereof due to related parties	153	146	–	–	–	–	**146**	**299**

The following fair values are summarized in comparison with the carrying amounts:

AS OF DEC 31 / € million	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
Interest-free loans	152	152	298	299
Senior bonds	30,042	27,306	28,802	24,512
Commercial paper	358	358	–	–
Bank borrowings	2,574	2,574	545	546
Leasing liabilities	4,787	4,323	5,180	4,787
Financing liabilities from transport concessions	151	144	164	151
Other financial liabilities	44	44	284	284
Total	**38,108**	**34,901**	**35,273**	**30,579**

The differences between the carrying amounts and the fair values of the financial debt are due to the mostly changed market interest rates for financial debt with a comparable risk profile. In view of the short maturities involved and also in view of the fact that interest charged is closely linked to market rates, there are no significant differences between the carrying amounts and the fair values of other financial liabilities.

Interest-free loans were also attributable almost exclusively to financing provided by the Federal Government for capital expenditures to expand and replace track infrastructure. This is based on the responsibility for the transport needs of the public which is anchored in Section 87e (4) of the German Basic Law (Grundgesetz; GG) and specified in the Federal Rail Infrastructure Extension Act (Bundesschienenwegeausbaugesetz; BSWAG).

The repayment of the loans is regulated in individual and collective financing agreements. In general, the loans are repaid in equal annual installments, which are based on the corresponding annual depreciation applicable for the financed assets.

Interest-free loans have developed as follows:

€ million	2023	2022
As of Jan 1	298	446
Addition	–	–
Redemption	–155	–157
Reclassifications	0	–7
Compounding	9	16
As of Dec 31	**152**	**298**

As of the balance sheet date, the senior bonds are issued as follows:

SENIOR BONDS AS OF DEC 31 / € million	Issue volume	Issue currency	Maturity (years)	Effective interest rate (%)	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
UNLISTED SENIOR BONDS								
DB Finance	1,185	AUD, JPY, EUR	0.4-8.8		1,141	1,086	1,180	1,088
Total					**1,141**	**1,086**	**1,180**	**1,088**
LISTED SENIOR BONDS OF DB FINANCE								
Bond 2010-2025	500	EUR	1.5	3.870	499	505	499	507
Bond 2012-2023	400	EUR	0.0	2.116	-	-	400	400
Bond 2012-2024	83	CHF	0.1	1.586	108	108	101	101
Bond 2012-2024	500	EUR	0.2	3.119	500	499	499	501
Bond 2012-2072	75	GBP	48.9	4.524	69	64	67	65
Bond 2013-2028	50	EUR	4.1	2.707	50	49	50	48
Bond 2013-2025	202	NOK	1.2	4.017	133	133	143	142
Bond 2013-2023	386	CHF	0.0	1.425	-	-	482	482
Bond 2013-2026	497	GBP	2.6	3.351	486	477	476	457
Bond 2013-2023	500	EUR	0.0	2.578	-	-	500	500
Bond 2014-2024	59	AUD	0.1	5.395	55	55	57	57
Bond 2014-2024	246	CHF	0.7	1.522	324	324	305	304
Bond 2014-2029	500	EUR	5.2	2.886	497	501	496	480
Bond 2015-2023	600	EUR	0.0	FRN	-	-	600	600
Bond 2015-2025	600	EUR	1.8	1.391	599	584	598	572
Bond 2015-2030	366	NOK	6.8	2.760	302	287	323	295
Bond 2015-2025	115	AUD	1.8	3.864	110	109	114	112
Bond 2015-2030	650	EUR	6.8	1.707	647	602	646	559
Bond 2015-2025	161	CHF	1.9	0.143	189	184	178	171
Bond 2016-2026	500	EUR	2.2	0.880	499	478	498	465
Bond 2016-2031	750	EUR	7.5	0.964	745	653	745	596
Bond 2016-2028	500	EUR	4.7	0.765	497	455	496	429
Bond 2016-2024	41	HKD	0.2	2.100	41	40	42	41
Bond 2017-2032	79	NOK	8.1	2.514	62	58	66	59
Bond 2017-2032	500	EUR	8.9	1.541	498	450	498	408
Bond 2017-2025	341	GBP	1.5	1.437	345	329	338	315
Bond 2017-2032	55	SEK	8.6	2.226	48	43	48	40
Bond 2017-2030	261	CHF	6.9	0.463	324	305	305	268
Bond 2017-2024	300	EUR	0.9	FRN	300	301	301	300
Bond 2018-2027	1,000	EUR	4.0	1.086	997	935	996	893
Bond 2018-2033	750	EUR	9.6	1.680	746	664	746	606
Bond 2018-2028	346	CHF	4.5	0.470	433	417	407	375
Bond 2018-2031	500	EUR	7.2	1.508	495	454	495	416
Bond 2018-2043	125	EUR	19.9	1.866	125	96	125	87
Bond 2019-2028	1,000	EUR	5.0	1.235	995	927	994	879
Bond 2019-2026	340	GBP	2.1	1.944	345	329	338	313
Bond 2019-2034	103	NOK	10.1	2.732	89	83	95	83
Bond 2019-2029	310	CHF	5.5	0.135	377	354	355	314
Bond 2019-2034	133	CHF	10.5	0.516	162	148	152	125
Bond 2019-2039	47	SEK	15.4	2.025	45	37	45	34
Bond 2020-2035	500	EUR	11.5	0.819	496	384	496	348
Bond 2020-2024	300	EUR	0.1	-0.062	300	299	300	290
Bond 2020-2032	150	EUR	8.2	0.257	150	121	150	108
Bond 2020-2027	900	EUR	3.3	0.639	896	839	895	800
Bond 2020-2040	750	EUR	16.3	1.433	744	574	743	523
Bond 2020-2029	850	EUR	5.5	0.411	848	755	848	698
Bond 2020-2039	650	EUR	15.5	0.977	640	467	640	421
Bond 2020-2035	48	SEK	11.5	1.544	45	37	45	34
Bond 2020-2050	1,000	EUR	26.9	0.656	992	550	992	483
Bond 2021-2036	370	CHF	12.1	0.100	433	373	407	305
Bond 2021-2026	339	GBP	2.9	0.523	344	312	336	288
Bond 2021-2026	494	SEK	2.1	0.524	450	423	449	401
Bond 2021-2036	1,000	EUR	12.3	0.759	984	745	983	669
Bond 2021-2033	296	CHF	9.4	0.211	351	315	330	267
Bond 2021-2041	168	AUD	17.4	3.124	159	112	165	116
Bond 2021-2051	1,000	EUR	27.4	1.159	992	628	992	548
Bond 2021-2036	196	NOK	12.5	2.241	177	154	190	154
Bond 2021-2031	750	EUR	7.7	0.393	748	622	747	566
Bond 2021-2031	279	CHF	7.8	0.241	324	298	305	257
Bond 2022-2042	191	AUD	18.0	3.350	184	133	190	137
Bond 2022-2027	200	EUR	3.1	0.791	200	189	199	181
Bond 2022-2034	750	EUR	10.2	1.389	747	641	747	580
Bond 2022-2030	900	EUR	6.4	1.992	892	850	891	804
Bond 2022-2040	52	SEK	16.7	3.511	49	49	49	47
Bond 2022-2032	308	CHF	8.7	1.903	324	340	305	297

SENIOR BONDS AS OF DEC 31 / € million	Issue volume	Issue currency	Maturity (years)	Effective interest rate (%)	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
Bond 2022–2034	51	NOK	10.7	4.370	44	48	47	49
Bond 2022–2042	500	EUR	18.8	3.924	495	538	495	502
Bond 2022–2042	151	CHF	18.9	2.285	161	187	151	152
Bond 2023–2037	750	EUR	14.0	3.664	747	781	–	–
Bond 2023–2033	600	EUR	9.4	3.413	592	618	–	–
Bond 2023–2035	287	CHF	11.7	1.927	296	314	–	–
Bond 2023–2027	600	EUR	3.7	3.590	598	617	–	–
Bond 2023–2033	149	AUD	9.9	6.053	153	163	–	–
Bond 2023–2043	650	EUR	19.9	4.140	639	707	–	–
Total					**28,930**	**26,220**	**27,706**	**23,424**
Adjustments from derivatives					– 29	–	– 84	–
Senior bonds, total amount					**30,042**	**27,306**	**28,802**	**24,512**

In 2023, three fixed-interest listed senior bonds from DB Finance amounting to € 400 million, € 500 million and CHF 475 million (€ 386 million), as well as a floating-rate listed senior bond amounting to € 600 million with a total value of € 1,886 million, were redeemed on schedule.

In 2023, DB Finance issued six fixed-interest, listed senior bonds with a total value of € 3,036 million. These include issues of € 750 million, € 600 million, CHF 275 million (€ 287 million), € 600 million, AUD 250 million (€ 149 million) and € 650 million. Some of the euro bonds were swapped from fixed-interest to floating-rate bonds. As a result, the valuation of the bond portfolio resulted in a reduction in carrying amount by € 29 million (as of December 31, 2022: € 84 million).

Commercial paper issues were carried out as part of short-term liquidity management. Commercial paper amounting to € 358 million was outstanding as of December 31, 2023 (December 31, 2022: none). This was composed as follows:

COMMERCIAL PAPER ISSUES AS OF DEC 31 / € million	Issue volume	Issue currency	Maturity (days)	Nominal interest rate (%)	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
as of December 11, 2023	54	USD	16	5.552	48	48	–	–
as of December 11, 2023	60	EUR	15	3.940	60	60	–	–
as of December 11, 2023	50	EUR	15	3.940	50	50	–	–
as of December 11, 2023	50	EUR	15	3.940	50	50	–	–
as of December 11, 2023	50	EUR	15	3.940	50	50	–	–
as of December 11, 2023	50	EUR	15	3.940	50	50	–	–
as of December 11, 2023	50	EUR	15	3.940	50	50	–	–
Total	**364**				**358**	**358**	**–**	**–**

Bank borrowings are detailed in the following table:

BANK BORROWINGS AS OF DEC 31 / € million	Currency	Maturity (years)	Nominal interest rate (%)	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
Bank loan 2023–2026	EUR	2.5	variable	500	500	–	–
Bank loan 2023–2026	EUR	2.5	variable	500	500	–	–
Bank loan 2023–2026	EUR	2.9	variable	500	500	–	–
Bank loan 2023–2026	EUR	2.9	variable	500	500	–	–
Other				574	574	545	546
Total				**2,574**	**2,574**	**545**	**546**

The increase in bank borrowings as of December 31, 2023, was mainly the result of taking out four bank loans as bridge financing for potential sales proceeds.

Other bank borrowings primarily consisted of collateral due in the short term (as of December 31, 2023: € 524 million; as of December 31, 2022: € 525 million) resulting from collateral agreements within the framework of derivative transactions.

Liabilities are not secured in DB Group as a ground rule.

As of December 31, 2023, further guaranteed credit facilities with a total volume of € 4,797 million were available to DB Group (as of December 31, 2022: € 4,589 million). Of this figure, € 2,100 million was attributable to back-up lines for the € 3.0 billion commercial paper program of DB AG (as of December 31, 2022: € 2,000 million). None of these back-up lines had been drawn down as of December 31, 2023. Global credit facilities totaling € 2,697 million (as of December 31, 2022: € 2,589 million) are used for working capital and surety for payment financing of subsidiaries with operations worldwide, primarily in the DB Schenker segment.

Liabilities attributable to leasing (Note (13) 242ff.) are secured by rights of the lessors in relation to the leased assets. As of December 31, 2023, the leased assets have a carrying amount of € 4,266 million (as of December 31, 2022: € 4,692 million).

The nominal values of the leasing liabilities are broken down as follows:

LEASING LIABILITIES / € million	Residual maturity Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total more than 1 year	Total
AS OF DEC 31, 2023								
Nominal values of lease payments	1,064	885	686	532	408	1,828	**4,339**	**5,403**
AS OF DEC 31, 2022								
Nominal values of lease payments	1,136	902	720	566	442	2,063	**4,693**	**5,829**

The financing liabilities from transport concessions in accordance with IFRIC 12 are detailed in the following:

AS OF DEC 31 / € million	Currency	Maturity (years)	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
Diesel network Allgäu diesel multiple units (2020)	EUR	6.0	30	30	35	34
S-Bahn (metro) Nuremberg electric multiple units (2020)	EUR	7.0	53	52	60	57
S-Bahn (metro) Rhine-Neckar electric multiple units (2020)	EUR	11.0	8	7	8	7
S-Bahn (metro) Rhine-Neckar electric traction units (2021)	EUR	11.0	56	51	61	53
Other	EUR		4	4	–	–
Total			**151**	**144**	**164**	**151**

Various traction units were leased by the responsible contracting organizations for the fulfillment of regional rail passenger transport services.

Financial liabilities from transport concessions are opposed by receivables from transport concessions (Note (19) 247 ff.).

The fair values of the long-term financial debt are allocated to the following valuation categories:

AS OF DEC 31 / € million	2023 Level 1	2023 Level 2	2023 Level 3	2023 Total	2022 Level 1	2022 Level 2	2022 Level 3	2022 Total
FINANCIAL DEBT – NON-CURRENT								
Interest-free loans	–	–	–	**–**	–	146	–	**146**
Senior bonds	3,036	22,310	–	**25,346**	2,335	20,194	–	**22,529**
Commercial paper	–	–	–	**–**	–	–	–	**–**
Bank borrowings	–	2,008	–	**2,008**	–	7	–	**7**
Leasing liabilities	–	3,271	–	**3,271**	–	3,667	–	**3,667**
Financing liabilities from transport concessions	–	123	–	**123**	–	131	–	**131**
Other financial liabilities	–	22	–	**22**	–	11	–	**11**
Total	**3,036**	**27,734**	**–**	**30,770**	**2,335**	**24,156**	**–**	**26,491**

The interest-free loans shown at amortized acquisition cost are calculated by discounting the nominal values of the interest-free loans, which are broken down into maturity buckets using the DB interest curve (market interest curve plus current DB spread; source: Thomson Reuters or Bloomberg).

Market prices from an active market, multiplied by the foreign currency rates applicable on the balance sheet date, are used for senior bonds of DB Finance that are classified as level 1. Various sources are used for these prices, including Thomson Reuters and Bloomberg. The senior bonds for which the market activity does not meet the requirements of an active market have been allocated to level 2. For establishing the fair values of these senior bonds, binding offers were used from various sources, including Thomson Reuters and Bloomberg; these have been verified on the basis of the valuation models using the parameters that are observable on the market, such as interest rate curves and exchange rates.

The fair value of the leases and also of the financing liabilities from transport concessions is determined by discounting the outstanding lease payments with the corresponding DB interest rate curves (market interest curve plus current spread; source: Thomson Reuters or Bloomberg).

(29) LIABILITIES

In accordance with IFRS 9, the first-time assessment of liabilities is generally at fair value, taking into account transaction costs and premiums/discounts. Subsequently, non-current liabilities are stated using amortized acquisition cost using the effective interest method. The differences between the disbursement amount less transaction costs and the repayment amount are recognized in profit or loss over the term.

The fair values of the balance sheet items miscellaneous liabilities, trade liabilities and other liabilities essentially correspond to the carrying amounts.

Severance package commitments for agreements made as of the balance sheet date are recognized as other liabilities and – if they are not yet included in individual agreements and if they are part of a restructuring commitment in accordance with IAS 37 – are stated as other provisions.

Movements in the liabilities are shown in the following:

€ million	Residual maturity: Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total more than 1 year	Total
AS OF DEC 31, 2023								
Trade liabilities including advance payments received	6,224	38	18	43	10	6	**115**	**6,339**
Miscellaneous and other liabilities	3,998	96	242	164	17	352	**871**	**4,869**
Total	**10,222**	**134**	**260**	**207**	**27**	**358**	**986**	**11,208**
thereof non-financial liabilities	2,281	6	3	3	2	3	**17**	**2,298**
thereof advance payments received	90	2	2	2	1	3	**10**	**100**
thereof due to related parties	237	–	–	–	–	–	–	**237**
AS OF DEC 31, 2022								
Trade liabilities including advance payments received	7,940	76	21	6	6	8	**117**	**8,057**
Miscellaneous and other liabilities	4,463	170	160	167	17	302	**816**	**5,279**
Total	**12,403**	**246**	**181**	**173**	**23**	**310**	**933**	**13,336**
thereof non-financial liabilities	2,660	8	3	2	2	4	**19**	**2,679**
thereof advance payments received	297	2	2	2	1	4	**11**	**308**
thereof due to related parties	185	–	–	–	–	–	**-**	**185**

Of the decline in trade liabilities, € 733 million was attributable to the DB Schenker segment and € 290 million to the DB Regional segment. Miscellaneous and other liabilities increased in the DB Regional (€ +247 million) and DB Long-Distance (€ +119 million) segments and decreased in the Subsidiaries / Other segment (€ –252 million). Please also refer to Segment information by segments 226f.

Non-financial liabilities and received prepayments are not classified under any category of IFRS 9.

The miscellaneous and other liabilities were broken down as follows:

AS OF DEC 31 / € million	2023	2022
PERSONNEL-RELATED LIABILITIES		
Unused vacation entitlements	302	318
Outstanding overtime liability	297	304
Social security	101	129
Severance payments	56	36
Christmas bonuses	6	11
Vacation pay	23	25
Other personnel obligations	1,120	1,163
OTHER TAXES		
Value-added tax	43	81
Payroll and church taxes, solidarity surcharge	178	198
Miscellaneous other taxes	72	108
Interest payable	199	183
Revenue discounts	50	59
Deferred investment grants	273	286
Independent acknowledgement of debt issued for delivery transactions	537	771
Liabilities in accordance with the Railroad Crossings Act	2	4
Miscellaneous liabilities	1,610	1,603
Total	**4,869**	**5,279**

The increase in personnel-related liabilities resulted in particular from an increase in other personnel obligations in connection with the payment of pension obligations in Sweden and due to the increase in performance-related bonuses in the DB Schenker segment.

As of December 31, 2023, the liabilities were still collateralized with € 0 million.

The miscellaneous other liabilities included risks from factoring agreements.

The commitments from issued independent acknowledgement of debt correspond to equal amounts of receivables from supply contracts that are hedged by bank guarantees in the event of a claim.

(30) INCOME TAX LIABILITIES

Income tax liabilities as of December 31, 2023, related in particular to obligations to the tax authorities in Germany and Singapore.

(31) PENSION OBLIGATIONS

GRI

DB Group grants post-employment benefits to its employees in numerous countries. The form of the pension commitments depends on the legal, economic and tax conditions applicable in the particular country.

In DB Group, there are defined benefit as well as defined contribution retirement pension systems. The defined benefit commitments are assessed and accounted for in accordance with IAS 19. Major pension obligations exist only in Germany and in the United Kingdom. For this reason, only these pension obligations are described in greater detail in the following.

Germany

DB Group's pension obligations in Germany apply to both civil servants and employees.

After they retire, civil servants assigned to DB Group companies receive retirement benefits from the Federal Railway Fund (Bundeseisenbahnvermögen; BEV) under the Civil Servants Benefits Act (Beamtenversorgungsgesetz).

Only while the assigned civil servants are actively working for DB Group are payments made to the Federal Railway Fund as part of a pro forma settlement in the same way as for newly recruited employees (Section 21 (1) DBGrG). This also includes theoretical amounts for contributions to statutory pension insurance schemes as well as theoretical costs in accordance with the collective bargaining agreements regarding the additional company pension scheme for employees of DB AG (Tarifvertrag über die betriebliche Zusatzversorgung; ZVersTV) and company pension plan (Tarifvertrag über die betriebliche Altersvorsorge; bAV-TV) of the employees of DB AG. The payments made to the Federal Railway Fund for retirement pensions of civil servants are defined contribution retirement schemes.

The pension obligations with regard to employees mainly relate to the following:

a) Employees who were employed by Deutsche Bundesbahn before DB AG was established (January 1, 1994) enjoy supplementary benefits in view of their former membership of the public sector. The employees are entitled to benefits from this additional pension insurance from Deutsche Rentenversicherung Knappschaft-Bahn-See (KBS). As an official authority, KBS has not only assumed responsibility for managing and paying the statutory pension for DB Group employees; it also continues the additional pension insurance for the transferred employees who are beneficiaries.

During the active phase of the employment agreement, a pro forma refund of expenses is also provided to the Federal Railway Fund for these employees. When the employees retire, this payment is no longer made to the Federal Railway Fund.

The Federal Railway Fund bears the costs of these additional benefits, less the contribution made by the employees themselves (Section 14 (2) DBGrG). Accordingly, DB AG does not set aside any provisions for these public sector benefits.

b) Employees of the former Deutsche Reichsbahn and employees who were recruited after January 1, 1994, and before December 31, 2021, receive an additional company pension from DB AG within the framework of the ZVersTV. This supplementary company pension is a defined benefit scheme, which is linked to salary and length of service. The current pension benefits are adjusted every year in line with the regulations of the Company Pensions Act (Betriebsrentengesetz). Retirement benefits, invalidity benefits and benefits to surviving dependents are provided in the form of a lifetime pension. No plan assets are created for this scheme.

In addition, the employees in most Group companies receive a monthly contribution to the company pension plan in the amount of 3.3% of the employee's monthly standard salary as well as of most of the salary elements paid in the month. The monthly contribution is paid into a pension plan (DEVK-Pensionsfonds). It is not necessary for provisions to be created for this purpose.

c) Various defined benefit pension obligations exist with regard to executives in DB Group who were granted an executive commitment before January 1, 2007. The extent of the benefits depend on the length of service and the salary of the beneficiary. In general, retirement benefits, invalidity benefits and benefits to surviving dependents are provided in the form of a lifetime pension. With the exception of a small number of reinsurance policies, there are no plan assets.

d) Executives of DB Group who were granted an executive commitment after December 31, 2006, are provided with a retirement benefit scheme in the form of a defined contribution commitment. For this purpose, a benefit module is calculated in each year of service, depending on the salary and age of the beneficiaries. These benefits are financed by way of a contractual trust arrangement (CTA), namely Deutsche Bahn Pension Trust e.V. The extent of the benefits depends on the yield of the CTA, whereby a minimum return is guaranteed (guarantees up to and including 2014: 2.25% p.a.; guarantees from 2015 onwards: only maintenance of contribution). To avoid longevity risks, the benefits are granted in the form of a five-year installment. The assets of the CTA are classified as plan assets. The pension obligation is covered by the plan assets on the assumption that the CTA produces a corresponding performance, thus minimizing investment risks. There are no legal or regulatory obligations requiring Deutsche Bahn Pension Trust e.V. to make minimum payments into the scheme. The contributions are invested in line with the fundamental assumption that the benefit commitment is guaranteed by a corresponding guarantee element. For each payment relating to an individual beneficiary, an age-related amount is invested in prime zero bonds. The investment amount remaining after the payment has been made into the guarantee element is mainly invested in passively managed European equity and bond funds (or equivalent products) with the aim of optimizing returns.

e) Executives are able to participate in a deferred compensation program. This employee-financed form of company pension plan constitutes a defined benefit obligation.

United Kingdom

a) The company pension scheme of DB Cargo (UK) Holdings Limited is essentially a defined benefit pension plan (linked to salary and length of service) within the British Railway Pension Scheme. The plan assets are managed by an independent trustee. The process of collating the data of members in the plan for the purpose of compliance with legal requirements in relation to the members of the plan is generally carried out every three years. As of the intermediate valuation dates, the obligations in the plan are measured on the basis of the correspondingly updated data. The pension plan is based on final salary, and lifetime pensions are provided as benefits. The pension obligations are covered by plan assets. Capital is invested by the trustee of the plan assets following liaison with DB Group.

b) The discontinued DB Arriva segment mainly comprises defined benefit pension commitments. Important defined benefit plans (related to salary and length of service) relate to employees of DB Arriva within the Railway Pension Scheme in the United Kingdom. These are sections other than the DB Cargo UK plan within the Railway Pension Scheme. The costs of the pension plans are reduced in a ratio of 60:40 (employer:employee) and accordingly recognized in the balance sheet. The pension plan is based on final salary, and lifetime pensions are provided as benefits. The corresponding pension obligations are essentially covered by plan assets. Capital is invested by the trustee of the plan assets following liaison with DB Group.

Some companies pay contributions within the framework of a franchise agreement to the British Railway Pension Scheme for employees employed for the duration of the agreement (franchise period). The obligations to these employees as well as the plan assets are completely disclosed after deduction of the element financed by the employees (40%). Within the framework of recognizing the effect of franchise agreements, the present value of the contributions payable for the duration of the franchise agreements for reducing a scheme deficit remains as a net liability recognized in the balance sheet. The current contributions to the benefit scheme are shown as personnel expenses.

In addition, individual companies of DB Arriva also issued defined contribution retirement benefit commitments to their employees. Under such arrangements, the employer does not enter into any obligations apart from paying contributions to an external benefit scheme. The extent of the future pension benefits depends exclusively on the amount of contributions paid to the external benefit scheme, including the income generated by investing these contributions.

In addition, some contributions have also been paid to social pension funds within the context of statutory regulations (government schemes).

Critical estimations and assessments

In the case of the defined benefit pension obligations in Germany and abroad, the actuarial risks are borne by DB Group. Actuarial methods have been used for measuring defined benefit pension commitments as well as benefit commitments which are similar to pensions and the resultant expenses and income. The valuations are based on actuarial assumptions. There are the following actuarial risks which are considered to be typical for companies with defined benefit schemes:

- ***Interest risk:** The discount factors which are used reflect the interest rates (giving due consideration to the duration of the underlying obligation) which are achieved on the balance sheet date for high-quality fixed-interest senior bonds with a corresponding duration. A change in the discount rate results in a change in the present value of the total obligation (DBO).*
- ***Inflation risk:** Part of the pension obligations, particularly as a result of adjustments to current pensions, is linked to the development of inflation.*
- ***Longevity risk:** A longevity risk may occur in the form of extended periods in which pensions are paid out as a result of an increase in life expectancy in future.*
- ***Investment risk:** In the case of externally financed pension plans, the values of the corresponding plan assets or the refund claims are based on the fair values as of the balance sheet date. The capital investment is exposed to numerous risks, which may have an impact on the present value recognized for the plan assets. In the case of pension schemes with an obligation to pay into the scheme, the amount of future contributions may be affected by the investment risk.*

Key assumptions for expenses and income attributable to pension commitments and benefit commitments similar to pensions are to some extent based on current market conditions. Expenses and income relating to pension commitments and benefit commitments similar to pensions may change as a result of changes to these underlying key assumptions.

The figures stated for pension provisions in the balance sheet are detailed in the following table:

	Germany		Europe (excluding Germany)		Rest of world		Total	
AS OF DEC 31 / € million	2023	2022	2023	2022	2023	2022	2023	2022
Commitments for funded benefits	581	339	1,653	3,943	38	40	**2,272**	**4,322**
Commitments for unfunded benefits	3,308	2,782	50	58	13	11	**3,371**	**2,851**
Total obligations	**3,889**	**3,121**	**1,703**	**4,001**	**51**	**51**	**5,643**	**7,173**
Fair value of the plan assets	-555	-271	-1,723	-3,949	-32	-33	**-2,310**	**-4,253**
Effects due to cost sharing	–	–	-6	-34	–	–	**-6**	**-34**
Effects due to franchise agreements	–	–	0	-34	–	–	**0**	**-34**
Amount not recognized as an asset as a result of the IAS 19.64 restriction	54	–	–	0	–	–	**54**	**0**
Asset recorded on the balance sheet as receivables from plan assets	–	–	111	118	–	–	**111**	**118**
Net obligations recognized in the balance sheet	**3,388**	**2,850**	**85**	**102**	**19**	**18**	**3,492**	**2,970**

The total pension commitment has developed as follows:

	Germany		Europe (excluding Germany)		Rest of world		Total	
€ million	2023	2022	2023	2022	2023	2022	2023	2022
Commitments as of Jan 1	3,121	4,795	4,001	6,659	51	76	**7,173**	**11,530**
Service cost, excluding employee contributions	117	189	36	48	2	3	**155**	**240**
Employee contributions	3	3	24	25	1	0	**28**	**28**
Interest expense	123	52	162	92	2	1	**287**	**145**
Payments	-108	-98	-178	-192	-4	-7	**-290**	**-297**
thereof pension payments	-108	-94	-178	-184	-4	-7	**-290**	**-285**
thereof payments for settlements	–	-4	–	-8	–	–	**–**	**-12**
Past service costs and profit or losses from settlements	5	4	-3	-2	0	0	**2**	**2**
Transfers	181	1	-2,541	0	0	–	**-2,360**	**1**
Changes in the scope of consolidation	–	-8	0	-18	–	–	**0**	**-26**
thereof additions to scope of consolidation	–	–	–	–	–	–	**–**	**–**
thereof disposals from scope of consolidation	–	-8	0	-18	–	–	**0**	**-26**
Actuarial gains (-)/losses (+)	447	-1,817	116	-2,370	–	-22	**563**	**-4,209**
from revaluations based on experience	-2	-125	95	485	-4	0	**89**	**360**
from changes in demographic assumptions	-4	-2	-48	-38	1	-1	**-51**	**-41**
from changes in financial assumptions	453	-1,690	69	-2,817	3	-21	**525**	**-4,528**
Exchange rate effects	–	–	86	-241	-1	0	**85**	**-241**
Scope of commitments as of Dec 31	**3,889**	**3,121**	**1,703**	**4,001**	**51**	**51**	**5,643**	**7,173**

The transfers in the Europe column (excluding Germany) concerned the reclassification of pension provisions of the former DB Arriva segment into liabilities related to assets held for sale.

The development of the plan assets is detailed in the following overview:

	Germany		Europe (excluding Germany)		Rest of world		Total	
€ million	2023	2022	2023	2022	2023	2022	2023	2022
Fair value of plan assets as of Jan 1	271	328	3,949	5,207	33	40	**4,253**	**5,575**
Employer contributions	37	30	73	79	2	2	**112**	**111**
Employee contributions	0	1	24	25	0	0	**24**	**26**
Notional return from plan assets	17	4	165	86	1	0	**183**	**90**
Payments	- 18	- 5	- 171	- 185	- 3	- 7	**- 192**	**- 197**
thereof pension payments	- 18	- 5	- 171	- 177	- 3	- 7	**- 192**	**- 189**
thereof payments for settlements	–	–	–	- 8	–	–	**–**	**- 8**
Transfers	236	–	- 2,468	–	0	–	**- 2,232**	**–**
Changes in the scope of consolidation	–	0	–	- 13	–	–	**–**	**- 13**
Revaluation	12	- 87	75	- 1,016	0	- 2	**87**	**- 1,105**
Administrative costs: costs of pension assurance	–	–	- 8	- 10	- 1	0	**- 9**	**- 10**
Exchange rate effects	–	–	84	- 224	0	0	**84**	**- 224**
Fair value of plan assets as of Dec 31	**555**	**271**	**1,723**	**3,949**	**32**	**33**	**2,310**	**4,253**

The transfers in the Europe (excluding Germany) column related almost exclusively to plan assets in the former DB Arriva segment.

The reported plan assets are broken down as follows:

	Germany		Europe (excluding Germany)		Rest of world		Total	
AS OF DEC 31 / € million	2023	2022	2023	2022	2023	2022	2023	2022
Stocks and other securities	24	12	377	1,866	8	10	**409**	**1,888**
thereof with market price listing	24	12	377	1,866	8	10	**409**	**1,888**
Interest-bearing securities	190	158	1,190	1,426	22	21	**1,402**	**1,605**
thereof with market price listing	190	158	1,190	1,426	22	21	**1,402**	**1,605**
Reinsurance	66	68	98	96	–	–	**164**	**164**
thereof with market price listing	66	68	91	82	–	–	**157**	**150**
thereof without market price listing	–	–	7	14	–	–	**7**	**14**
Private equity	–	–	76	158	–	–	**76**	**158**
thereof without market price listing	–	–	76	158	–	–	**76**	**158**
Investments in infrastructure	–	–	1	167	–	–	**1**	**167**
thereof with market price listing	–	–	1	167	–	–	**1**	**167**
Cash and other assets	275	33	- 19	236	2	2	**258**	**271**
thereof with market price listing	41	33	- 28	69	0	0	**13**	**102**
thereof without market price listing	234	–	9	167	2	2	**245**	**169**
	555	**271**	**1,723**	**3,949**	**32**	**33**	**2,310**	**4,253**
thereof assets recorded as receivables from plan assets	–	–	- 111	- 118	0	–	**- 111**	**- 118**
	555	**271**	**1,612**	**3,831**	**32**	**33**	**2,199**	**4,135**

Changes in the net pension provisions are detailed in the following:

	Germany		Europe (excluding Germany)		Rest of world		Total	
€ million	2023	2022	2023	2022	2023	2022	2023	2022
Provision as of Jan 1	2,850	4,467	102	528	18	36	**2,970**	**5,031**
Pension expenses	232	243	38	62	5	4	**275**	**309**
thereof service cost	117	189	36	48	2	3	**155**	**240**
thereof employee contributions	2	2	–	–	1	–	**3**	**2**
thereof interest income and interest expenses	108	48	- 3	6	1	1	**106**	**55**
thereof administrative expenses	–	–	8	10	1	0	**9**	**10**
thereof past service costs and profits or losses from settlements	5	4	- 3	- 2	0	0	**2**	**2**
Employer contributions	- 36	- 30	- 73	- 79	- 2	- 2	**- 111**	**- 111**
Payments	- 90	- 93	- 7	- 7	- 1	0	**- 98**	**- 100**
thereof pension payments	- 90	- 89	- 7	- 7	- 1	0	**- 98**	**- 96**
thereof payments for settlements	–	- 4	–	0	–	–	**–**	**- 4**
Transfers	5	1	11	0	0	–	**16**	**1**
Changes in the scope of consolidation	–	- 8	0	- 5	–	–	**0**	**- 13**
thereof additions to scope of consolidation	–	–	–	–	–	–	**–**	**–**
thereof disposals from scope of consolidation	–	- 8	0	- 5	–	–	**0**	**- 13**
Revaluation	427	- 1,730	21	- 414	0	- 20	**448**	**- 2,164**
from revaluations based on experience	- 2	- 125	65	405	- 4	0	**59**	**280**
from changes in demographic assumptions	- 4	- 2	- 37	- 36	0	- 1	**- 41**	**- 39**
from changes in financial assumptions	453	- 1,690	54	- 1,756	3	- 21	**510**	**- 3,467**
Difference between actual income and theoretical income from plan assets	- 12	87	- 61	973	1	2	**- 72**	**1,062**
Changes to the asset limit	- 8	–	0	0	–	–	**- 8**	**0**
Exchange rate effects	–	–	2	- 6	- 1	0	**1**	**- 6**
Change in recognized assets	–	–	- 9	23	–	–	**- 9**	**23**
Provision as of Dec 31	**3,388**	**2,850**	**85**	**102**	**19**	**18**	**3,492**	**2,970**

The actuarial parameters used for assessing the value of most of the pension provision are set out in the following:

%	2023	2022
INTEREST RATE		
Germany and rest of world (excluding United Kingdom)	3.20	3.80
United Kingdom	4.50	4.75
EXPECTED RATE OF SALARY INCREASES		
Germany and rest of world (excluding United Kingdom)	4.10	4.10
United Kingdom	3.10	3.30
EXPECTED RATE OF PENSION INCREASE (DEPENDING ON GROUP OF PERSONNEL)		
Germany and rest of world (excluding United Kingdom)	2.25	2.00
United Kingdom	2.10	2.30

The 2018 G mortality tables of Professor Dr. Klaus Heubeck have been used without changes for valuing the pension obligations for the German Group companies. Country- or benefit-scheme-specific mortality tables have been used for valuing the pension obligations of the other Group companies.

Sensitivities and additional information:

AS OF DEC 31 / € million	2023	2022
Total obligation for an interest rate increased by 1 percentage point	4,905	6,225
Total obligation for an interest rate reduced by 1 percentage point	6,578	8,364
Total obligation with salary growth increased by 0.5 %	5,667	7,239
Total obligation for pensions increased by 0.5 %	5,930	7,473
Total obligation for life expectancy increased by 1 year	5,792	7,411
Total obligations	5,644	7,173
thereof active beneficiaries	2,504	3,027
thereof former employees	798	1,245
thereof pensioners	2,341	2,901
Expected payments into plan assets for next year	63	110
Direct pension payments for next year	128	116
Duration of benefit obligation (years)	15.4	15.5

The sensitivity figures have been established using the method which was used for calculating the extent of the commitment. One assumption was modified while the other assumptions were retained, which means that interdependencies between the individual assumptions were disregarded.

(32) OTHER PROVISIONS

Other provisions are recognized if a legal or constructive commitment exists as a result of a past event, the probability of its utilization is greater than 50 % and it will lead to an outflow of resources, and if a reliable estimate of the extent of the commitment can be made (IAS 37 Provisions, Contingent Liabilities and Contingent Assets).

Non-current provisions are discounted using market interest rates. Provisions for environmental protection for the rehabilitation of existing ecological damage are discounted on the basis of real interest rates, which are adjusted to reflect the risk and the period until fulfillment. The difference between the nominal value of the expected outflows and the present value recognized for the provisions for environmental protection of DB AG for transferred liabilities for the elimination of existing damage from the time previous to the foundation of DB AG is stated under deferred items, and represents the interest benefit resulting from the longer-term release of the provision. The compounding expense attributable to other provisions is recognized in net interest income. Provisions for impending losses are measured as the lower of the amount of the expected costs for fulfilling the agreement and the expected costs for terminating the agreement.

Critical estimations and assessments

The process of determining all types of provisions is associated with estimates regarding the extent and/or timing of obligations.

The provisions for environmental protection relate primarily to the commitment of DB AG to remedy the ecological burdens which arose before January 1, 1994, on the land of the former Deutsche Bundesbahn and the former Deutsche Reichsbahn. Ecological burdens are defined as contamination of soil and groundwater that requires rehabilitation and that pose risks, considerable disadvantages or considerable problems for private individuals or society at large. The legal basis for deriving remediation obligations is summarized in the soil and water laws of the Federal Government and the Federal states. The process of dealing with ecological burdens also comprises necessary rehabilitation measures for existing sewers, in order to avoid soil and groundwater contamination caused by leaks from the sewer system, as well as measures for shutting down old landfill sites.

The provision has been calculated on the basis of a discounting method using the present value, where remediation measures are probable, the remediation costs can be reliably estimated and no future benefit is expected to be derived from these measures.

The estimation of future remediation costs is subject to various factors. Major drivers in this respect can be the application of innovative rehabilitation measures, changes in legal conditions and also the development in market prices for disposing of ecological burdens. In order to make a realistic assessment of the remediation costs in individual cases, the working programs have included adjustments to cost estimates as a result of greater knowledge and official agreements in the successive processing stages.

For the valuation of provisions as of the balance sheet date, the investigation and rehabilitation obligations which are currently known have been used as the basis for estimating the expected costs in relation to the current price level. The provision is discounted on the basis of expected cash outflows, using a risk-adjusted interest rate of 0.18 % (as of Dec 31, 2022: 0.09 %).

Provisions for impending losses from pending transactions are created if a loss is probable and can be reliably estimated. In view of the uncertainty associated with this assessment, the actual losses may differ from the original estimates and may thus also differ from the amount of the provision. In DB Group, such uncertainty results particularly from the estimation of future income from transport contracts, the associated material- and personnel-related expenses as well as any penalty payments. Changes in the estimations of these impending losses from pending transactions may have a considerable impact on the future results of operations.

The provisions for decommissioning are measured mainly on the basis of estimations that, for decommissioning and disposal costs, are derived mainly from sector-specific appraisals. The provisions are shown with their discounted settlement amount at the point at which they originate.

Movements in other provisions are shown in the following:

€ million	Personnel-related provisions 2023	2022	Revenue discounts 2023	2022	Provisions for impending losses 2023	2022	Decommissioning obligations 2023	2022	Environmental protection 2023	2022	Other provisions 2023	2022	Total 2023	2022
As of Jan 1	828	910	2,604	2,254	545	590	465	433	1,383	1,443	1,745	1,866	**7,570**	**7,496**
Currency translation effects	-2	0	0	0	1	-4	–	–	0	0	-5	-4	**-6**	**-8**
Changes in the scope of consolidation	0	-5	–	-24	0	–	–	–	–	–	0	10	**0**	**-19**
thereof additions to scope of consolidation	–	0	–	–	–	–	–	–	–	–	–	19	**–**	**19**
thereof disposals from scope of consolidation	0	-5	–	-24	0	–	–	–	–	–	0	-9	**0**	**-38**
Amounts used	-265	-250	-502	-485	-151	-164	-49	-44	-46	-45	-355	-253	**-1,368**	**-1,241**
Reversals	-52	-83	-286	-202	-38	-38	-10	-8	0	0	-217	-217	**-603**	**-548**
Reclassifications	-14	-22	142	13	-70	-32	–	–	-2	-1	-136	-35	**-80**	**-77**
Additions	390	310	1,696	1,048	223	212	29	89	30	1	444	442	**2,812**	**2,102**
Compounding and discounting	13	-32	–	–	7	-19	-4	-5	-12	-15	4	-64	**8**	**-135**
As of Dec 31	**898**	**828**	**3,654**	**2,604**	**517**	**545**	**431**	**465**	**1,353**	**1,383**	**1,480**	**1,745**	**8,333**	**7,570**

The following table breaks down the other provisions into current and non-current amounts, and also details their estimated residual maturity:

€ million	Residual maturity: Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total more than 1 year	Total
AS OF DEC 31, 2023								
Personnel-related provisions	413	137	103	62	45	138	**485**	**898**
Revenue discounts	3,654	–	–	–	–	–	–	**3,654**
Provisions for impending losses	220	126	60	44	25	42	**297**	**517**
Decommissioning commitments	53	49	44	45	45	195	**378**	**431**
Environmental protection	63	61	67	54	62	1,046	**1,290**	**1,353**
Other provisions	1,053	85	122	70	59	91	**427**	**1,480**
Total	**5,456**	**458**	**396**	**275**	**236**	**1,512**	**2,877**	**8,333**
AS OF DEC 31, 2022								
Personnel-related provisions	336	143	98	62	46	143	**492**	**828**
Revenue discounts	2,604	–	–	–	–	–	–	**2,604**
Provisions for impending losses	241	97	93	43	35	36	**304**	**545**
Decommissioning commitments	79	45	45	45	45	206	**386**	**465**
Environmental protection	55	58	59	57	52	1,102	**1,328**	**1,383**
Other provisions	1,295	106	99	61	60	124	**450**	**1,745**
Total	**4,610**	**449**	**394**	**268**	**238**	**1,611**	**2,960**	**7,570**

Personnel-related provisions

Benefits arising on the occasion of the termination of employment agreements (severance packages) become payable if employees are released from their duties under the terms of early retirement or part-time working in the lead-up to retirement scheme before the regular retirement age (which would not involve any reduction of retirement benefits) or if employees voluntarily terminate their employment contract in return for a severance package. Severance payments are recognized if there is a demonstrable commitment either to terminate the employment agreements of current employees in accordance with a detailed formal plan that cannot be reversed or to make severance payments if the employment contract is voluntarily terminated by employees within the framework of employment contract termination agreements.

Severance package commitments for agreements made as of the balance sheet date are recognized as other liabilities and – if they are not yet included in individual agreements and if they are part of a restructuring commitment in accordance with IAS 37 – are stated as other provisions.

Individual contractual agreements on part-time working in the lead-up to retirement are usually based on the block model. The top-up amounts paid in addition to salary by DB Group during the part-time working in the lead-up to retirement period as well as additional contributions to the statutory pension insurance scheme are collected in installments up to the end of the active phase of the part-time working in the lead-up to retirement period and are recognized as provisions in accordance with IAS 19. The compensation backlog (plus the employer's contributions to social security insurance) for the additional work performed during the employment phase is also shown with the present pro rata present value as another non-current employee benefit.

If certain conditions are satisfied, under the collective bargaining agreement, DB Group offers its employees the opportunity to reduce their working hours to a level below their regular working hours (special semi-retirement arrangement). In these cases, the number of working hours is reduced to 81% of the reference or regular working hours, while the employees' remuneration is topped up to 90%. Payments into the company pension plan are granted on the basis of 100% of the reference or regular working hours.

The personnel-related provisions were structured as follows:

AS OF DEC 31 / € million	2023	2022
Personnel contractual commitments	454	385
Early retirement and part-time working in the lead-up to retirement obligations	188	184
Service anniversary provisions	89	92
Other	167	167
Total	**898**	**828**

The personnel-related provisions included commitments arising from employment agreements that result from the entitlement of many employees under labor law and the willingness of DB AG not to terminate employment contracts for operational reasons. In such cases, DB Group will incur losses in the form of personnel expenses which will have to be borne until the employment contract is terminated or the employee is placed with another company; no reciprocal benefit will be provided in return for these expenses (commitment surpluses relating to employment agreements). In addition, personnel contractual commitments included restructuring provisions. Amounting to € 93 million, these affected the DB Schenker segment and in particular covered expenses due to the centralization of financial functions. In addition, provisions for the transformation of DB Cargo amounting to € 23 million were formed.

A figure of about € 330 million was allocated to the provision for obligation surpluses from employment arrangements as of December 31, 2023 (as of December 31, 2022: € 346 million); this item accounted for a considerable percentage of the personnel-related provisions in DB Group. This provision recognizes the personnel-related commitments of DB AG for the employment guarantee included in the collective bargaining agreement designed to address demographic change (Demografietarifvertrag; DemografieTV).

The provisions for part-time working in the lead-up to retirement and early retirement commitments take into account the commitments arising from collective bargaining agreements, and have been calculated on the basis of actuarial reports. The regulations of DemografieTV on special part-time work in old age included an amount of € 90 million (as of December 31, 2022: € 86 million) for the entitlement of employees with many years of service and also many years of shift working to enjoy special semi-retirement benefits.

Revenue discounts

The increase in revenue discounts resulted mainly from contractual penalties due to train cancellations, delays and quality defects due in particular to the extensive construction work in the area of infrastructure, increased sickness rates and strike days as part of industrial action measures, as well as from the special settlement procedure for the reimbursement of fare losses by the German Federal Government and states in connection with the introduction of the Germany-Ticket on May 1, 2023.

Provisions for impending losses

The provisions for impending losses mainly relate to transport contracts in which commitment surpluses build up over the duration of the contracts. The additions related mainly to DB Regional.

As of December 31, 2023, an amount of € 91 million (as of December 31, 2022: € 164 million; as of December 31, 2022: € 8 million to DB Arriva) was added to DB Regional.

Decommissioning provisions

The provisions for decommissioning commitments referred to the pro rata decommissioning commitment in relation to a joint power generation plant. The valuation of the provision considered a standard cost increase rate in this sector of 2.96 % (as of December 31, 2022: 3.25 %) and a nominal interest rate of 3.54 % (as of December 31, 2022: 3.00 %).

Provisions for environmental protection

€ 1,339 million of the provision for environmental protection (as of December 31, 2022: € 1,374 million) is attributable to DB AG. The change of € 35 million resulted from the utilization of restructuring obligations (€ –44 million), an addition (€ +21 million) and an interest effect (€ +12 million). In order to take account of the remedial action obligations recognized in the provisions for environmental protection, DB AG has set up various programs, including the following:

- the 4-stage program for soil remediation
- the 3-stage sewerage network program
- the 2-stage landfill shut-down program

The structured processing ensures that the procedure for identifying and assessing risks and taking appropriate remedial action is consistent with all legal requirements and optimized in terms of costs.

In the 4-stage soil decontamination program, existing soil and/or groundwater contamination is localized via the stages “historic exploration,” “orienting investigation” and “detail investigation,” and is assessed on the basis of the relevant statutory testing criteria. If any negative change in soil conditions or ecological burdens is identified, implementation of the necessary remedial action is planned by the steps feasibility study, model planning and approval planning. The process of carrying out the remedial action is supported by a binding remedial action plan or a public-sector agreement with defined remedial action objectives.

The 3-stage sewerage network program aims to remedy any contamination of soil and/or groundwater resulting from leaks. The program also involves a plan to optimize the existing sewerage network to ensure that it is capable of meeting future requirements and to ensure that the need to take remedial action can be limited to this future network. Any network that is not necessary for operation will be decommissioned. The sewerage program will be carried out via the stage 1 “recording,” stage 2 “inspection” and stage 3 “remedial action/decommissioning.” Legal requirements are set out in the Water Resources Accounting Act (Wasserhaushaltsgesetz; WHG), the Water Acts of the Federal states and the own control regulations.

The two-stage program “shut-down of landfill sites” systematically records all legacy landfill sites operated by DB Group (stage 1). The requirements resulting from the Recycling Accounting Act (Kreislaufwirtschaftsgesetz; KrWG) and the Landfill Site Regulation (Deponieverordnung; DepV) are used as the basis for planning and implementing the processes of decommissioning and recultivating the areas (stage 2a) and the subsequent maintenance (stage 2b).

The provision was revalued in the year under review. This resulted in the transfer of € 21 million.

Other provisions

The other provisions comprised provisions for project risks, compensation for damages, real estate risks, decommissioning and demolition obligations, guarantee and warranty obligations, insurance, liabilities, third-party obligations for maintenance and other tax risks as well as numerous other issues which individually are of minor significance.

(33) DEFERRED ITEMS

DB Group receives various public-sector grants, which are provided in relation to specific assets or on the basis of a specific performance. The grants are recognized in the balance sheet as soon as it is certain that they will be provided and as soon as the conditions necessary for receiving the grants have been satisfied. The grants related to assets, and in particular investment grants, are deducted directly from the assets for which the grants have been received. The interest benefit (spread between nominal value and present value) of interest-free loans is deferred on the basis of the contractual grant conditions. The income from pro rata reversal of these accruals is shown as other operating income.

The deferred items contained the following:

AS OF DEC 31 / € million	2023	2022
Deferred public-sector grants	111	137
Deferred income	862	904
Other	390	384
Total	**1,363**	**1,425**
Non-current share	598	526
Current share	765	899

Notes to the statement of cash flows

The statement of cash flows shows the changes in cash and cash equivalents in the year under review, and was prepared in accordance with IAS 7 (Statement of Cash Flows). The indirect method has been used for showing cash flow from regular business operations.

The following explanations relate to the continuing operations:

- Interest income and interest payments, dividend income and tax payments are stated under operating activities.
- Cash and cash equivalents include the cash and cash equivalents stated in the balance sheet with a residual maturity of up to three months (cash in hand, cash at banks as well as security investments). As of December 31, 2023, of the total figure stated for cash and cash equivalents, € 6 million (as of December 31, 2022: € 1,277 million) was restricted. In the previous year, restricted cash balances of companies operating at country level were shown in certain countries from which the transfer of money appeared difficult. Our experience has now shown that transfers can be made on a regular basis, meaning that the cash balances of these companies operating at country level are no longer shown as restricted cash.
- Current receivables due from banks (as of December 31, 2023: € 228 million; as of December 31, 2022: € 142 million), resulting from collateral agreements in connection with financial futures, are shown under current other receivables and assets. Because it is becoming increasingly difficult to predict the performance of financial futures, it can only be assumed to a limited extent that such hedges represent current liquidity.

Cash flow from the discontinued operations relates to the former DB Arriva segment.

CASH FLOW FROM OPERATING ACTIVITIES

The cash flow from operating activities is calculated by adjusting the net profit/loss for the period before taxes by non-cash amounts (in particular additions to and reversals of other provisions) and by adding other changes in current assets, in liabilities (excluding financial debt) and provisions. The cash inflow from operating activities is then established after due consideration is given to interest and tax payments.

In accordance with IFRS 16, outflows related to leases are recognized in cash flow from financing activities if they are redemption payments, and are recognized in cash flow from operating activities if they are payments of interest.

The cash inflow from operating activities has decreased considerably in the year under review. This was due to a significantly reduced net profit for the year, adjusted for increased depreciation on property, plant and equipment and intangible assets, lower trade liabilities and significantly increased non-cash expenses.

Non-cash expenses and income increased in the year under review, particularly as a result of a significantly increased balance of expenses from additions to and reversals of other provisions (€ +926 million).

CASH FLOW FROM INVESTING ACTIVITIES

The cash flow from investing activities is calculated as the cash inflow provided by the disposal of property, plant and equipment and intangible assets as well as by investment grants, and the cash outflow for capital expenditures on property, plant and equipment and intangible assets, as well as cash flow from the addition and disposal of non-current financial assets.

Payments received from investment grants are shown under investing activities due to the close connection between investment grants received and the payments made for investments in property, plant and equipment assets.

The increase in cash outflows from investing activities was particularly the result of a significant increase in payments for investments in property, plant and equipment and intangible assets (€ +2,119 million/+15.0%) and an increase in the payment balance from investment grants (€ +701 million; +8.3%). This was countered by payments for investments in financial assets (€ –565 million) and payments for the acquisition of shares in consolidated companies (€ –272 million). On balance, inflows and outflows for investments in financial assets included outflows of € 243 million (previous year: € 326 million) for investments from the acquisition of transport concessions (IFRIC 12).

When changes take place in the scope of consolidation as a result of the acquisition or sale of companies, the acquisition price paid (excluding any liabilities that are transferred) less the acquired or sold financial resources are stated as cash flow from investing activities.

CASH FLOW FROM FINANCING ACTIVITIES

The cash flow from financing activities is due to additions to capital, the net inflows and outflows attributable to senior bonds issued, changes in bank borrowings and loans as well as outflows for the redemption of finance leasing liabilities and interest-free loans.

The cash inflow from financing activities increased by about 50%. This was due in particular to an increase in the net inflow from the raising and repayment of funds, mainly from the repayment of bank borrowings and a reduced net inflow from the issue and redemption of senior bonds. In addition, there were lower proceeds from capital injections, the distribution of profits to the Federal Government and increased payments for redemptions of lease contracts.

INFORMATION REGARDING THE CHANGES IN FINANCIAL LIABILITIES (IAS 7)

€ million	As of Jan 1, 2023	Cash-effective changes (inflow [+]/ outflow [-])	Non-cash changes: Acquisition (+)/ disposal (-) ofcompanies	Non-cash changes: Exchange rate effects	Non-cash changes: Addition (+)/ disposal (-) of liabilities and receivables from financing	Non-cash changes: Reclassification of discontinued operations	Non-cash changes: Compounding [1]	As of Dec 31, 2023
Financial receivables	-142	-86	–	–	–	–	–	-228
LIABILITIES FROM FINANCING								
Interest-free loans	298	-155	–	–	–	–	9	152
Senior bonds	28,802	1,124	–	98	–	–	18	30,042
Commercial paper	–	358	–	–	–	–	–	358
Bank borrowings	545	2,030	–	-1	–	–	–	2,574
Leasing liabilities [1]	5,180	-1,021	-4	-29	774	-115	2	4,787
Liabilities from transport concessions	164	-17	–	–	4	–	–	151
Other financial liabilities	284	-220	–	-1	-11	-8	–	44
	35,273	**2,099**	**-4**	**67**	**767**	**-123**	**29**	**38,108**
Total	**35,131**	**2,013**	**-4**	**67**	**767**	**-123**	**29**	**37,880**

[1] The outflows for leasing liabilities including interest paid amounted to € 1,131 million as of December 31, 2023. For the statement of cash flows, these were broken down into an interest component and a redemption component. This interest element is netted under compounding.

€ million	As of Jan 1, 2022	Cash-effective changes (inflow [+]/ outflow [-])	Non-cash changes: Acquisition (+)/ disposal (-) of companies	Non-cash changes: Exchange rate effects	Non-cash changes: Addition (+)/ disposal (-) of liabilities and receivables from financing	Non-cash changes: Reclassification of discontinued operations	Non-cash changes: Compounding [2]	As of Dec 31, 2022
Financial receivables	-83	-59	–	–	–	–	–	-142
LIABILITIES FROM FINANCING								
Interest-free loans	446	-157	–	–	-7	–	16	298
Senior bonds	27,403	1,487	–	-105	–	–	17	28,802
Commercial paper	–	–	–	–	–	–	–	–
Bank borrowings	1,320	-779 [1]	-40	–	–	44 [1]	–	545
Leasing liabilities [2]	5,059	-935 [1]	59	-29	1,148	-124 [1]	2	5,180
Liabilities from transport concessions	180	-16	–	–	–	–	–	164
Other financial liabilities	78	149	65	-11	3	–	–	284
	34,486	**-251**	**84**	**-145**	**1,144**	**-80**	**35**	**35,273**
Total	**34,403**	**-310**	**84**	**-145**	**1,144**	**-80**	**35**	**35,131**

[1] Figure adjusted.
[2] The outflows for leasing liabilities including interest paid amounted to € 1,015 million as of December 31, 2022. For the statement of cash flows, these were broken down into an interest component and a redemption component. This interest element is netted under compounding.

Notes to the segment information by operating segments

The DB Group segment reporting has been prepared in accordance with IFRS 8 (Operating Segments). The operating segments of DB Group result from the aggregation of fully consolidated companies; these companies have been allocated to specific segments on the basis of the company-specific operational performance on a defined market. The Management Board takes its decisions and carries out economic analyses as well as assessments at the level of the operating segments ("management approach").

The allocation of companies to operating segments in external accounting is consistent with the allocation in internal management reporting. This means that the management and legal structure of DB Group are congruent. As a result of this allocation principle, there are no partial balance sheets or partial income statements within a legal entity that are allocated to different segments.

In this connection, management reporting is addressed to the Management Board in its function as the primary decision maker. Management reporting in DB Group is based on the accounting principles in accordance with IFRS. With regard to reconciling the segment data with the corresponding corporate data, it is accordingly mainly necessary to take account of consolidation effects. For this reason, a consolidation column is used for reconciliation purposes. The operations of the business segments are covered in the reporting format in line with the corporate organization structure of DB Group. The main regions covered by DB Group are detailed in the segment information by regions.

The former DB Arriva segment has been classified and reported as discontinued operations since October 2023. As a result, as of December 31, 2023, the business area will no longer be part of management and thus the internal management financial information. Segment reporting as of December 31, 2023, including the previous year's figures in the statement of comprehensive income, was adjusted accordingly. The assets and liabilities of the previous year of the subsidiaries belonging to the former segment are presented in the reconciliation. As of December 31, 2023, the continuing operations of DB Group consisted of the remaining eight segments.

DB Group uses the following primary segments of the Integrated Rail System:

- **DB Long-Distance:** The DB Long-Distance segment comprises all cross-regional transport and service operations in long-distance rail passenger transport. Most of these transport services are provided in Germany.
- **DB Regional:** The DB Regional segment combines the activities for the German transport and general services in regional rail and road local passenger transport. These activities also comprise the S-Bahn (metro) operations in Berlin and Hamburg.
- **DB Cargo:** All European rail freight transport activities are pooled in the DB Cargo segment. In addition, the multimodal activities are included in the large-volume full load transport of the European land transport network. It operates primarily in Germany, Denmark, the Netherlands, Italy, the United Kingdom, France, Poland and Spain.
- **DB Netze Track:** The DB Netze Track segment is responsible for installing, maintaining and operating our track-related rail infrastructure in Germany.

  With the registration in the trade register on December 27, 2023, DB Station&Service AG was merged into DB Netz AG with retroactive effect from May 1, 2023. At the same time, DB Netz AG was rebranded and now operates under the name DB InfraGO AG. The purpose of the company is to operate the rail infrastructure as a commercial enterprise, with particular regard to public-interest objectives and the respective financing bases. In segment reporting, the DB Netze Track and DB Netze Stations segments were reported separately for the last time as of December 31, 2023. From January 1, 2024, they will be grouped in the new DB InfraGO segment.
- **DB Netze Stations:** The DB Netze Stations segment comprises the operation, development and marketing of passenger stations and retail facilities in stations in Germany.
- **DB Energy:** The DB Energy segment provides all standard energy products in the fields of transport energy and stationary energy.
- **Subsidiaries/Other:** This segment comprises DB AG with its numerous management, financing and service functions in its capacity as the management holding of DB Group. This also includes the service companies which mostly render their services within DB Group in the fields of transport, logistics, information technology and telecommunications. The other subsidiaries and remaining activities are classified under Subsidiaries/Other as well.

In addition to the Integrated Rail System, the following segment also exists:

- **DB Schenker:** All global logistics activities of DB Group are managed in the DB Schenker segment. These comprise the freight forwarding, transport and other services in commodity and goods transport.

The data concerning the segments are shown after intra-segment relations have been eliminated. The transactions between the segments (inter-segment relations) are eliminated in the consolidation column.

The income and expenses detailed on the basis of operating segments in the segment information by segments are adjusted by issues which are of an exceptional nature in terms of the amount involved or in terms of the reason for the specific issue. A general adjustment is recognized for book profits and losses attributable to transactions with investments/financial assets and in the amount of the depreciation on long-term customer contracts that have been capitalized as part of the purchase price allocation process of company acquisitions. In addition, an adjustment is recognized for individual issues if they are of an exceptional nature, if they are definable for accounting purposes, if they can be measured and if the amount involved is material. They are shown in the reconciliation column. This column also includes the reconcilation of the balance sheet items of capital employed (contents allocated in accordance with management reporting) to the external presentation in accordance with the consolidated balance sheet of DB Group. As a result of the dissolution of the DB Arriva segment, the assets and liabilities of the relevant companies for the previous year are presented in the reconciliation.

Segment reporting is based on the key business figures used for the internal management of the operating segments. These key figures form the basis of the value-oriented management concept (see Capital management in DB Group 232f.).

The external revenues and other income consist exclusively of income generated by the segments with non-Group parties. The internal revenues and other income show the income with other segments of DB Group (inter-segment income). The intercompany prices for intra-Group transactions are determined on a market-related basis.

EBITDA (earnings before interest, taxes, depreciation and amortization) is used for assessing the pure earning power of the operating segments. It does not include any costs of capital employed in the form of depreciation and interest. Accordingly, EBITDA is not influenced by segment-specific financing structures and long-term capital expenditure cycles (in particular in the infrastructure segments) because depreciation is incurred sooner than the positive returns generated by these capital expenditures. EBITDA thus has the character of pre-tax cash flow.

On the other hand, EBIT additionally comprises depreciation recognized in relation to fixed assets (property, plant and equipment and intangible assets). EBIT represents the operating profit generated that is available to satisfy the interest yield claims on the investor side.

The costs of financing that are incurred as a result of the (in certain cases) very high amounts of capital tied up in the segments of DB Group (particularly in the infrastructure segments) are also relevant for a long-term assessment of results. This is the reason why the operating interest balance is also taken into consideration in the key figure operating income after interest.

The capital employed also has to be taken into consideration in addition to the above-mentioned parameters for internal management of the operating segments. The capital employed comprises the essential capital which is used by providers of equity and debt investors and for which interest has to be paid.

Net financial debt corresponds to the balance of external liabilities subject to interest as well as cash and cash equivalents, interest-bearing external receivables and short-term cash investments in money-market funds. The net financial debt of the segments also comprises the receivables and liabilities attributable to Group financing as well as from domination and profit-and-loss transfer agreements.

Gross capital expenditures consist of capital expenditures in property, plant and equipment and intangible assets excluding capitalized costs of debt. Net capital expenditures are calculated by deducting the participation of third parties in the financing of specific capital expenditure projects (essentially the investment grants of the Federal Government and the Federal states). In the year under review, the companies of the former DB Arriva segment were included until the date of signing of the purchase agreement.

Additions from changes in the scope of consolidation are shown as part of segment gross capital expenditures, and comprise exclusively the capital expenditures on property, plant and equipment and intangible assets, including the goodwill acquired as part of company acquisitions or included in the consolidated financial statements for the first time.

The number of employees comprises the workforce, excluding trainees and dual degree students, at the end of the reporting period (part-time employees have been converted to full-time equivalents).

The segments are subject to the same accounting principles (Basic principles and methods 228ff.) which are applicable for the remainder of the consolidated financial statements. Intra-Group segment transactions are generally conducted at market prices.

EXPLANATIONS CONCERNING THE INFORMATION BY REGIONS

External revenues are stated on the basis of the registered offices of the Group company providing the service.

Non-current assets are also allocated on the basis of the location of the company. The non-current assets comprise intangible assets, property, plant and equipment as well as non-current receivables and other assets (excluding financial instruments, deferred tax assets, rights from insurance policies as well as assets in conjunction with benefits after termination of the employment agreement).

INFORMATION CONCERNING MAJOR CUSTOMERS

In the year under review, once again, no single customer accounted for more than 10% of the overall revenues of DB Group.

Risk management and derivative financial instruments

MANAGEMENT OF FINANCIAL AND ENERGY PRICE RISKS

As a mobility, transport and logistics group with international operations, DB Group is exposed to financial risks in the form of changes in interest rates and exchange rates. In addition, there are also energy price risks on the procurement side as a result of fluctuations in the prices of diesel fuel and electricity. One of the aspects of corporate policy is to actively manage and thus limit these risks by means of the use of derivative financial instruments.

DB AG is responsible for all financing and hedging transactions of DB Group with its central Group Treasury, and operates in close cooperation with the subsidiaries, where the risk positions primarily arise. Group Treasury follows the relevant regulations for risk management (Minimum requirements for risk management (Mindestanforderungen an das Risikomanagement; MaRisk), Corporate Sector Supervision and Transparency Act (Gesetz zur Kontrolle und Transparenz im Unternehmensbereich; KonTraG)). Speculation is not permitted. Ongoing market and risk assessment takes place as part of risk management.

Derivative financial instruments are used exclusively for hedging interest, currency and energy price risks. All individual transactions correspond to on-balance-sheet or anticipated underlying transactions (for example, issue of senior bonds, procurement of diesel fuel and electricity). The aim is to achieve qualification as an effective hedge in accordance with IFRS 9.

INTEREST RATE RISKS

The interest rate risks are attributable to borrowings at variable interest rates.

In accordance with IFRS 7, the effects of theoretical changes in market interest rates on net profit and loss and shareholders' equity are investigated by means of a sensitivity analysis. For this purpose, the following financial instruments are considered:

- Derivatives designated in cash flow hedges (interest hedges and cross-currency hedges) have an impact on the hedge reserve in shareholders' equity and are therefore taken into consideration in the sensitivity calculations relating to shareholders' equity.
- The sensitivity calculations for net interest income include financial instruments with variable interest (bank deposits, short-term borrowings/investments, cross-currency swaps, loans).

If the level of market interest rates for the exposure had been 100 basis points higher (lower) as of the balance sheet date, the comprehensive income would have been affected as follows:

	2023		2022	
	Changes in market level of interest rates			
€ million	+ 100 BP [1]	– 100 BP [1]	+ 100 BP [1]	– 100 BP [1]
Impact on comprehensive income	– 20	+ 22	– 5	+ 6
thereof net profit/loss for the year	+ 14	– 14	+ 14	– 14
thereof other net profit/loss	– 34	+ 36	– 19	+ 20

[1] Basis points.

FOREIGN CURRENCY RISKS

The foreign currency risks are attributable to financing measures and operating activities.

In order to avoid interest rate and foreign currency risks, the foreign currency bonds and loans issued within the framework of DB Group treasury are converted into euro liabilities and receivables by means of cross-currency swaps. However, it is not necessary for such bonds to be converted in individual cases if there is a guarantee that the bond can be serviced out of inflows of foreign currency payments.

Subsidiaries hedge all significant foreign currency positions in their functional currency via Group Treasury. In exceptional cases and to a limited extent, subsidiaries are permitted to hedge foreign currency positions with banks themselves.

The currency sensitivity analysis in accordance with IFRS 7 is based on the following assumptions:

- The cross-currency swaps which are concluded and the current currency transactions are always allocated to original underlying transactions.
- All major foreign currency positions arising from business operations are always 100% hedged. If exchange rate changes are 100% hedged, they do not have any impact on net profit and loss or equity capital.
- Foreign currency risks can only occur if a 100% hedge does not exist in justified exceptional cases; for instance if a conservative estimate is made for hedge volumes for anticipated foreign currency cash flows in order to avoid overhedging.
- On-balance-sheet foreign currency risks may result from energy price hedging which is not denominated in the respective functional currency.

If the following foreign currencies for currency hedges had weakened or strengthened by 10 % as of the balance sheet date, comprehensive income would not have been significantly affected:

	2023		2022	
	Percentage change in foreign currency exchange rates			
€ million	+ 10 %	- 10 %	+ 10 %	- 10 %
USD	+ 29	- 29	+ 27	- 27
CNY	+ 8	- 9	+ 3	- 3
CAD	- 1	+ 1	0	0
GBP	+ 114	- 114	+ 1	- 1
SGD	- 4	+ 5	- 12	+ 13
HKD	0	0	- 31	+ 31
SEK	- 2	+ 2	0	0
PLN	+ 2	- 2	0	0
HUF	- 4	+ 5	- 2	+ 2
BDT	0	0	+ 1	- 2
VND	- 1	+ 1	- 1	+ 2
PHP	0	0	- 2	+ 3
TWD	0	0	- 2	+ 2
IDR	0	0	+ 2	- 2
TRY	- 2	+ 2	- 3	+ 3
SAR	+ 1	- 1	0	0
ARS	0	- 1	0	0
INR	+ 1	- 1	0	0
ILS	+ 1	- 1	0	0

DB Group has numerous equity investments in foreign subsidiaries whose net assets are exposed to a translation risk. This translation risk is not perceived to be a foreign currency risk for the purposes of IFRS 7, and is not hedged.

ENERGY PRICE RISKS

The Energy Price Risk Management Committee (ERMC) is responsible for managing and minimizing energy price risks; this committee is responsible for ensuring the implementation of the risk policy of DB Group specifically with regard to energy price risks (in particular for the procurement of diesel and electricity). The ERMC takes decisions with regard to specific hedging strategies and measures in which financial and energy derivatives are used.

Swaps relating to the commodities underlying the price formulae are used as hedges for the risks of price changes for sourcing electricity.

Diesel price risks are for instance limited by the conclusion of diesel swaps (usually by means of hybrid hedging of diesel price and currency risks).

The following assumptions have been made for performing the sensitivity analyses in accordance with IFRS 7:

- The effective part of the change in the fair values of energy price swaps is recorded in equity without affecting profit or loss, whereas the ineffective portion is recorded in the statement of income.
- If options are used (collars), the intrinsic value constitutes the effective part of the hedge, so that the intrinsic value is shown in shareholders' equity. On the other hand, the fair value is not part of the hedge, and is shown in the statement of income.

If the energy prices at the end of the year had been 10 % lower (or higher), comprehensive income would have been affected as follows:

	2023		2022	
	Percentage change in market prices			
€ million	+ 10 %	- 10 %	+ 10 %	- 10 %
Impact on comprehensive income	+ 32	- 32	+ 52	- 52
thereof other net profit / loss	+ 32	- 32	+ 52	- 52
Diesel	+ 20	- 20	+ 29	- 29
Hard coal	+ 12	- 12	+ 23	- 23

RISK OF DEFAULT OF INTEREST, CURRENCY AND ENERGY DERIVATIVES

The counterparty default risk is actively managed by way of strict requirements relating to the creditworthiness of the counterparty at the point at which the transactions are concluded and also throughout the entire duration of the transactions, and also by way of defining risk limits.

In order to minimize the credit risk of derivatives, DB Group has concluded credit support agreements (CSAs) with its core banks. In the CSAs, it was agreed that both parties would mutually provide cash securities for interest and cross-currency swaps as well as energy derivatives. Securities are exchanged daily with all relevant banks.

Related amounts that are not netted in the balance sheet:

	Financial assets / liabilities shown in the balance sheet		Related amounts that are not netted in the balance sheet: Amounts subject to framework netting agreement		Cash securities received / provided		Net amounts	
AS OF DEC 31 / € million	2023	2022	2023	2022	2023	2022	2023	2022
Derivative financial instruments – assets	799	748	- 201	- 223	- 524	- 525	**74**	**-**
Derivative financial instruments – liabilities	432	405	- 201	- 223	- 228	- 142	**3**	**40**

The assets of financial derivatives and thus the maximum counterparty default risk have increased as a result of exchange rate fluctuations of the euro against other currencies, particularly against the Swiss franc. Liabilities from derivative financial instruments increased due to falling energy prices. The cash securities received were predominant. The maximum individual risk (default risk in relation to individual contract partners) was € 263 million (as of December 31, 2022: € 151 million) and existed in relation to a bank with an S&P rating of A+. As of December 31, 2023, all contract partners that are exposed to a credit risk had a Moody's rating of at least Baa1/BBB+ for transactions with terms of more than one year.

Liquidity risk

Liquidity management involves maintaining adequate liquid assets, constantly checking the commercial paper market to ensure adequate market liquidity and depth, and the constant availability of financial resources via guaranteed credit facilities of banks (Note (28) 253 ff.).

The following table shows the contractually agreed undiscounted interest payments and redemption payments relating to the original financial liabilities as well as the derivative financial instruments with a positive and negative fair value of DB Group:

MATURITY ANALYSIS OF FINANCIAL LIABILITIES AS OF DEC 31, 2023 / € million	**2024**		**2025**		**2026–2028**		**2029–2033**		**2034 ff.**	
	Fixed/variable interest	**Redemption**	**Fixed/variable interest**	**Redemption**	**Fixed/variable interest**	**Redemption**	**Fixed/variable interest**	**Redemption**	**Fixed/variable interest**	**Redemption**
ORIGINAL FINANCIAL LIABILITIES										
Interest-free loans	–	152	–	–	–	–	–	–	–	–
Senior bonds	492	1,966	446	1,973	1,099	7,118	1,279	9,545	1,316	9,440
Commercial paper	1	358	–	–	–	–	–	–	–	–
Bank borrowings	90	566	90	8	60	2,000	0	–	–	–
Leasing liabilities	106	958	83	802	152	1,474	112	954	178	584
Financing liabilities from transport concessions	3	21	2	21	5	57	2	46	0	6
Other financial liabilities	–	22	–	–	–	21	–	1	–	–
Trade liabilities	–	6,134	–	36	–	66	–	3	–	–
Other and miscellaneous liabilities	–	1,807	–	92	–	420	–	352	–	–
DERIVATIVE FINANCIAL LIABILITIES (NET/GROSS SETTLED)										
Interest rate/currency derivatives in connection with cash flow hedges	63	481	58	238	138	797	163	900	77	592
Interest derivatives in connection with cash flow hedges	21	–	9	–	17	–	4	–	–	–
Currency derivatives in connection with cash flow hedges	–	208	–	–	–	–	–	–	–	–
Currency derivatives without connection to hedges	–	632	–	12	–	0	–	–	–	–
Energy price derivatives	50	–	17	–	4	–	0	–	–	–
DERIVATIVE FINANCIAL ASSETS (GROSS SETTLED)										
Interest rate/currency derivatives in connection with cash flow hedges	67	350	58	639	130	1,669	134	1,740	159	1,272
Currency derivatives in connection with cash flow hedges	–	123	–	–	–	–	–	–	–	–
Currency derivatives without connection to hedges	–	1,073	–	62	–	33	–	–	–	–
VOLUNTARY DISCLOSURES ABOUT DERIVATIVES										
DERIVATIVE FINANCIAL ASSETS (NET SETTLED)										
Interest derivatives in connection with cash flow hedges	5	–	-4	–	-13	–	–	–	–	–
Energy price derivatives	-103	–	-22	–	-3	–	–	–	–	–
INFLOW OF FUNDS FROM DERIVATIVE FINANCIAL INSTRUMENTS (GROSS SETTLED)										
Interest rate/currency derivatives in connection with cash flow hedges	-154	-886	-136	-837	-300	-2,493	-333	-2,795	-299	-1,917
Currency derivatives in connection with cash flow hedges	–	-330	–	0	–	–	–	–	–	–
Currency derivatives without connection to hedges	–	-1,712	–	-74	–	-34	–	–	–	–
FINANCIAL WARRANTIES										
Financial warranties	–	14	–	–	–	–	–	–	–	–

MATURITY ANALYSIS OF FINANCIAL LIABILITIES AS OF DEC 31, 2022 / € million	2023		2024		2025–2027		2028–2032		2033 ff.	
	Fixed/variable interest	Redemption	Fixed/variable interest	Redemption	Fixed/variable interest	Redemption	Fixed/variable interest	Redemption	Fixed/variable interest	Redemption
ORIGINAL FINANCIAL LIABILITIES										
Interest-free loans	–	156	–	155	–	–	–	–	–	–
Senior bonds	419	1,982	379	1,962	896	6,380	965	9,736	1,056	8,963
Commercial paper	–	–	–	–	–	–	–	–	–	–
Bank borrowings	0	539	0	–	–	6	0	–	–	–
Leasing liabilities	96	1,040	77	825	153	1,575	124	1,092	177	670
Financing liabilities from transport concessions	3	20	3	19	6	56	3	60	0	9
Other financial liabilities	–	273	–	2	–	2	–	7	–	–
Trade liabilities	–	7,643	–	74	–	28	–	4	–	–
Other and miscellaneous liabilities	–	2,100	–	164	–	342	–	302	–	–
DERIVATIVE FINANCIAL LIABILITIES (NET/GROSS SETTLED)										
Interest rate/currency derivatives in connection with cash flow hedges	61	259	51	138	123	1,344	115	949	58	151
Interest derivatives in connection with cash flow hedges	12	–	16	–	28	–	10	–	–	–
Currency derivatives in connection with cash flow hedges	–	218	–	–	–	–	–	–	–	–
Currency derivatives without connection to hedges	–	987	–	3	–	12	–	–	–	–
Energy price derivatives	50	–	17	–	4	–	0	–	–	–
DERIVATIVE FINANCIAL ASSETS (GROSS SETTLED)										
Interest rate/currency derivatives in connection with cash flow hedges	67	434	57	697	118	1,480	124	1,822	79	1,653
Currency derivatives in connection with cash flow hedges	–	42	–	–	–	–	–	–	–	–
Currency derivatives without connection to hedges	–	1,679	–	13	–	2	–	–	–	–
VOLUNTARY DISCLOSURES ABOUT DERIVATIVES										
DERIVATIVE FINANCIAL ASSETS (NET SETTLED)										
Interest derivatives in connection with cash flow hedges	–	–	–	–	–	–	–	–	–	–
Energy price derivatives	-103	–	-22	–	-3	–	–	–	–	–
INFLOW OF FUNDS FROM DERIVATIVE FINANCIAL INSTRUMENTS (GROSS SETTLED)										
Interest rate/currency derivatives in connection with cash flow hedges	-150	-784	-136	-884	-298	-2,709	-286	-2,879	-198	-1,870
Currency derivatives in connection with cash flow hedges	–	-257	–	0	–	–	–	–	–	–
Currency derivatives without connection to hedges	–	-2,677	–	-18	–	-13	–	–	–	–
FINANCIAL WARRANTIES										
Financial warranties	–	16	–	–	–	–	–	–	–	–

This includes all instruments which were held as of December 31, 2023, and for which payments had already been agreed. Foreign currency amounts have been translated using the spot rate applicable as of the balance sheet date. The variable interest payments attributable to the financial instruments have been calculated on the basis of the interest rates applicable on December 31, 2023 (previous year: on December 31, 2022). Financial liabilities that can be repaid at any time are allocated to the earliest possible time segment.

The financial liabilities were opposed by cash and cash equivalents of € 2,631 million as of December 31, 2023 (as of December 31, 2022: € 5,138 million), consisting of positive account balances and current short-term deposits.

Additional disclosures relating to the financial instruments

If covered by the scope of IFRS 9, the financial assets and liabilities are categorized and measured in accordance with IFRS 9. Financial assets and liabilities not covered by the scope of IFRS 9 are valued in accordance with the relevant standards and not allocated to any of the valuation categories of IFRS 9.

The carrying amounts as well as the net result per valuation category of IFRS 9 are shown in the following. The fair values and the details of individual classes of financial instruments are shown within the notes to the respective balance sheet items.

In DB Group, financial assets that are allocated to a valuation category according to IFRS 9 mainly comprise trade receivables and cash and cash equivalents.

In DB Group, financial liabilities that are allocated to a valuation category according to IFRS 9 mainly comprise senior bonds, EUROFIMA loans, bank borrowings, trade liabilities and other liabilities.

Classification of financial assets and liabilities

The valuation scales of IFRS 9 are shown below:

CARRYING AMOUNT / € million	Recognized in the income statement at fair value	With no impact on profit and loss at fair value: with recycling	With no impact on profit and loss at fair value: without recycling	Derivatives in hedging transactions	At amortized acquisition costs	Not within the scope of IFRS 7	Total	thereof fair value	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3
AS OF DEC 31, 2023											
Non-current financial assets	39	1	28	673	1,465	844	**3,050**	741	1	679	61
Current financial assets	533	439	–	106	9,063	4,214	**14,355**	1,078	519	120	439
Non-current financial liabilities	22	–	–	314	31,205	3,752	**35,293**	336	–	336	–
Current financial liabilities	8	–	–	88	11,026	5,490	**16,612**	96	–	96	–
Net result	- 61	–	–	96	- 651	–	**–**	–	–	–	–
AS OF DEC 31, 2022											
Non-current financial assets	102	2	31	558	1,420 [1]	853 [1]	**2,966**	693	2	559	132
Current financial assets	526	822	–	164	12,210	1,396	**15,118**	1,512	502	189	821
Non-current financial liabilities	16	–	–	313	28,040	4,079	**32,448**	329	–	329	–
Current financial liabilities	12	–	–	64	12,710	3,941	**16,727**	76	–	76	–
Net result	40	–	–	- 53	- 371	–	**–**	–	–	–	–

[1] Figure adjusted.

The net result by valuation categories in particular contains interest income of € 167 million (previous year: € 75 million) and interest expenses of € 545 million (previous year: € 426 million) from the financial assets or liabilities that are not recognized in the statement of income at fair value.

If observable market values were not available, a non-market-based valuation (Level 3 valuation) was carried out, for example on the basis of similar transactions at normal market conditions in sufficient time. For DB Group, this includes the valuation of the investment in Volocopter GmbH, Bruchsal, as of December 31, 2023, which is based on probable future financing transactions. If these share prices were to change by + / − 10 %, this would result in a change in fair value of € 3 million. For non-material other investments, amortized acquisition cost has been used for simplification purposes.

In addition, the Level 3 valuation also includes receivables that meet certain criteria relevant to a sale and are therefore valued at fair value using country-weighted credit spreads. If the credit risk increases or decreases, this would result in proportional valuation effects in the fair value of these receivables.

There have been no reclassifications between the valuation levels in the year under review.

For establishing the fair values of the derivative financial instruments, contractually agreed or most probable cash flows are discounted using the appropriate market interest rate, with due consideration given to the credit risk by means of credit spreads. No credit risk markdowns have been recognized in the case of secured exposures. The credit risk resulting from the derivative portfolio is treated on a net basis. Credit support annexes, which are still subject to daily security settlement with a threshold value of € 0, were concluded to minimize the credit risk of long-term interest and cross-currency transactions.

Other disclosures

(34) CONTINGENT RECEIVABLES AND LIABILITIES, AND GUARANTEE OBLIGATIONS

Contingent receivables (as of December 31, 2023: € 19 million; as of December 31, 2022: € 16 million) mainly comprised a recovery claim in conjunction with construction investment grants that had been provided but not sufficiently determined as of the balance sheet date in terms of the specific amount and due date. Potential further compensation payments by public authorities in connection with the Covid-19 pandemic are not included in the contingent receivables as the absence of a legal basis means that neither their timing nor their extent can be estimated.

As of December 31, 2023, the case remained that no contingent receivables had been recognized for all injunction proceedings in view of the high level of uncertainty relating to refund claims, the timing of refunds and the probability of refunds.

The contingent liabilities were broken down as follows:

AS OF DEC 31 / € million	2023	2022
Negotiation and transfer of bills of exchange	13	11
Provisions of warranties	–	–
Other contingent liabilities	71	111
Total	**84**	**122**

Other contingent liabilities also comprise risks arising from litigation that had not been stated as provisions because the expected probability of occurrence is less than 50%. This relates to numerous individual cases of minor significance. In the year under review, the decrease led to the recognition of a liability.

There are also contingencies of € 14 million from guarantees as of December 31, 2023 (as of December 31, 2022: € 16 million). Property, plant and equipment with carrying amounts of € 3 million (as of December 31, 2022: € 3 million) were also used as security for loans. The reported figure related to vehicles primarily used by the operating companies in the former DB Arriva segment.

DB Group acts as guarantor mainly for equity participations and working groups, and is legally subject to joint and several liability for all working groups in which it is involved.

Potential claims for compensation that are not recognized in the balance sheet are not included in contingent liabilities as they cannot currently be quantified.

(35) OTHER FINANCIAL OBLIGATIONS

Capital expenditures in relation to which DB Group has entered into contractual commitments as of the balance sheet date, but for which no consideration has yet been received, were broken down as follows:

AS OF DEC 31 / € million	2023	2022[1]
PURCHASE COMMITMENT FOR THE ACQUISITION OF		
Property, plant and equipment	23,752	20,439
Intangible assets	41	39
Acquisition of financial assets	508	477
Total	**24,301**	**20,955**
Order commitment for leasing property, plant and equipment	327	190
Possible but unlikely lease payments	2,599	2,509

[1] Values including discontinued operations.

The significant increase in the purchase commitment in property, plant and equipment was particularly due to the planned capital expenditure projects relating to own construction services and the procurement of new vehicles. The purchase commitment for the acquisition of property, plant and equipment also contains future obligations for rolling stock in connection with transport contracts to be recognized in accordance with IFRIC 12.

The order commitment for leasing property, plant and equipment relates to lease contracts that had been concluded as of the balance sheet date but for which the duration has not yet commenced. Possible lease payments for unlikely lease extensions or for periods in which the leased asset will not be used as a result of a likely termination have not been included in the measurement of leasing liabilities.

The figure of € 508 million shown for the acquisition of financial assets (as of December 31, 2022: € 477 million) related to unpaid capital contributions at EUROFIMA that have not been called in. This increase was due to exchange rate effects.

(36) STRUCTURED COMPANIES

DB AG holds 100% of the shares in DB Barnsdale AG and DB Competition Claims GmbH. The purpose of these structured companies is to enforce claims for compensation from cartel operations; they are included as subsidiaries in the consolidated financial statements. There are profit and loss transfer agreements with DB AG.

(37) INFRASTRUCTURE AND TRANSPORT CONTRACTS

The following notes and information refer to the requirements of SIC-29 (Disclosure – Service Concession Arrangements).

Infrastructure contracts

GRI

The main rail infrastructure companies (RICs) of DB Group are DB InfraGO AG (formerly DB Netz AG and DB Station&Service AG) and DB Energie GmbH.

On the basis of Section 6 of the General Railways Act (Allgemeines Eisenbahngesetz; AEG), the RICs that operate track, management and safeguarding systems or platforms require approval for such operations. This applies in particular to DB InfraGO AG, approval for which has been granted for an indefinite period in accordance with Section 6 AEG.

The rights of the RICs to operate the rail infrastructure are connected to various obligations. In particular, they are obliged to ensure that their operations are managed safely and that all rail infrastructure is constructed safely and maintained in a safe condition (Section 4 (3) AEG). With regard to compliance with this regulation, the RICs of DB Group are regulated by the Federal Railway Authority (Eisenbahn-Bundesamt; EBA).

In addition, the RICs also have to observe statutory duties in the case of any new or expansion projects, for instance with regard to noise abatement. DB Group voluntarily participates in the noise remediation program of the Federal Government with regard to existing lines.

DB InfraGO AG (formerly DB Netz AG and DB Station&Service AG) grants non-discriminatory access to the rail infrastructure in accordance with Sections 10ff. of the Railway Regulation Act (Eisenbahnregulierungsgesetz; EReG) and charges train operating companies (TOC) for this purpose. The fees charged by DB InfraGO AG must comply with the requirements of the EReG. The fees for the usage of traction current lines of DB Energie GmbH have to comply with the requirements of the Energy Industry Law (Energiewirtschaftsgesetz; EnWG).

In the year under review, the infrastructure companies generated total revenues of € 11,533 million (previous year: € 11,618 million); thereof € 4,667 million (previous year: € 4,978 million) generated with non-Group customers.

The assets of the rail infrastructure are the legal and economic property of the companies.

Transport contracts

DB Regio AG and its subsidiaries provide transport services on the basis of ordered services of the contracting organizations. These so-called transport contracts for regional rail passenger transport services are signed with the contracting organization for the transport services authorized by the Federal states (e.g., special purpose association, local transport company); these contracts determine the volume and the quality level of the transport service, the future development as well as the payment (concession fees).

The funds necessary for this purpose are made available to the Federal states by the Federal Government in accordance with the regulations of the Regionalization Act (Regionalisierungsgesetz; RegG). The total concession fees received by DB Regio AG and by the subsidiaries of the DB Regional segment for rail transport amounted to € 6,759 million in the year under review (previous year: € 6,508 million; Note (1) 233f.). This amount included a figure of € 1,834 million in the year under review (previous year: € 1,489 million) for revenues from fares which had to be netted against the claims for concession fees within the framework of gross contracts.

About 84 % of all secured transport contracts have a duration up to at least 2027; about 53 % have a duration until at least 2032, and about 26 % have a duration until at least 2035. The transport contracts can only be terminated by the contracting organization during the term of the contract for a compelling reason.

In many cases, the companies enjoy legal and beneficial ownership of the assets necessary for providing the services, and in particular the rolling stock. Some transport contracts include commitments whereby the assets that are deployed have to be handed over at the end of the term of the contract. In addition, DB Group is recording an increasing share of transport contracts in which the rolling stock are either leased by the contracting organization or for which the leasing arrangement is supported by capital service guarantees by the contracting organization.

GRI (38) RELATED-PARTY DISCLOSURES

The following parties are deemed to be related parties of DB Group in accordance with IAS 24 (Related Party Disclosures):

- the Federal Government in its capacity as the owner of all shares in DB AG,
- companies controlled and jointly controlled by the Federal Government, as well as companies over which the Federal Government can exert significant influence,
- affiliated, non-consolidated and associated companies as well as joint ventures of DB Group, and
- the members of the Management Board and the Supervisory Board of DB AG and their close relatives.

Transactions with related parties are conducted on an arm's length basis.

Figures attributable to related companies and persons are stated under the corresponding notes to the balance sheet with the designation "thereof." Individual figures are set out in Notes (19) 247ff., (28) 253ff. and (29) 257f.

Notes and explanations of transactions between DB Group and the Federal Government are set out in Notes (3) 235, (5) 236f., (9) 240, (13) 242ff., (31) 258ff., (35) 272 and (37) 272f.

Significant economic relations that need to be reported separately between DB Group and related companies and persons are explained in the following:

Relations with the Federal Government

AS OF DEC 31 / € million	Federal Government 2023	2022
SERVICES RECEIVED BY DB GROUP		
Purchase of goods and services	1,406	967
Purchase of real estate, buildings, rail facilities and other assets	1	-
Rents and leases	3	0
Other services	0	3
Investment grants [1]	8,310	8,049
Other income grants	889	1,147
	10,609	**10,166**
SERVICES RENDERED BY DB GROUP		
Sale of goods and services	644	447
Sale of real estate, buildings, rail facilities and other assets	0	- 2
Rents and leases	17	16
Other services	39	45
Repayment of loans	156	157
Repayment of investment grants	52	57
	908	**720**
OTHER DISCLOSURES		
Unsecured receivables [2]	180	221
Unsecured liabilities [2]	385	480
Total of guarantees received [2]	1,142	1,074

[1] Including € 187 million (previous year: € 144 million) in EU subsidies paid out via the Federal Government.
[2] As of the balance sheet date.

Purchases of goods and services mainly comprise the fees paid to the Federal Government within the framework of the pro forma billing of the allocated civil servants as well as refund of expenses for staff secondments in the service provision field. The increase was mainly attributable to deliveries from companies in the Uniper Group.

Since 2009, financing for the existing network has been governed between DB AG, the RICs and the Federal Government by way of so-called Performance and Financing Agreements (Leistungs- und Finanzierungsvereinbarung; LuFV). The use of Federal funds within the framework of the LuFV has been managed in a quality-oriented manner since that time. The LuFV improved the predictability, efficiency and transparency of funding for maintaining the infrastructure.

The third agreement of this type, namely LuFV III, came into force on January 1, 2020. The agreement has a volume of € 86.2 billion and, for the first time, has a duration of ten years – twice as long as that of the previous agreement LuFV II.

The infrastructure contribution of the Federal Government increased to an average of € 5.143 billion per calendar year (LuFV II: an average of € 3.316 billion per calendar year). There was also an increase agreed in the maintenance expenses to be provided by the RICs to an average of € 2.278 billion per calendar year. The RICs' own contribution increased to an average of € 137.5 million per calendar year.

In addition, the agreement established a target number of 2,000 bridges for the bridge program between 2020 and 2029.

In addition, resources are provided for requirements that go beyond the technical need, for instance for improving accessibility and weather protection as well as additional funds for customer-friendly construction. In addition, the LuFV III provides a total of € 7 billion for earmarked capital expenditures in signaling equipment for the years 2020 to 2029.

The LuFV III also for the first time contains a contractual regulation regarding the reduction of the capital expenditure backlog. Although the considerably increased volume of funds in the LuFV III does not yet enable the capital expenditure backlog to be completely reduced, the total of € 4.506 billion means that there is a defined sum available, at least two-thirds of which must be used for reducing the backlog of particularly critical parts (track, switches, railway bridges, tunnels, culverts, signaling equipment and pedestrian underpasses). A new parameter for substance value (not subject to any penalties) is to be used as an indicator for the development of capital expenditure backlog.

With regard to the ten-year duration, the LuFV III also includes a provision for the application of a "renegotiation clause" which can trigger discussions for adjusting the LuFV III in the event of major changes, for instance considerable price increases for construction services in the rail infrastructure.

Due in part to the Covid-19 pandemic and the war in Ukraine, massive price increases have been recorded since the effective date of the LuFV III which have made it impossible for the RICs to fulfill their contractual liabilities in full. For this reason, the RICs and the Federal Government have been in negotiations regarding an adjustment of the contractual agreements.

As a result of ongoing negotiations, in 2023 the RICs invested additional DB funds for replacement capital expenditures and maintenance measures as prefinancing for Government funding in order to improve the quality of the infrastructure.

The supplementary agreement on LuFV III is intended to create the basis for track infrastructure financing in the transitional phase between LuFV III (current version) and a successor agreement (planned for 2025), in particular the following measures:

- financing planning and construction services as part of the general modernization of high-performance corridors,
- the additional (proportional) financing of maintenance services by Government funds,
- the financing of higher replacement capital expenditures as a result of price increases in 2023 and 2024, and
- the replacement of measures prefinanced by the RICs in 2023.

The final coordination with the Federal Government and the related parliamentary opinion were delayed due to the ruling of the Federal Constitutional Court of November 15, 2023, and are expected to take place in the first quarter of 2024 after the planned effective date of the BSWAG amendment and the 2024 Federal Budget.

On June 7, 2023, the Federal Cabinet passed a Government draft of a Fourth Act amending the BSWAG. The BSWAG is the legal basis for capital expenditures in Federal rail infrastructure. With the amendment, the Federal Government intends to remove existing capital expenditure barriers and strengthen the performance capability and availability of the track infrastructure. The cabinet draft creates new financing options by enabling Government financing for non-capital expenditure matters. In future, maintenance expenses are also to be subsidized by the Federal Government, as are one-time expenses (e.g. dismantling, IT services) and follow-up costs of measures intiated by the Government. The current legislative procedure has not yet been completed as of the end of 2023. Following the adoption of the law by the German Parliament and the Upper House of Parliament (Bundesrat), the financing agreements between the Federal Government and DB Group may be supplemented and further developed in order to ensure a reliable call of funds from 2024 within the new framework.

On July 25, 2017, the RICs and the Federal Government signed the Requirement Plan Implementation Agreement (Bedarfsplanumsetzungsvereinbarung; BUV). This entered into force on January 1, 2018, and regulates the financing of requirement plan projects. Key elements include a readjustment of planning costs, a stipulation of the RICs' own contribution to the projects as well as an agreement regarding binding commissioning dates which are subject to penalties if not met.

The Federal Government covers all the costs of the projects, including the total planning costs. The previous regulation in the form of a fixed amount for planning costs equivalent to 18% of the construction costs has been canceled.

The RICs contribute to all costs of the project in accordance with their own economic benefit, i.e. including the total construction costs. This provides a powerful incentive to avoid increases in construction costs.

The RICs give the Federal Government a commitment for milestones and binding commissioning dates for the projects. The contractual penalties in the event of failure to meet these deadlines provide an incentive for complying with the deadlines.

On August 25, 2020, the Federal Government and RICs concluded a new framework agreement regarding the financing and implementation of capital expenditures on the rail infrastructure of the Federal railways (Rahmenvereinbarung über die Finanzierung und Durchführung von Investitionen in die Schienenwege der Eisenbahnen des Bundes). It governs the financing and implementation of capital expenditure projects of the Federal Government in expanding the rail network, if not covered under the scope of the LuFV, BUV or the previous agreement (1999 framework agreement). With the exception of the so-called starter package, the framework agreement is not applicable to financing agreements that relate to the Digital Rail for Germany project. In the case of measures covered by the framework agreement, the RICs agree to cofinance the eligible costs. The extent of such cofinancing depends on the effectiveness of the measure for the infrastructure companies. Four different categories with a contribution of 0 to 15% have been agreed for this purpose.

Further investment grants are provided under the Municipal Transport Financing Act (Gemeindeverkehrsfinanzierungsgesetz; GVFG) for measures of the traffic program, in accordance with the noise remediation program of the Federal Government in relation to existing rail tracks and within the framework of the European Rail Traffic Management System (ERTMS) for equipping German sections of the trans-European rail network.

For infrastructure projects within the framework of priority measures for the expansion of the trans-European network (Connecting Europe Facility; CEF funds), DB Netz AG (now DB InfraGO AG) has received grants from the European Union.

The grants recognized in the income statement also relate to payments provided by the Federal Government for covering excessive charges borne by DB Group as a result of operating and maintaining level crossings with roads of all construction authorities.

Sales of products and services also include services for carrying severely disabled persons and German Armed Forces soldiers and traffic.

During the year under review, as in the previous year, interest-free loans in accordance with the BSWAG of € 155 million were repaid to the Federal Government within the framework of the agreed annual standard redemption payment.

The liabilities due to the Federal Government comprised the extended loans, which are shown here with their present values, and other liabilities of € 233 million (as of December 31, 2022: € 182 million).

The guarantees received from the Federal Government primarily related to the loans received from EUROFIMA as well as the unpaid capital contributions and liabilities arising from the collective liability of DB AG with EUROFIMA. The guarantees that have been received included a maximum commitment of € 1,153 million from the Federal Government for EUROFIMA loans. As of December 31, 2023, there were no EUROFIMA loans.

Twenty-five new financing contracts were concluded in the year under review in addition to the Adjustment Agreement 2020. The Federal Government has provided finance totaling about € 9,972 million for the new agreements.The financing agreements have different durations, which in certain cases extend to the year 2040. Financing is provided entirely in the form of investment grants that do not have to be repaid.

The joint implementation of the Deutsche Bahn Foundation Act (Deutsche Bahn Gründungsgesetz; DBGrG) is based on an agreement in accordance with Section 21 (8) DBGrG in relation to Section 21 (5) No. 2 and (6) DBGrG of June 10/17, 2015 between the Federal Railway Fund on the one hand and DB AG on the other. On June 24/July 28, 2015, the BMDV and the Federal Ministry of Finance (BMF) approved the agreement. The agreement states that DB AG shall provide evidence (with documentation of each individual case) that an employee of DB JobService GmbH (a civil servant or tariff employee satisfying certain criteria at the foundation in 1994) was affected by a rationalization measure and employment elsewhere is not possible. The personnel expenses plus an additional amount of 10 % of the personnel expenses to cover costs shall be reimbursed only after each individual case has been reviewed by the Federal Railway Fund (Bundeseisenbahnvermögen; BEV).

As of June 3, 2021, the Act Amending the Provisions of the DBGrG on the Reimbursement of Staff Costs for Allocated Civil Servants (Gesetz zur Änderung der Vorschriften des Deutsche Bahn Gründungsgesetzes über die Personalkostenerstattung für zugewiesene Beamtinnen und Beamte; DBGrGÄndG) entered into force. Under this, the Federal Government will only reimburse the costs for rationalization measures completed before January 1, 2020.

The 2023 annual financial statements of DB JobService GmbH disclosed reimbursement claims of DB AG against the Federal Government on the basis of Section 21 (5) and (6) DBGrG in the total amount of € 26.1 million (including 10 % reimbursement of costs; as of December 31, 2022: € 30.7 million).

On the basis of the Federal Government's Climate Action Program 2030, additional Government funds totaling € 11 billion will be made available by 2030 to strengthen the rail system. At the end of January 2020, the BMF and the BMDV, along with DB AG, DB Netz AG (now DB InfraGO AG), DB Station&Service AG (now merged with DB InfraGO AG) and DB Energie GmbH, agreed on the inflow and use of the funds in a joint letter of intent. The funds will be used exclusively for infrastructure; half will be paid as equity and half as grants to DB InfraGO AG (formerly DB Netz AG and DB Station&Service AG). In terms of content, the funds will be used in the categories of a robust network, digital rail, attractive stations and infrastructure measures operated on a purely commercial basis. Following the coordination with the European Commission with respect to state aid law, in November 2021 the Federal Government paid out the tranches for 2020 and 2021 in the amount of € 2.125 billion in total to DB AG, which passed the funds directly to DB Netz AG (€ 1.125 billion) and DB Station&Service AG (€ 1 billion). The tranche of € 1.125 billion each for 2022 and 2023 was passed on directly and completely to DB Netz AG. In 2024, a further equity increase of € 1.125 billion is planned.

Relations with Federal companies

Most of the transactions carried out in accordance with IAS 24 in the year under review and in the previous year related to operations, and were of minor overall significance for DB Group. The receivables and liabilities incurred had been settled almost in full as of the end of the balance sheet date.

Relations with affiliated, non-consolidated companies, associated companies and joint ventures

In the year under review, DB Group purchased goods and services worth € 107 million (previous year: € 159 million), mainly procuring passenger transport and freight services. At € 89 million (previous year: € 102 million), the predominant proportion of the total figure was attributable to transactions with associated companies. In addition, rental and lease payments amounting to € 6 million continued to be made.

As in the previous year, no interest payments were made in the year under review.

In the year under review, DB Group generated an income of € 430 million from the sale of goods and services (previous year: € 384 million). The income was generated mainly in the DB Cargo segment and related to income generated by transport services provided.

As of December 31, 2023, as in the previous year, guarantees totaling € 3 million were granted, thereof € 3 million (as of December 31, 2022: € 3 million) to joint ventures. Transactions with related companies were carried out to a comparable extent in the previous year.

Relations with the Management Board and Supervisory Board of DB AG

The following section sets out the transactions between DB Group and the members of the Management Board and the Supervisory Board, as well as the companies in which members of the Management Board or the Supervisory Board hold a majority interest.

€ thousand	**2023**	2022
SERVICES RECEIVED BY DB GROUP		
Purchase of goods and services	991	926

The figures relate to the amounts received by the employees' representatives on the Supervisory Board.

Remuneration of the Management Board

€ thousand	**2023**	2022
Benefits due in the short-term	4,932	9,063
Post-employment benefits	1,684	1,769
Other benefits due in the long term [1]	- 2,361	2,426
Total remuneration of the Management Board according to IFRS	**4,255**	**13,258**
Fixed	6,616	5,992
Variable [1]	- 2,361	7,266
Pension provisions for active members of the Management Board [2] as of Dec 31	18,153	14,100
Provisions for long-term incentives (LTI) as of Dec 31	4,141	6,541
Total remuneration of the Management Board according to HGB	4,899	9,034
Remuneration of former Management Board members and their surviving dependents	10,232	10,070
Pension provisions for former members of the Management Board and their surviving dependents [2]	146,325	140,382

[1] The long-term variable remuneration relates to the additions to and reversals of provisions for long-term incentives (LTI). No additions were made in the year under review. The provisions for LTI plans from 2019 to 2022, which were made in previous years, were completely liquidated in the year under review; the provisions made for LTI plans from 2020 to 2023 were adjusted to the expected payout amount by prorated liquidation.
[2] Defined benefit obligation.

In addition to the aforementioned provisions, as of December 31, 2023, there were no other receivables and liabilities to the Management Board members. Nor did the company take on any contingencies for the benefit of Management Board members. In the year under review, there was no past service cost (previous year: € 1,329 thousand).

The total remuneration for Management Board members consists of a fixed salary, a performance-linked annual remuneration and a long-term incentive plan based on multi-year figures. Total remuneration also includes benefit commitments, other commitments and ancillary benefits.

The fixed salary is cash remuneration linked to the financial year. It is based on the scope of responsibility and the experience of each Management Board member.

The performance-linked annual variable remuneration is calculated using a factor linked to the achievement of business targets (variable remuneration factor) and the achievement of individual targets (performance factor).

The business and personal targets of the Management Board members are determined by the Supervisory Board annually based on recommendations from the Personnel Committee, and are then agreed in writing with the Management Board members.

The long-term incentives for the Management Board now also focus on long-term transport and climate policy targets and the sustainable creditworthiness and profitability of DB Group. After the end of the respective plan term of four years, the extent to which LTI targets have been achieved at the end of the tranche is measured using the average target achievement for the individual years.

After leaving the company, Management Board members are entitled to pension payments. The system governing benefit commitments to Management Board members was amended in 2017. Members appointed to the Management Board for the first time in 2017 and thereafter receive a defined benefit commitment under which a capital stock is saved up for the Board member for the duration of their employment and paid out when they reach retirement age. The commitment is granted in the form of a capital account plan with an annual contribution derived as a fixed percentage rate of the fixed salary. Company pension commitments for Management Board members already in office beforehand are based on a percentage of the basic salary depending on the length of time that the Management Board member has been with the company. Pension commitments include lifelong retirement and surviving dependent benefits.

Remuneration of the Supervisory Board

€ thousand	2023	2022
Total remuneration of the Supervisory Board [1]	673	983
thereof short-term	673	983
thereof fixed	505	480
thereof performance-related	–	311
thereof attendance fees	46	42
thereof benefits in kind from discounted travel	72	42
thereof remuneration of the Supervisory Board / Advisory Board activities at subsidiaries of DB AG (including attendance fee)	50	108

[1] All Supervisory Board members waived the variable remuneration due to them for 2023.

No remuneration was incurred for former members of the Supervisory Board and their surviving dependents. There are no pension obligations for former Supervisory Board members and their surviving dependents as of December 31, 2023. The members of the Supervisory Board only receive benefits due in the short-term.

No loans and advances were extended to members of the Supervisory Board in the year under review. The company also did not take on any contingencies for the benefit of members of the Supervisory Board.

The total amount of remuneration for the Management Board and Supervisory Board in the year under review was € 4,928 thousand (previous year: € 14,241 thousand). Individual details as well as further details concerning the payments to the members of the Management Board and Supervisory Board are included in the Corporate Governance report in the Combined Management Report.

(39) AUDITOR'S FEES AND SERVICES

The fees for the Group auditor amounted to € 32.4 million (previous year: € 25.5 million); thereof attributable to auditing services: € 20.4 million (previous year: € 12.1 million), other certification services: € 7.3 million (previous year: € 7.7 million), tax advice services: € 0.5 million (previous year: € 0.4 million) and other services: € 4.2 million (previous year: € 5.3 million). Of the figure shown for the other rendered services, € 2.2 million (previous year: € 2.6 million) was attributable to services provided by affiliated companies of the auditor of the consolidated financial statements.

(40) EVENTS AFTER THE BALANCE SHEET DATE

Senior bond issues

Up to the point at which the consolidated financial statements were prepared, the following senior bonds were issued by DB Finance in 2024:

VOLUME OF ISSUE	Duration (years)	Coupon (%)	Placing
EUR 500 million	14.0	3.375	Institutional investors, primarily in Europe
NOK 1,325 million (€ 117 million)	15.0	4.106	Institutional investors in Norway

Collective bargaining negotiations with the German Train Drivers' Union (GDL)

After two GDL strikes, the collective bargaining parties agreed on January 27, 2024, to the resumption of collective bargaining negotiations to the exclusion of the public, and a duty to take action by at least March 3, 2024.

Federal budget adopted

The 2024 Federal budget was approved by the German Parliament and Upper House of Parliament (Bundesrat) on February 2, 2024. It makes funds of more than € 17 billion available for the major rail items.

- Part of the funds is an increase in equity of € 5.5 billion for infrastructure (including to compensate for the funds omitted from the Climate and Transformation Fund).
- Just under € 7.5 billion is available for the modernization of the existing network (Performance and Financing Agreement).
- The ERTMS (European Rail Traffic Management System) title for the digitalization of rail systems in 2024 is endowed with € 1.1 billion.
- Just under € 1.7 billion has been anchored for the new construction and expansion as part of the requirement plan.
- The promotion of single wagon transport remains at just under € 300 million, which is at a significantly higher level than in 2023.

In total, additional funds of about € 27 billion are planned for the period 2024 to 2027. This will not fully meet the additional financing requirements for rail of € 45 billion by 2027.

(41) EXEMPTION OF SUBSIDIARIES FROM THE DISCLOSURE REQUIREMENTS OF THE GERMAN COMMERCIAL CODE (HANDELSGESETZBUCH; HGB)

The following subsidiaries intend to utilize the simplification provisions of Section 264 (3) and Section 264b HGB and to exempt themselves from the disclosure provisions of Sections 325 to 329 HGB:

- Autokraft GmbH, Hamburg
- Beyond1435 GmbH, Berlin
- Bitergo GmbH, Dortmund
- BRN Busverkehr Rhein-Neckar GmbH, Ludwigshafen am Rhein
- BVO Busverkehr Ostwestfalen GmbH, Bielefeld
- BVR Busverkehr Rheinland GmbH, Düsseldorf
- DB Bahnbau Gruppe GmbH, Berlin
- DB Barnsdale AG, Berlin
- DB broadband GmbH, Frankfurt am Main
- DB Cargo BTT GmbH, Mainz
- DB Cargo Eurasia GmbH, Berlin
- DB Cargo Logistics GmbH, Kelsterbach
- DB Cargo Vermögensverwaltungs-Aktiengesellschaft, Mainz
- DB Competition Claims GmbH, Berlin
- DB Dialog GmbH, Berlin
- DB Engineering&Consulting GmbH, Berlin
- DB Fahrwegdienste GmbH, Berlin
- DB Fahrzeuginstandhaltung GmbH, Frankfurt am Main
- DB Gastronomie GmbH, Frankfurt am Main
- DB Intermodal Services GmbH, Mainz
- DB JobService GmbH, Berlin
- DB Kommunikationstechnik GmbH, Eschborn
- DB Projekt Stuttgart—Ulm GmbH, Stuttgart
- DB Regio Bus Bayern GmbH, Ingolstadt
- DB Regio Bus Mitte GmbH, Mainz
- DB Regio Bus Nord GmbH, Hamburg
- DB Regio Bus Ost GmbH, Berlin
- DB Regionalverkehr Bayern GmbH, Ingolstadt
- DB RegioNetz Infrastruktur GmbH, Frankfurt am Main
- DB RegioNetz Verkehrs GmbH, Frankfurt am Main
- DB Services GmbH, Berlin
- DB SEV GmbH, Berlin
- DB Sicherheit GmbH, Berlin
- DB Systel GmbH, Frankfurt am Main
- DB Systemtechnik GmbH, Minden
- DB Vertrieb GmbH, Frankfurt am Main
- DB Zeitarbeit GmbH, Berlin
- Deutsche Bahn Connect GmbH, Frankfurt am Main
- Deutsche Bahn International Operations GmbH, Berlin
- Deutsche Umschlaggesellschaft Schiene – Straße (DUSS) mbH, Bodenheim
- DSD Digitale Schiene Deutschland GmbH, Berlin
- DVA Deutsche Verkehrs-Assekuranz-Vermittlungs-GmbH, Bad Homburg v. d. Höhe
- ESE Engineering und Software-Entwicklung GmbH, Brunswick
- Friedrich Müller Omnibusunternehmen GmbH, Schwäbisch Hall
- Haller Busbetrieb GmbH, Walsrode
- infraView GmbH, Mainz
- ioki GmbH, Frankfurt am Main
- Mitteldeutsche Eisenbahn GmbH, Schkopau
- NVO Nahverkehr Ostwestfalen GmbH, Münster
- Omnibusverkehr Franken GmbH (OVF), Nuremberg
- Railway Approvals Germany GmbH, Minden
- RBH Logistics GmbH, Gladbeck
- RBO Regionalbus Ostbayern GmbH, Regensburg
- Regional Bus Stuttgart GmbH RBS, Stuttgart
- Regionalbus Braunschweig GmbH – RBB –, Hamburg
- Regionalverkehr Alb-Bodensee GmbH (RAB), Ulm
- Regionalverkehr Allgäu GmbH (RVA), Oberstdorf
- Regionalverkehr Oberbayern Gesellschaft mit beschränkter Haftung, Munich
- Regionalverkehre Start Deutschland GmbH, Frankfurt am Main
- RVS Regionalbusverkehr Südwest GmbH, Karlsruhe
- S-Bahn Berlin GmbH, Berlin
- S-Bahn Hamburg GmbH, Hamburg
- S-Bahn Hamburg Service GmbH, Hamburg
- SBG SüdbadenBus GmbH, Freiburg im Breisgau
- Schenker Aktiengesellschaft, Essen
- Schenker Dedicated Services Germany GmbH, Essen
- Schenker Deutschland AG, Frankfurt am Main
- Schenker Europe GmbH, Frankfurt am Main
- Schenker Flight Services GmbH, Frankfurt am Main
- Schenker Global Management&Services GmbH, Essen
- Schenker GmbH für Beteiligungen, Essen
- Schenker Technik GmbH, Essen
- SIGNON Deutschland GmbH, Berlin
- TFG Transfracht GmbH, Mainz
- TRANSA Spedition GmbH, Offenbach am Main
- UBB Usedomer Bäderbahn GmbH, Heringsdorf
- Verkehrsgesellschaft mbH Untermain – VU –, Aschaffenburg
- WB Westfalen Bus GmbH, Münster
- Weser-Ems Busverkehr GmbH (WEB), Hamburg

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(42) LIST OF SHAREHOLDINGS

The list of shareholdings is set out on the following pages.

Breakdown of shareholdings of DB AG

(in accordance with Section 313 (2) HGB)

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
DB LONG-DISTANCE		
FULLY CONSOLIDATED		
DB Bahn Italia S.r.l., Verona/Italy	22,102	100.00
DB Fernverkehr Aktiengesellschaft, Frankfurt am Main	3,155,560	100.00
AT EQUITY		
Railteam B.V., Amsterdam/the Netherlands [2),3)]	72	20.00
Rheinalp GmbH, Frankfurt am Main [2),3)]	338	50.00
DB REGIONAL		
FULLY CONSOLIDATED		
Autokraft GmbH, Hamburg	50,461	100.00
BRN Busverkehr Rhein-Neckar GmbH, Ludwigshafen am Rhein	18,213	100.00
Busverkehr Märkisch-Oderland GmbH, Fürstenwalde	3,653	51.17
Busverkehr Oder-Spree GmbH, Fürstenwalde	7,655	51.17
BVO Busverkehr Ostwestfalen GmbH, Bielefeld	12,756	100.00
BVR Busverkehr Rheinland GmbH, Düsseldorf	9,177	100.00
DB Regio Aktiengesellschaft, Frankfurt am Main	2,427,626	100.00
DB Regio Bus Bayern GmbH, Ingolstadt	7,824	100.00
DB Regio Bus Mitte GmbH, Mainz	66,948	100.00
DB Regio Bus Nord GmbH, Hamburg	2,300	100.00
DB Regio Bus Ost GmbH, Berlin	16,960	100.00
DB Regio Bus Rhein-Mosel GmbH, Montabaur	2,251	74.90
DB Regionalverkehr Bayern GmbH, Ingolstadt	409	100.00
DB RegioNetz Verkehrs GmbH, Frankfurt am Main	62,784	100.00
DB SEV GmbH, Berlin	2,153	100.00
Friedrich Müller Omnibusunternehmen GmbH, Schwäbisch Hall	23,548	100.00
Haller Busbetrieb GmbH, Walsrode	5,520	100.00
ioki GmbH, Frankfurt am Main	12,421	100.00
KOB GmbH, Oberthulba	2,638	70.00
NVO Nahverkehr Ostwestfalen GmbH, Münster	962	100.00
Omnibusverkehr Franken GmbH (OVF), Nuremberg	23,459	100.00
RBO Regionalbus Ostbayern GmbH, Regensburg	17,758	100.00
Regional Bus Stuttgart GmbH RBS, Stuttgart	20,374	100.00
Regionalbus Braunschweig GmbH -RBB-, Hamburg	11,677	100.00
Regionalverkehr Alb-Bodensee GmbH (RAB), Ulm	30,225	100.00
Regionalverkehr Allgäu GmbH (RVA), Oberstdorf	5,272	70.00
Regionalverkehr Oberbayern Gesellschaft mit beschränkter Haftung, Munich	21,630	100.00
Regionalverkehre Start Deutschland GmbH, Frankfurt am Main	8,135	100.00
rhb rheinhunsrückbus GmbH i. L., Simmern	0	48.69
RMV Rhein-Mosel Verkehrsgesellschaft mbH, Koblenz	7,631	74.90
RVS Regionalbusverkehr Südwest GmbH, Karlsruhe	20,607	100.00
S-Bahn Berlin GmbH, Berlin	188,732	100.00
S-Bahn Hamburg GmbH, Hamburg	151,794	100.00
S-Bahn Hamburg Service GmbH, Hamburg	38	100.00
SBG SüdbadenBus GmbH, Freiburg im Breisgau	19,443	100.00
Verkehrsgesellschaft mbH Untermain – VU –, Aschaffenburg	4,337	100.00
WB Westfalen Bus GmbH, Münster	11,623	100.00
Weser-Ems Busverkehr GmbH (WEB), Hamburg	19,070	100.00
AT EQUITY		
"ZOB" Zentral-Omnibus-Bahnhof Gesellschaft mit beschränkter Haftung, Bremen [2),4)]	25	25.60
Bodensee-Oberschwaben Verkehrsverbund GmbH, Ravensburg [2),4)]	715	28.02
Connect-Fahrplanauskunft GmbH, Hanover [2),4)]	283	42.51
Deutschlandtarifverbund-GmbH (DTVG), Frankfurt am Main [2),4)]	401	29.74

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
Filsland Mobilitätsverbund GmbH, Geislingen an der Steige [2),3)]	101	20.00
FSN Fahrzeugservice Neunkirchen GmbH, Neunkirchen [2),3)]	221	47.50
Kahlgrund-Verkehrs-Gesellschaft mit beschränkter Haftung, Schöllkrippen [2),4)]	10,606	28.00
Kitzinger Nahverkehrsgemeinschaft (KiNG), Kitzingen [2),5)]	4	50.00
Kreisbahn Aurich GmbH, Aurich [2),3)]	999	33.33
Niedersachsentarif GmbH, Hanover [2),4)]	81	12.50
NSH Nahverkehr Schleswig-Holstein GmbH, Kiel [2),4)]	277	48.79
RBP Regionalbusverkehr Passau Land GmbH, Bad Füssing [2),3)]	398	33.33
Regio-Verkehrsverbund Freiburg GmbH (RVF), Freiburg im Breisgau [2),4)]	98	46.55
Saarländische Nahverkehrs-Service GmbH, Saarbrücken [2),3)]	51	16.67
stadtbus Ravensburg Weingarten GmbH, Ravensburg [2),4)]	25	39.80
TGO – Tarifverbund Ortenau GmbH, Offenburg [2),3)]	203	49.00
Verkehrsgemeinschaft am Bayerischen Untermain – VAB GmbH, Aschaffenburg [2),3)]	78	32.80
Verkehrsgemeinschaft Mittelthüringen GmbH (VMT), Erfurt [2),4)]	363	10.00
Verkehrsunternehmen Hegau-Bodensee Verbund GmbH (VHB), Konstanz [2),4)]	30	15.05
Verkehrsunternehmens-Verbund Mainfranken GmbH – VVM, Würzburg [2),4)]	30	22.04
Verkehrsverbund Großraum Nürnberg GmbH (VGN), Nuremberg [2),3)]	54	25.93
Verkehrsverbund Schwarzwald-Baar GmbH (VSB), Villingen-Schwenningen [2),3)]	226	32.00
Verkehrsverbund Süd-Niedersachsen GmbH (VSN), Göttingen [2),3)]	147	31.16
VGC Verkehrsgesellschaft Bäderkreis Calw mbH, Calw [2),3)]	764	32.60
VHN Verkehrsholding Nord GmbH & Co. KG, Schleswig [2),4)]	720	20.00
VHN Verwaltungsgesellschaft mbH, Schleswig [2),4)]	609	20.00
WNS Westpfälzische Nahverkehrs-Service GmbH, Kaiserslautern [2),4)]	-9	45.00
WTV Waldshuter Tarifverbund GmbH, Waldshut-Tiengen [2),4)]	154	40.00
FAIR VALUE		
GHT Mobility GmbH, Berlin [2),4),6)]	-40,407	86.00
Regio Verkehrsverbund Lörrach GmbH (RVL), Lörrach [2),4)]	351	54.00
Verkehrsverbund Rottweil GmbH (VVR), Villingen-Schwenningen [2),4)]	200	70.20
Verkehrsverbund Warnow GmbH, Rostock [2),4)]	27	20.63
vgf Verkehrs-Gemeinschaft Landkreis Freudenstadt GmbH, Waldachtal [2),3)]	244	51.42
DB CARGO		
FULLY CONSOLIDATED		
Compañía Aragonesa de Portacoches S.A., Zaragoza/Spain	9,012	67.22
Container-Terminal Púchov s.r.o., Púchov/Slovakia	106	100.00
Corridor Operations DB Cargo B Logistics N.V. i.L., Brussels/Belgium	1,669	51.00
DB Cargo (UK) Holdings Limited, Doncaster/United Kingdom	252,130	100.00
DB Cargo (UK) Limited, Doncaster/United Kingdom	381,676	100.00
DB Cargo Aktiengesellschaft, Mainz	690,305	100.00
DB Cargo Austria GmbH, Vienna/Austria	31	100.00
DB Cargo Belgium BV, Antwerp/Belgium	1,241	100.00
DB Cargo Border Agent Sp. z o. o., Małaszewicze/Poland	1,350	100.00
DB Cargo BTT GmbH, Mainz	22,225	100.00
DB Cargo Bulgaria EOOD, Sofia/Bulgaria	8,886	100.00
DB Cargo Czechia s.r.o., Ostrava/Czech Republic	4,724	100.00
DB Cargo Eurasia GmbH, Berlin	16,655	100.00
DB Cargo France SAS, Aubervilliers/France	6,677	100.00
DB Cargo Hungaria Kft., Györ/Hungary	31,485	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1)]	Investment (%)
DB Cargo Information Services Limited, Doncaster/United Kingdom	1,847	100.00
DB Cargo International Limited, Doncaster/United Kingdom	35,530	100.00
DB Cargo Italia S.r.l., Milan/Italy	39,646	60.00
DB Cargo Italy S.r.l., Milan/Italy	14,969	100.00
DB Cargo Logistics GmbH, Kelsterbach	96,248	100.00
DB Cargo Maintenance Limited, Doncaster/United Kingdom	7,930	100.00
DB Cargo Nederland N.V., Utrecht/the Netherlands	20,072	100.00
DB Cargo Polska S.A., Zabrze/Poland	89,682	100.00
DB Cargo Scandinavia A/S, Taastrup/Denmark	31,846	100.00
DB Cargo Schweiz GmbH, Opfikon/Switzerland	-861	100.00
DB Cargo Services Limited, Doncaster/United Kingdom	219	100.00
DB Cargo Spedkol Sp. z o.o., Kędzierzyn-Koźle/Poland	6,429	100.00
DB Cargo Transa – Full Load Solutions Italia S.r.l., Milan/Italy	741	100.00
DB CARGO TRANSASIA International Freight Forwarding Shanghai Co., Ltd., Shanghai/China	2,199	100.00
DB Cargo Vermögensverwaltungs-Aktiengesellschaft, Mainz	50	100.00
DB Intermodal Services GmbH, Mainz	24,763	100.00
DB PORT SZCZECIN Sp. z o.o., Szczecin/Poland	9,554	96.82
Deutsche Bahn Cargo Romania S.R.L., Bucharest/Romania	-9,284	100.00
Deutsche Bahn Iberica Holding, S.L., Barcelona/Spain	44,929	100.00
Deutsche TRANSFESA GmbH Internationale Eisenbahn-Spezial-Transporte i.L., Kehl/Rhein	1,589	84.03
Infra Silesia S.A., Rybnik/Poland	5,570	100.00
KombiTerminal Burghausen GmbH, Mainz	1,698	68.86
Locomotive 6667 Ltd, Doncaster/United Kingdom	159,349	100.00
Locomotive Operating Leasing Partnership, Doncaster/United Kingdom	96,036	100.00
MDL Distribución y Logistica S.A., Madrid/Spain	2,216	84.03
Mitteldeutsche Eisenbahn GmbH, Schkopau	5,335	80.00
OOO DB Cargo Russija, Moscow/Russia	3,706	100.00
Pool Ibérico Ferroviario A.I.E., Madrid/Spain	2,754	55.12
Rail Express Systems Ltd, Doncaster/United Kingdom	22,154	100.00
Rail Service Center Rotterdam B. V., Rotterdam/the Netherlands	748	51.79
Rail Terminal Services Limited, Doncaster/United Kingdom	654	100.00
RBH Logistics GmbH, Gladbeck	23,919	100.00
Sociedad de Estudios y Explotacion de Material Auxiliar de Transportes, S.A. ("SEMAT"), Madrid/Spain	6,231	51.54
TFG Transfracht GmbH, Mainz	7,376	100.00
TRANSA Spedition GmbH, Offenbach am Main	-4,985	100.00
Transervi S.A., Madrid/Spain	4,077	84.03
Transfesa France SAS, Aubervilliers/France	2,287	84.03
Transfesa Logistics, S.A., Madrid/Spain	50,529	84.03
Transfesa Portugal Lda., Lisbon/Portugal	388	84.03
Transfesa UK Ltd., Rainham (Essex)/United Kingdom	740	84.03
Transfracht Polska Sp. z o.o., Szczecin/Poland	287	96.82
AT EQUITY		
ATN Auto Terminal Neuss GmbH & Co. KG, Neuss [2), 3)]	3,715	50.00
baymodal Bamberg GmbH, Bamberg [2), 4)]	887	25.10
CD-DUSS Terminal, a.s., Lovosice/Czech Republic [2), 4)]	1,482	49.00
Container Terminal Dortmund GmbH, Dortmund [2), 4)]	6,092	30.88
Container Terminal Enns GmbH, Enns/Austria [2), 4)]	8,937	49.00
CTS Container-Terminal GmbH Rhein-See-Land-Service, Cologne [2), 3)]	1,762	22.50
DCH Düsseldorfer Container-Hafen GmbH, Düsseldorf [2), 4), 6)]	3,698	62.02
Dörpener Umschlaggesellschaft für den kombinierten Verkehr mbH (DUK), Dörpen [2), 4)]	5,448	35.00
Entwicklungsagentur für nachhaltigen Güterverkehr Hamm GmbH, Hamm [2), 4), 6)]	25	29.61

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1)]	Investment (%)
EP Merseburg Transport und Logistik GmbH, Merseburg [2), 3)]	329	39.20
INTERCONTAINER – INTERFRIGO SA i.L., Sint-Agatha-Berchem/Belgium [2), 4)]	-21,397	36.77
KombiRail Europe GmbH, Duisburg [2), 3)]	25	75.34
Kombiverkehr Deutsche Gesellschaft für kombinierten Güterverkehr mbH & Co. Kommanditgesellschaft, Frankfurt am Main [2), 4)]	19,349	52.18
Lokomotion Gesellschaft für Schienentraktion mbH, Munich [2), 4)]	15,803	41.78
OPTIMODAL NEDERLAND B.V., Rotterdam/the Netherlands [2), 4)]	2,282	63.42
PKV Planungsgesellschaft kombinierter Verkehr Duisburg mbH, Duisburg [2), 4)]	2,311	76.09
ŚLĄSKIE CENTRUM LOGISTYKI S.A., Gliwice/Poland [2), 3)]	12,880	20.55
Stifa S.A. i.L., Malveira/Portugal [4), 6)]	-85	42.01
Terminal Singen TSG GmbH, Singen [2), 4)]	10	52.41
Xrail AG, Basel City/Switzerland [2), 3)]	864	36.80
DB NETZE TRACK		
FULLY CONSOLIDATED		
DB broadband GmbH, Frankfurt am Main	9,883	100.00
DB Fahrwegdienste GmbH, Berlin	2,894	100.00
DB InfraGO Aktiengesellschaft, Frankfurt am Main	15,547,957	100.00
DB RegioNetz Infrastruktur GmbH, Frankfurt am Main	4,196	100.00
Deutsche Umschlaggesellschaft Schiene – Straße (DUSS) mbH, Bodenheim	5,158	94.02
DSD Digitale Schiene Deutschland GmbH, Berlin	25	100.00
MegaHub Lehrte Betreibergesellschaft mbH, Bodenheim	1,364	87.05
SIGNON Deutschland GmbH, Berlin	15,234	100.00
AT EQUITY		
BahnflächenEntwicklungsGesellschaft NRW mbH, Essen [2), 4)]	467	49.90
EEIG Corridor Rhine – Alpine EWIV, Frankfurt am Main [2), 4)]	0	25.00
EWIV Atlantic Corridor, Bordeaux/France [2), 3)]	0	25.00
Güterverkehrszentrum Entwicklungsgesellschaft Dresden mbH, Dresden [2), 4)]	5,594	24.53
TriCon Container-Terminal Nürnberg GmbH, Nuremberg [2), 4)]	4,686	36.55
DB NETZE STATIONS		
FULLY CONSOLIDATED		
DB BahnPark GmbH, Berlin	9,784	51.00
MEKB GmbH, Berlin	32	100.00
AT EQUITY		
Clever Order Services GmbH, Berlin [2), 7)]	102	25.00
DB ENERGY		
FULLY CONSOLIDATED		
DB Energie GmbH, Frankfurt am Main	318,471	100.00
OTHER SUBSIDIARIES		
FULLY CONSOLIDATED		
Arriva Holding N.V., Amsterdam/the Netherlands	43	100.00
Arriva Investments Limited, Sunderland/United Kingdom	-1,130,287	100.00
BAX Global Inc., Norfolk/USA	82,236	100.00
Beyond1435 GmbH, Berlin	27,795	100.00
DB Bahnbau Gruppe GmbH, Berlin	78,051	100.00
DB Barnsdale AG, Berlin	6,636	100.00
DB Competition Claims GmbH, Berlin	18,125	100.00
DB Dialog GmbH, Berlin	1,320	100.00
DB E.C.O. North America Inc., Wilmington/NC/Delaware/USA	1,628	100.00
DB Engineering & Consulting GmbH, Berlin	78,189	100.00
DB Fahrzeuginstandhaltung GmbH, Frankfurt am Main	484,334	100.00
DB Gastronomie GmbH, Frankfurt am Main	1,464	100.00
DB International (Beijing) Co., Ltd., Beijing/China	-654	100.00
DB JobService GmbH, Berlin	28,432	100.00
DB Kommunikationstechnik GmbH, Eschborn	18,758	100.00
DB Projekt Stuttgart-Ulm GmbH, Stuttgart	2,149	100.00
DB RRTS Operations India Private Limited, New Delhi/India	-16,518	100.00
DB Services GmbH, Berlin	12,180	100.00
DB Sicherheit GmbH, Berlin	2,355	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
DB Systel GmbH, Frankfurt am Main	80,740	100.00
DB Systel UK Limited, Doncaster/United Kingdom	1,695	100.00
DB Systemtechnik GmbH, Minden	12,971	100.00
DB US Corporation, Tarrytown/USA	419,351	100.00
DB US Holding Corporation, Tarrytown/USA	383,165	100.00
DB Vertrieb GmbH, Frankfurt am Main	17,135	100.00
DB Zeitarbeit GmbH, Berlin	162	100.00
DB-Elsewedy Railway Operation Egypt, Cairo/Egypt	7	67.00
Deutsche Bahn Connect GmbH, Frankfurt am Main	87,281	100.00
Deutsche Bahn Finance GmbH, Berlin	2,074,190	100.00
Deutsche Bahn International Operations GmbH, Berlin	21,445	100.00
Deutsche Bahn Stiftung gGmbH, Berlin	2,723	100.00
DVA Deutsche Verkehrs-Assekuranz-Vermittlungs-GmbH, Bad Homburg v. d. Höhe	5,761	65.00
DVA REINSURANCE DESIGNATED ACTIVITY COMPANY, Dublin/Ireland	5,465	65.00
Engineering Support Group Ltd, Doncaster/United Kingdom	1,846	100.00
ESE Engineering und Software-Entwicklung GmbH, Braunschweig	24,158	100.00
infraView GmbH, Mainz	2,127	100.00
Innovationszentrum für Mobilität und gesellschaftlichen Wandel (InnoZ) GmbH i.L., Berlin	-3,523	76.99
Liropa S.A., Montevideo/Uruguay [8]	1,940	49.00
Mobimeo GmbH, Berlin	12,445	100.00
ONxpress Operations Inc., Toronto/Canada	16,710	72.00
Precision National Plating Services, Inc., Delaware/USA	-26,579	100.00
Railway Approvals Germany GmbH, Minden	247	100.00
Railway Approvals Ltd, Doncaster/United Kingdom	278	100.00
Schenker (BAX) Holding Corp., Delaware/USA	83,380	100.00
Thelo DB (Pty) Ltd., Johannesburg/South Africa [8]	21	49.00
UBB Polska Sp.z o.o., Świnoujście/Poland	468	100.00
UBB Usedomer Bäderbahn GmbH, Heringsdorf	10,708	100.00
AT EQUITY		
BwFuhrparkService GmbH, Troisdorf [2,4]	910,056	24.90
EUROFIMA European Company for the Financing of Railroad Rolling Stock, Basel/Switzerland [4]	1,552,816	22.60
inno2grid GmbH, Berlin [2,4]	259	50.00
Mobility inside Holding GmbH & Co. KG, Frankfurt am Main [2,4]	16,336	21.85
Mobility inside Verwaltungs GmbH, Frankfurt am Main [2,4]	54	20.02
ONxpress Transportation Partners Inc., Toronto/Canada [4]	452	25.00
Rail Technology Company Limited, Jeddah/Saudi Arabia [2,3]	302	24.90
SSG Saar-Service GmbH, Saarbrücken [2,4]	1,616	25.50
Stinnes Holz GmbH, Berlin [2,3]	137	53.00
FAIR VALUE		
Eurail B.V., Utrecht/the Netherlands [2,4]	14,010	28.87
Eurail Group G.I.E., Luxembourg/Luxembourg [2,4]	0	25.99
TREMA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Bahnhöfe West KG, Berlin [2,4]	2,030	94.00
DB ARRIVA		
FULLY CONSOLIDATED		
00741078 Limited, Sunderland/United Kingdom	689	100.00
Ambuline Limited, Sunderland/United Kingdom	4,505	100.00
APS (Leasing) Ltd, Sunderland/United Kingdom	0	100.00
Arriva ABC GP Limited, Edinburgh/United Kingdom	0	100.00
Arriva ABC Scottish Limited Partnership, Edinburgh/United Kingdom	-216	100.00
Arriva Assets B.V., Heerenveen/the Netherlands	10	100.00
ARRIVA autobusy a.s., Chrudim/Czech Republic	55,235	100.00
Arriva Bus & Coach Holdings Limited, Sunderland/United Kingdom	0	100.00
Arriva Bus & Coach Ltd, Sunderland/United Kingdom	5,311	100.00
Arriva Bus Abu Dhabi Limited, Sunderland/United Kingdom	-3,864	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
Arriva City s.r.o., Prague/Czech Republic	16,527	100.00
Arriva Cymru Limited, Sunderland/United Kingdom	15,761	100.00
Arriva Durham County Limited, Sunderland/United Kingdom	19,564	100.00
Arriva East Herts & Essex Ltd, Sunderland/United Kingdom	0	100.00
Arriva Finance Lease Limited, Sunderland/United Kingdom	1,807	100.00
Arriva Galicia S.L., Ferrol/Spain	21,432	100.00
Arriva Holding ApS, Kastrup/Denmark	45,048	100.00
Arriva Hrvatska d.o.o., Osijek/Croatia	24,356	100.00
Arriva Hungary Zrt., Budapest/Hungary	109,744	100.00
Arriva Insurance Company (Gibraltar) Limited, Gibraltar/Gibraltar	5,169	100.00
Arriva International (Northern Europe) Limited, Sunderland/United Kingdom	0	100.00
Arriva International (Southern Europe) Limited, Sunderland/United Kingdom	0	100.00
Arriva International Limited, Sunderland/United Kingdom	572,928	100.00
Arriva International Trains (Leasing) Limited, Sunderland/United Kingdom	92	100.00
Arriva Italia Rail S.R.L., Milan/Italy	650	100.00
Arriva Italia s.r.l., Milan/Italy	286,766	100.00
Arriva Kent & Surrey Limited, Sunderland/United Kingdom	-920	100.00
Arriva Kent Thameside Limited, Sunderland/United Kingdom	9,769	100.00
ARRIVA Liorbus, a. s., Ružomberok/Slovakia	14,616	60.42
ARRIVA LONDON NORTH LTD, Sunderland/United Kingdom	-55,776	100.00
Arriva London Pension Scheme Trustee Limited, Sunderland/United Kingdom	0	100.00
ARRIVA LONDON SOUTH LTD, Sunderland/United Kingdom	92,208	100.00
ARRIVA MADRID MOVILIDAD S.L., Madrid/Spain	36,637	100.00
Arriva Manchester Limited, Sunderland/United Kingdom	0	100.00
Arriva Merseyside Limited, Sunderland/United Kingdom	75,563	100.00
ARRIVA METROPOLITANA S.L., Paseo de la Estacion/Spain	143	100.00
ARRIVA Michalovce, a.s., Michalovce/Slovakia	9,686	60.14
Arriva Midlands Limited, Sunderland/United Kingdom	15,584	100.00
Arriva Midlands North Limited, Sunderland/United Kingdom	-1,783	100.00
Arriva Mobility Solutions, s.r.o., Bratislava/Slovakia	5,387	100.00
Arriva Motor Holdings Limited, Sunderland/United Kingdom	112,013	100.00
Arriva Multimodaal BV, Heerenveen/the Netherlands	18	100.00
ARRIVA NITRA a.s., Nitra/Slovakia	770	60.48
Arriva North East Limited, Sunderland/United Kingdom	7,271	100.00
Arriva North West Limited, Sunderland/United Kingdom	-3,014	100.00
Arriva Northumbria Limited, Sunderland/United Kingdom	8,143	100.00
ARRIVA Nové Zámky, a.s., Nové Zámky/Slovakia	14,012	60.36
Arriva Passenger Services Pension Trustees Limited, Sunderland/United Kingdom	0	100.00
Arriva Personenvervoer Nederland BV, Heerenveen/the Netherlands	307,709	100.00
Arriva plc (now Arriva Limited), Sunderland/United Kingdom	950,628	100.00
Arriva Polska Sp. z o.o., Warsaw/Poland	4,434	100.00
ARRIVA PORTUGAL – TRANSPORTES LDA, Guimarães/Portugal	1,267	100.00
Arriva Rail London Limited, Sunderland/United Kingdom	32,953	100.00
Arriva Rail North Limited, Sunderland/United Kingdom	-71,299	100.00
Arriva Rail XC Limited, Sunderland/United Kingdom	0	100.00
Arriva RP Sp. z o.o., Toruń/Poland	18,599	100.00
Arriva Ryvang ApS, Kastrup/Denmark	1,840	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
Arriva Scotland West Limited, Glasgow / United Kingdom	1,938	100.00
Arriva Service s.r.o., Komárno / Slovakia	14,529	100.00
Arriva Services a.s., Králův Dvůr / Czech Republic	3,881	100.00
ARRIVA Slovakia a.s., Nitra / Slovakia	31,558	100.00
Arriva South Eastern Rail Limited, Sunderland / United Kingdom	0	100.00
ARRIVA SPAIN HOLDING, S.L., Madrid / Spain	62,656	100.00
Arriva Spain Rail S.A., Madrid / Spain	151	100.00
Arriva Středni Čechy s.r.o., Kosmonosy / Czech Republic	41,767	100.00
Arriva Techniek BV, Heerenveen / the Netherlands	1,495	100.00
Arriva the Shires Limited, Sunderland / United Kingdom	9,089	100.00
Arriva Touring BV, Heerenveen / the Netherlands	6,407	100.00
Arriva Trains Holdings Limited, Sunderland / United Kingdom	135,885	100.00
Arriva Trains Romania SRL, Bucharest / Romania	5,645	100.00
Arriva Trains Wales / Trenau Arriva Cymru Limited, Sunderland / United Kingdom	8,981	100.00
Arriva Transport ČeskáRepublika a.s., Prague / Czech Republic	152,318	100.00
Arriva Transport Solutions Limited, Sunderland / United Kingdom	-713	100.00
Arriva Treasury Company Limited, Sunderland / United Kingdom	0	100.00
ARRIVA Trnava, a. s., Trnava / Slovakia	17,102	60.50
Arriva Trustee Company Limited, Sunderland / United Kingdom	0	100.00
Arriva Udine S.P.A., Udine / Italy	81,765	60.00
Arriva UK Bus Holdings Limited, Sunderland / United Kingdom	489,931	100.00
Arriva UK Bus Investments Limited, Sunderland / United Kingdom	30,619	100.00
Arriva UK Bus Limited, Sunderland / United Kingdom	2,252	100.00
Arriva UK Bus Properties Limited, Sunderland / United Kingdom	1,540	100.00
Arriva UK Trains Limited, Sunderland / United Kingdom	307,179	100.00
Arriva Veneto S.r.l., Venice / Italy [8]	396	50.00
ARRIVA VIAJES AGENCIA OPERADORA S.L., Madrid / Spain	336	100.00
Arriva vlaky s.r.o., Prague / Czech Republic	14,277	100.00
Arriva Yorkshire Ltd, Sunderland / United Kingdom	23,233	100.00
Arriva, družba za prevoz potnikov, d.o.o., Kranj / Slovenia	69,107	100.00
ArrivaBus Kft., Székesfehérvár / Hungary	54,627	100.00
At Seat Catering (2003) Limited, Sunderland / United Kingdom	0	100.00
Autobusni kolodvor d.o.o. Karlovac, Karlovac / Croatia	877	68.06
Autocares Mallorca, s.l., Alcudia / Spain	3,647	100.00
Autos Carballo, S.L., Paseo de la Estacion / Spain	4,327	100.00
Autotrans d.d., Cres / Croatia	13,634	73.18
Autotrans Lika d.d., Otočac / Croatia	262	58.14
Bergamo Trasporti Est S.c.a.r.l., Bergamo / Italy	10	93.67
Bus Nort Balear s.l., Alcudia / Spain	286	100.00
BUS Service Járműjavító és Szolgáltató Kft., Budapest / Hungary	12,460	100.00
Centrebus Holdings Limited, Sunderland / United Kingdom	87	100.00
Classic Coaches (Continental) Limited, Sunderland / United Kingdom	0	100.00
CSAD MHD Kladno a.s., Kladno / Czech Republic	10,409	100.00
DB Regio Tyne and Wear Limited, Sunderland / United Kingdom	-1,770	100.00
EMPRESA DE BLAS Y COMPANIA S.A., Madrid / Spain	60,036	100.00
Estacion de autobuses de Ferrol S.A., Ferrol / Spain	323	80.14
Grand Central Railway Company Limited, Sunderland / United Kingdom	13,643	100.00
Great North Eastern Railway Company Limited, Sunderland / United Kingdom	0	100.00
Green Line Travel Limited, Sunderland / United Kingdom	9	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
INTEGRAL AVTO prodaja, servisi in tehnični pregledi vozil d.o.o., Jesenice / Slovenia	4,203	100.00
KD SERVIS a.s., Kladno / Czech Republic	3,025	100.00
London and North Western Railway Company Limited, Sunderland / United Kingdom	27,062	100.00
M40 Trains Limited, Sunderland / United Kingdom	96,037	100.00
MTL Services Limited, Sunderland / United Kingdom	133,496	100.00
NV Personeel de Noord-Westhoek, Heerenveen / the Netherlands	421	100.00
Premier Buses Ltd, Sunderland / United Kingdom	2,302	100.00
SAD INVEST, s.r.o., Trnava / Slovakia	690	60.50
Stevensons of Uttoxeter Limited, Sunderland / United Kingdom	1	100.00
Teamdeck Limited, Sunderland / United Kingdom	0	100.00
TGM (Holdings) Limited, Sunderland / United Kingdom	0	100.00
TGM Group Limited, Sunderland / United Kingdom	1,451	100.00
The Chiltern Railway Company Limited, Sunderland / United Kingdom	36,692	100.00
Transcare Solutions Limited, Sunderland / United Kingdom	1,086	100.00
Trasporti Brescia Nord S.c.a.r.l., Brescia / Italy	100	92.00
Trasporti Brescia Sud S.c.a.r.l., Brescia / Italy	100	93.00
XC Trains Limited, Sunderland / United Kingdom	23,790	100.00
Yorkshire Tiger Limited, Sunderland / United Kingdom	3,609	100.00
Zeta Automotive Limited, Bicester / United Kingdom	16	100.00
AT EQUITY		
Aquabus BV, Heerenveen / the Netherlands [2),4)]	4,749	50.00
Autopromet d.d. Slunj, Slunj / Croatia [2),4),6)]	7,908	20.37
Bergamo Trasporti Ovest S.c.a.r.l., Bergamo / Italy [2),4)]	10	65.76
Bergamo Trasporti Sud Scarl, Bergamo / Italy [2),4)]	10	25.57
Estacion Autobuses de Pobra, Ferrol / Spain [2),9)]	3	33.33
Explotacion Gasoleos de la Coruña, s.l., Ferrol / Spain [2),10)]	177	40.00
EXTRA.TO S.c.a.r.l., Turin / Italy [2),4),6)]	115	30.01
Intercambiador de Transportes Principe PIO S.A., Madrid / Spain [2),4),6)]	20,559	30.00
Lecco Trasporti S.c.a.r.l., Lecco / Italy [2),4)]	10	58.73
NRES Limited, London / United Kingdom [2),3)]	82	20.00
Omnibus partecipazioni S.R.L., Milan / Italy [5),6)]	9,861	50.00
Rail Settlement Plan Limited, London / United Kingdom [2),3)]	181	20.00
Rail Staff Travel Limited, London / United Kingdom [2),3)]	-2,460	20.00
S.I.T. VALLEE SOC. CONS. AR.L., CHARVENSOD (AO) / Italy [2),4),6)]	56	33.33
S.T.I. Servizi Trasporti Interregionali SpA, Pordenone / Italy [2),4)]	886	9.81
TPL FVG Scarl s.r.l., Gorizia / Italy [2),4)]	140	24.98
Train Information Services Limited, London / United Kingdom [2),3)]	-13	20.00
Trieste Trasporti S.P.A., Trieste / Italy [6)11)]	60,361	39.94
Viajeros del Eo, S.L., Ferrol / Spain [2),10)]	2	50.00
West Yorkshire Ticketing Company Limited, Altrincham / United Kingdom [2),4)]	0	19.18
WSMR (Holdings) Limited, London / United Kingdom [2),4)]	23	50.00
DB SCHENKER		
FULLY CONSOLIDATED		
Air Terminal Handling SAS, Tremblay en France / France	1,915	100.00
Almoayed Schenker W.L.L., Manama / Bahrain [8)]	1,813	49.00
Anterist + Schneider Zeebrugge BVBA, Zeebrugge / Belgium	1,463	100.00
AS Schenker, Tallinn / Estonia	10,190	100.00
ASIMEX Anterist + Schneider Import - Export SAS, Stiring-Wendel / France	-1,175	100.00
ATLANTIQUE EXPRESS SAS, Montaigu-Vendée / France	1,449	100.00
B&G Leasing LLC dba Pro-Lease Trucking, Carnesville / USA	-29,275	100.00
BAX Global (Pty.) Ltd., Johannesburg / South Africa	77	86.75
Bischof Gesellschaft mbH., Vienna / Austria	70	100.00
Bitergo GmbH, Dortmund	5,398	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
BTL Reinsurance S.A., Luxembourg / Luxembourg	3,370	100.00
Davis Transfer, Inc., Carnesville / USA	47,679	100.00
DB France Holding SAS, Montaigu-Vendée / France	293,792	100.00
DB Schenker (Cambodia) Limited, Phnom Penh / Cambodia	3,026	100.00
DB Schenker FLLC, Minsk / Belarus	161	100.00
DB Schenker GBS Bucharest S.R.L., Bucharest / Romania	7,566	100.00
DB Schenker Global Services Asia Pacific Inc., Taguig / Philippines	9,039	99.94
DB Schenker Logistics Campus MEA (Pty) Ltd., Kempton Park / South Africa [8]	3,395	47.00
DB Schenker, Kyiv / Ukraine	1,140	100.00
Engelberg Transportes Internacionales C.A. (Entra), Caracas / Venezuela	1,002	100.00
Fastighets Aktiebolaget Orbyn, Gothenburg / Sweden	541	100.00
Fullerö 67:2 Uppsala Aktiebolag, Gothenburg / Sweden	6,341	100.00
HANGARTNER Terminal S.r.l., Verona / Italy	91	100.00
Intreprinderea Mixta "S.C. Schenker" S.R.L., Chişinău / Moldova	182	96.75
Karpeles Freight Services, Inc., Chesapeake / USA	-896	100.00
KB Ädelgasen 1 -Jönköping, Jönköping / Sweden	7,331	100.00
KB Älghunden Jönköping, Jönköping / Sweden	1,520	100.00
KB Arbetsbasen 4 -Stockholm, Stockholm / Sweden	2,703	100.00
KB Ättehögen Östra 1 -Helsingborg, Helsingborg / Sweden	6,244	100.00
KB Backa 107:3, Gothenburg / Sweden	10,727	100.00
KB Baggböle 2:35 -Umeå, Umeå / Sweden	2,245	100.00
KB Benkammen 12 -Malmö, Malmö / Sweden	11,593	100.00
KB Bleket 1 -Karlstad, Karlstad / Sweden	4,155	100.00
KB Distributören 3 och 4 -Örebro, Örebro / Sweden	7,045	100.00
KB Forsmark 2 -Stockholm, Stockholm / Sweden	4,304	100.00
KB Forsmark 3 -Stockholm, Stockholm / Sweden	14,946	100.00
KB Forsmark 5 Stockholm, Gothenburg / Sweden	-10	100.00
KB Frysen 1 Visby, Visby / Sweden	1,221	100.00
KB Fryshuset 3-Visby, Visby / Sweden	93	100.00
KB Köpmannen 10 -Västerås, Västerås / Sweden	2,951	100.00
KB Langtradaren 2 Borlänge, Borlänge / Sweden	3,147	100.00
KB Lertaget 1, Skara, Skara / Sweden	3,805	100.00
KB Malmö Hamnen 22 Malmö, Malmö / Sweden	5,060	100.00
KB Maskinen 3 -Linköping, Linköping / Sweden	6,044	100.00
KB Önnestad 108:4 -Kristianstad, Kristianstad / Sweden	3,921	100.00
KB Överön 1:66 -Örnsköldsvik, Örnsköldsvik / Sweden	978	100.00
KB Pantern 1 -Växjö, Växjö / Sweden	3,393	100.00
KB Reläet 8 -Norrköping, Norrköping / Sweden	2,327	100.00
KB Sörby 24:3 -Gävle, Gävle / Sweden	3,284	100.00
KB Storheden 1:8 -Luleå, Luleå / Sweden	2,569	100.00
KB Transporten 1 -Hultsfred, Hultsfred / Sweden	1,656	100.00
KB Transportören 1 -Värnamo, Värnamo / Sweden	7,780	100.00
KB Tveta-Valsta 4:5 Södertälje, Stockholm / Sweden	1,563	100.00
KB Vindtrycket 1 -Borås, Borås / Sweden	5,652	100.00
KB Vivstamon 1:13 -Timrå, Timrå / Sweden	3,974	100.00
Kiinteistö Oy Seinäjoen Kiitolinja-asema, Seinäjoki / Finland	984	100.00
Kiinteistö Oy Tampereen Rahtiasema, Tampere / Finland	1,627	100.00
Kiinteistö Oy Tir-Trans, Joentaustankatu / Finland	1,368	100.00
Kiinteistö Oy Turun Nosturinkatu 6, Turku / Finland	662	100.00
Langtradaren i Jämtland AB, Gothenburg / Sweden	1,118	100.00
Les Triporteurs Français SAS, Rennes / France	529	100.00
PT. Schenker Logistics Indonesia, Jakarta / Indonesia	23,848	100.00
Redhead Freight Limited, Hounslow / United Kingdom	6,777	100.00
Redhead Holdings Limited, Hounslow / United Kingdom	-402	100.00
Rengaslinja Oy, Nokia / Finland	768	100.00
SCHENKER & CO AG, Vienna / Austria	129,877	100.00
Schenker (Asia Pacific) Pte. Ltd., Singapore / Singapore	577,569	100.00
Schenker (H.K.) Ltd., Hong Kong / Hong Kong	34,525	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
Schenker (Ireland) Ltd., Shannon / Ireland	93,240	100.00
Schenker (L.L.C)*, Dubai / United Arab Emirates	55,977	99.00
Schenker (Lao) Sole Co., Ltd., Vientiane / Laos	-84	100.00
Schenker (NZ) Limited, Auckland / New Zealand	9,712	100.00
Schenker (Thai) Holdings Ltd., Bangkok / Thailand [8]	11,753	49.00
Schenker (Thai) Ltd., Bangkok / Thailand [8]	65,492	49.00
Schenker A.E., Athens / Greece	3,863	100.00
Schenker A/S, Hvidovre / Denmark	20,188	100.00
Schenker AB, Gothenburg / Sweden	212,499	100.00
Schenker AG & Co. Beteiligungsverwaltungs OHG, Essen	176	100.00
Schenker Åkeri AB, Gothenburg / Sweden	20,812	100.00
Schenker Aktiengesellschaft, Essen	1,740,347	100.00
Schenker Americas, Inc., Miami / USA	461,864	100.00
Schenker Angola, Limitada, Luanda / Angola	3,041	99.90
Schenker Argentina S.A., Buenos Aires / Argentina	590	100.00
Schenker AS, Oslo / Norway	56,408	100.00
Schenker Australia Pty. Ltd., Alexandria / Australia	100,039	100.00
Schenker BITCC Customs Broker (Beijing) Co. Ltd., Beijing / China	164	70.00
Schenker BITCC Logistics (Beijing) Co., Ltd., Beijing / China	14,700	70.00
Schenker Chile S.A., Santiago / Chile	7,454	100.00
Schenker China Ltd., Pudong / Shanghai / China	230,984	100.00
Schenker Consulting AB, Gothenburg / Sweden	1,051	100.00
Schenker d.d., Ljubljana / Slovenia	22,590	100.00
SCHENKER d.o.o., Sarajevo / Bosnia and Herzegovina	855	100.00
Schenker d.o.o., Zagreb / Croatia	3,335	100.00
Schenker d.o.o., Novi Banovci / Serbia	3,817	100.00
Schenker Dedicated Services Germany GmbH, Essen	2,702	100.00
Schenker Dedicated Services Sweden AB, Gothenburg / Sweden	13,383	100.00
Schenker Deutschland AG, Frankfurt am Main	56	100.00
Schenker Distribution Solutions, Inc., Parañaque / Philippines	4,732	98.51
Schenker do Brasil Transportes Internacionais Ltda., São Paulo / Brazil	39,396	100.00
SCHENKER DOOEL, Skopje / Macedonia	1,935	100.00
Schenker Egypt Ltd., Cairo / Egypt	4,362	100.00
SCHENKER EOOD, Sofia / Bulgaria	27,406	100.00
Schenker Equipment AB, Gothenburg / Sweden	5,153	100.00
Schenker Europe GmbH, Frankfurt am Main	25	100.00
Schenker Filen 8 Aktiebolag, Gothenburg / Sweden	1,305	100.00
Schenker Flight Services GmbH, Frankfurt am Main	12,838	100.00
Schenker Flight Services International (H.K.) Limited, Hong Kong / Hong Kong	1,592	100.00
SCHENKER FRANCE SAS, Montaigu Cedex / France	212,235	100.00
Schenker Global Management & Services GmbH, Essen	-4,430	100.00
Schenker Global Management & Services PTE. LTD., Singapore / Singapore	2,116	100.00
Schenker Global Management & Technology Center Americas Inc., Miami / USA	2,705	100.00
Schenker GmbH für Beteiligungen, Essen	155	100.00
SCHENKER INDIA PRIVATE LIMITED, New Delhi / India	102,016	100.00
Schenker International (HK) Ltd., Hong Kong / Hong Kong	238,772	100.00
Schenker International (Macau) Ltd., Macau / Macau	3,698	100.00
Schenker International S.A. de C.V., Mexico City / Mexico	101,052	100.00
Schenker Italiana S.p.A., Peschiera Borromeo (MI) / Italy	126,089	100.00
Schenker Jinbei Logistics (Shenyang) Co. Ltd., Shenyang / China [8]	21,472	50.00
Schenker Kazakhstan LLP, Almaty / Kazakhstan	-366	100.00
Schenker Khimji's LLC, Muscat / Sultanate of Oman	820	60.00
Schenker Korea Ltd., Seoul / Republic of Korea	75,858	100.00
Schenker Limited, London / United Kingdom	69,396	100.00
Schenker Limited, Nairobi / Kenya	464	100.00
Schenker Logistics (Bangladesh) Limited, Dhaka / Bangladesh [8]	7,685	40.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
Schenker Logistics (Chengdu) Co., Ltd., Chengdu / China	2,534	100.00
Schenker Logistics (Chongqing) Co., Ltd., Chongqing / China	2,393	100.00
Schenker Logistics (Guangzhou) Company Ltd., Guangzhou / China	12,725	100.00
Schenker Logistics (Jiaxing) Co., Ltd., Jiaxing / China	39,606	100.00
Schenker Logistics (Kunshan) Co., Ltd., Kunshan / China	3,773	100.00
Schenker Logistics (Malaysia) Sdn Bhd., Kuala Lumpur / Malaysia [8]	69,236	40.00
Schenker Logistics (Shanghai) Co., Ltd., Shanghai / China	16,822	100.00
Schenker Logistics (Shenzhen) Co. Ltd., Shenzhen / China	1,623	100.00
Schenker Logistics (Suzhou) Company Ltd., Suzhou / China	14,662	100.00
Schenker Logistics (Thai) Ltd., Bangkok / Thailand [8]	- 6,896	49.00
Schenker Logistics (Xiamen) Co. Ltd., Xiamen / China	10,579	100.00
Schenker Logistics AB, Gothenburg / Sweden	8,870	100.00
Schenker Logistics Inc., Calamba / Philippines	298	100.00
Schenker Logistics L.L.C., Abu Dhabi / United Arab Emirates	8,097	99.00
Schenker Logistics Nederland B.V., Rotterdam / the Netherlands	87,728	100.00
Schenker Logistics Romania S.A., Bucharest / Romania	68,950	99.53
Schenker Logistics Vietnam Co., Ltd., Ho Chi Minh City / Vietnam	5,595	51.00
Schenker Logistics W.L.L., Doha / Qatar [8]	2,141	49.00
Schenker Logistics, S.A.U., Barcelona / Spain	125,966	100.00
SCHENKER LUXEMBOURG GMBH, Contern / Luxembourg	7,647	100.00
Schenker Manila Administrative Competence Center Inc., Taguig / Philippines	6,545	99.94
Schenker Maroc S.A.S, Casablanca / Morocco	738	100.00
Schenker Middle East FZE, Dubai / United Arab Emirates	72,742	100.00
Schenker Myanmar Co., Ltd., Yangon / Myanmar	3,858	100.00
Schenker Namibia (Pty) Ltd., Windhoek / Namibia	- 1,337	100.00
Schenker Nederland B.V., Tilburg / the Netherlands	38,326	100.00
Schenker Nemzetközi Szállítmányozási és Logisztikai Kft., Szigetszentmiklós / Hungary	28,896	100.00
Schenker NV, Antwerp / Belgium	61,832	100.00
Schenker Ocean Freight Services WLL, Doha / Qatar [8]	885	49.00
Schenker of Canada Ltd., Toronto / Canada	99,017	100.00
Schenker OY, Helsinki / Finland	98,049	100.00
Schenker Panama S.A., Panama City / Panama	1,385	100.00
Schenker Peru S.R.L., Lima / Peru	567	100.00
Schenker Philippines (Subic) Inc., Subic / Philippines	237	100.00
Schenker Philippines, Inc., Makati / Philippines	26,541	100.00
Schenker Property Sweden AB, Gothenburg / Sweden	79,412	100.00
SCHENKER RE DESIGNATED ACTIVITY COMPANY, Dublin / Ireland	48,295	100.00
Schenker S.A., Guatemala City / Guatemala	- 2,557	100.00
SCHENKER s.r.o., Bratislava / Slovakia	7,172	100.00
Schenker Saudi Arabia LLC, Riyadh / Saudi Arabia	6,663	100.00
Schenker Schweiz AG, Zurich / Switzerland	84,103	100.00
Schenker Shared Services (Nanjing) Co. Ltd., Nanjing / China	7,231	100.00
Schenker Singapore Pte. Ltd., Singapore / Singapore	386,991	100.00
Schenker South Africa (Pty) Ltd., Isando / South Africa	13,903	86.75
Schenker Sp. z o.o., Warsaw / Poland	93,240	99.69
SCHENKER spol. s r.o., Prague / Czech Republic	66,087	100.00
Schenker Technik GmbH, Essen	5,989	100.00
Schenker Technology Center (Warsaw) sp. z o.o., Warsaw / Poland	2,848	100.00
Schenker Transitarios, S.A., Loures / Portugal	17,961	100.00
Schenker Transport Aktiebolag, Gothenburg / Sweden	2,019	100.00
Schenker Transport Groep B.V., Tilburg / the Netherlands	5,402	100.00
Schenker Vietnam Co., Ltd., Ho Chi Minh City / Vietnam	68,490	100.00
Schenker, Inc., New York / USA	598,564	100.00
Schenker-Arkas Nakliyat Ve Tic. A.S., Zincirlikuyu / Turkey	9,162	55.00
Schenkerocean Ltd, Wanchai / Hong Kong	732	100.00

SUBSIDIARIES / Company and registered office	Equity (€ thousand) [1]	Investment (%)
Schenker-Seino Co. Ltd., Tokyo / Japan	61,578	60.00
SIA Schenker, Riga / Latvia	7,122	100.00
Sky Partners OÜ, Tallinn / Estonia	640	100.00
Skyraider Risk Retention Group, Inc., Charleston / USA	- 287	100.00
SW Zoll-Beratung GmbH, Furth im Wald	8,996	100.00
The Great Ocean Line Pte. Ltd., Singapore / Singapore	28	100.00
Trafikaktiebolaget NP Kagström, Gothenburg / Sweden	94	100.00
UAB "Schenker," Vilnius / Lithuania	3,111	100.00
USA Truck Fleetco LLC, Van Buren / USA	- 18,523	100.00
USA Truck Logistics LLC, Van Buren / USA	9,412	100.00
USA Truck, Inc., Van Buren / USA	173,297	100.00
USA Truck, LLC, Van Buren / USA	- 675	100.00
AT EQUITY		
ADRIA KOMBI d.o.o., Ljubljana, Ljubljana / Slovenia [2), 4)]	12,644	33.72
ATS Air Transport Service AG, Zurich / Switzerland [2), 4)]	3,164	26.00
Bäckebols Åkeri AB, Gothenburg / Sweden [2), 4), 6)]	4,720	35.00
BTU – Bilspedition Transportörer Utvecklings AB, Solna / Sweden [2), 4), 6)]	1,549	50.00
Elevator-Gesellschaft mit beschränkter Haftung, Hanover [2), 4)]	38	50.00
Express Air Systems GmbH (EASY), Kriftel [2), 4)]	3,943	50.00
Gardermoen Perishables Center AS, Gardermoen / Norway [2), 4)]	1,945	33.30
Germans Corbalan & Alvarez, S.L., Manresa (Barcelona) / Spain [2), 4), 6)]	1,703	20.00
I.M. "Moldromukrtrans" S.R.L., Chișinău / Moldova [2), 4), 6)]	689	33.17
Les Triporteurs Montpellierains SAS, Montpellier / France [2), 4), 6)]	- 19	20.00
Les Triporteurs Parisiens SAS, Paris / France [2), 4), 6)]	0	20.00
Les Triporteurs Rochelais SARL, La Rochelle / France [2), 4), 6)]	39	30.00
Les Triporteurs Tourangeaux SARL, Tours / France		20.00
Mesa Technologies GmbH, Berlin [2), 6), 11)]	160	22.23
Trans Jelabel S.L., Aldeamayor de S Martin / Spain [2), 4), 6)]	1,255	20.00
Volla Eiendom AS, Oslo / Norway [2), 4), 6)]	1,396	50.00

1) IFRS data.
2) Disclosures comply with local accounting principles.
3) Data: 2021 financial year.
4) Data: 2022 financial year.
5) Data: 2020 financial year.
6) Preliminary data.
7) Data: 2018 financial year.
8) Consolidation is based on company law agreements, which gives DB power of disposal over the relevant activities.
9) Data: 2017 financial year.
10) Data: 2019 financial year.
11) Net profit for the year, for six months only.

(43) MANAGEMENT BOARD, SUPERVISORY BOARD AND SUPERVISORY BOARD COMMITTEES

Disclosure of the names and memberships in (a) other supervisory boards that are legally required to be created and (b) equivalent domestic and international control bodies of commercial enterprises of members of the Management Board and the Supervisory Board of DB AG are set out in the following.

Management Board

DR. RICHARD LUTZ
Chief Executive Officer and Chairman of the Management Board,
Berlin

a)
- DB Cargo AG (Chairman)
- DB Fernverkehr AG (Chairman)
- DB Regio AG (Chairman)
- DEVK Deutsche Eisenbahn Versicherung Lebensversicherungsverein a.G. Company welfare scheme of Deutsche Bahn
- DEVK Deutsche Eisenbahn Versicherung Sach- und HUK-Versicherungsverein a.G. Company welfare scheme of Deutsche Bahn

b)
- DB Stiftung gGmbH (Advisory Board, Chairman)

DR. DANIELA GERD TOM MARKOTTEN
Digitalization and Technology,
Dallgow-Döberitz

a)
- Schenker AG
- DB Fahrzeuginstandhaltung GmbH (Chairwoman)
- DB Systel GmbH (Chairwoman)
- DB Systemtechnik GmbH (Chairwoman)
- DEVK Rückversicherungs- und Beteiligungs-AG
- Vonovia SE (since May 17, 2023)

b)
- DB broadband GmbH (Chairwoman)
- Hermann von Helmholtz-Gemeinschaft Deutscher Forschungszentren e.V./German Aerospace Center (Deutsches Zentrum für Luft- und Raumfahrt; DLR) (Member of the Senate)

DR. LEVIN HOLLE
Finance and Logistics,
Berlin

a)
- Schenker AG (Chairman)
- DEVK Allgemeine Versicherungs-AG

b)
- Arriva plc (now Arriva Limited), Sunderland/United Kingdom (Chairman of the Board of Directors)
- BwConsulting GmbH (Advisory Board)

BERTHOLD HUBER
Infrastructure,
Weilheim

a)
- DB Netz AG (since December 27, 2023: DB InfraGO AG; Chairman)
- DEVK Allgemeine Lebensversicherungs AG

DR. SIGRID NIKUTTA
Freight Transport,
Berlin

a)
- DB Cargo Polska S.A. (Chairwoman)
- Knorr-Bremse AG

b)
- DEVK Allgemeine Versicherungs-AG (Advisory Board)
- Deutsche Bank Ost (Advisory Board)
- Association of Berlin Merchants and Industrialists (VBKI) (Executive Board)
- Kombiverkehr Deutsche Gesellschaft für kombinierten Güterverkehr mbH&Co. KG (up to June 30,2023; Administrative Board)
- Bielefeld University (University Council)
- German Institute for Economic Research (DIW) (Chairman, Board of Trustees)

EVELYN PALLA
Regional Transport,
Vienna

a)
- S-Bahn Berlin GmbH (Chairwoman)
- DB Systel GmbH (Chairwoman)

b)
- Arriva plc (now Arriva Limited), Sunderland/United Kingdom (Member of the Board of Directors)

DR. MICHAEL PETERSON
Long-Distance Passenger Transport,
Heidelberg

a)
- DB Systel GmbH
- DB Vertrieb GmbH (Chairman)

b)
- DB Bahn Italia S.r.l. (Chairman of the Board of Directors)

MARTIN SEILER
Human Resources and Legal Affairs,
Berlin

a)
- Schenker AG
- DB Cargo AG
- DB Gastronomie GmbH (Chairman)
- DB JobService GmbH (Chairman)
- DB Zeitarbeit GmbH (Chairman)
- DB Station&Service AG (since December 27, 2023: merged with DB InfraGO AG; Chairman)
- DB Energie GmbH (Chairman)
- DEVK Deutsche Eisenbahn Versicherung Lebensversicherungsverein a.G. Company welfare scheme of Deutsche Bahn
- DEVK Deutsche Eisenbahn Versicherung Sach- und HUK-Versicherungsverein a.G. Company welfare scheme of Deutsche Bahn

b)
- DB Stiftung gGmbH (Advisory Board)

Supervisory Board

WERNER GATZER
Chairman of the Supervisory Board,
Secretary of State (retired),
Teltow

b)
- Bundesanstalt für Immobilienaufgaben (BImA) (Chairman of the Administrative Board)
- Fritz Thyssen Stiftung (Member of the Board of Trustees)
- DB Stiftung gGmbH (Advisory Board)

MARTIN BURKERT*
Deputy Chairman of the Supervisory Board,
Chairman of the Railway and Transport Workers Union (EVG),
Nuremberg
a) – S-Bahn Berlin GmbH (Deputy Chairman)
– DB Regio AG (Deputy Chairman)
– DEVK Rückversicherungs- und Beteiligungs-AG (since July 1, 2023; Chairman)
– DEVK Deutsche Eisenbahn Versicherung Sach- und HUK Versicherungsverein a.G. Company welfare scheme of Deutsche Bahn (since July 1, 2023; Chairman)
– DEVK Deutsche Eisenbahn Versicherung Lebensversicherungsverein a.G. Company welfare scheme of Deutsche Bahn (since July 1, 2023; Chairman)
– DEVK Vermögensvorsorge- und Beteiligungs-AG (until June 30, 2023; Chairman)
– DEVK Pensionsfonds-AG (until June 30, 2023)
– DEVK Allgemeine Lebensversicherungs-AG (until June 30, 2023)

RALF DAMDE*
Chairman of the Central Works Council of DB Regio AG,
Ensdorf/Saar
a) – DB Regio AG
– Sparda-Bank Südwest
b) – DEVK Deutsche Eisenbahn Versicherung Sach- und HUK-Versicherungsverein a.G. Company welfare scheme of Deutsche Bahn (Advisory Board)
– Railway Social Work Foundation (BSW)

STEFAN GELBHAAR
Member of the German Parliament,
Berlin

ANJA HAJDUK
Secretary of State in the Federal Ministry of Economic Affairs and Climate Action,
Berlin
a) – Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG)
– Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

SUSANNE HENCKEL
Secretary of State in the Federal Ministry of Transport and Digital Infrastructure,
Berlin
a) – Flughafen Berlin Brandenburg GmbH
b) – Agora Transport Transformation gGmbH (Advisory Board)

JÖRG HENSEL*
Chairman of the Central Works Council of DB Cargo AG,
Chairman of the Works Council of DB Cargo business unit,
Chairman of the European Works Council of DB AG,
Hamm
a) – DB Cargo AG
– DEVK Deutsche Eisenbahn Versicherung Sach- und HUK-Versicherungsverein a.G. Company welfare scheme of Deutsche Bahn
– DEVK Deutsche Eisenbahn Versicherung Lebensversicherungsverein a.G. Company welfare scheme of Deutsche Bahn
b) – DEVK Pensionsfonds-AG (Advisory Board)

COSIMA INGENSCHAY*
Deputy Chairwoman of the Railway and Transport Workers' Union (EVG),
Berlin
a) – DB Cargo AG (since January 16, 2023) (Deputy Chairwoman; since January 30, 2023)
– DEVK Deutsche Eisenbahn Versicherung Lebensversicherungsverein a.G. Company welfare scheme of Deutsche Bahn (since June 2, 2023)
– DEVK Deutsche Eisenbahn Versicherung Sach- und HUK Versicherungsverein a.G. Company welfare scheme of Deutsche Bahn (since June 2, 2023)
– DB Station&Service AG (until December 27, 2023; Deputy Chairwoman)
– DEVK Allgemeine Versicherungs-AG (until May 11, 2023; Chairwoman)
– DEVK Vermögensvorsorge- und Beteiligungs-AG (Chairwoman; since May 11, 2023)
– DEVK Rechtsschutz-Versicherungs-AG (until 10 May 2023)
– DGB Rechtsschutz GmbH (until March 28, 2023)
b) – DEVK Allgemeine Versicherungs-AG (until May 11, 2023; Advisory Board, Chairwoman)
– DEVK Vermögensvorsorge- und Beteiligungs-AG (since May 11, 2023; Advisory Board, Chairwoman)
– Bahn-Sozialwerk (BSW) Foundation (since January 1, 2023)
– Eisenbahn-Waisenhort Foundation (EWH) (since January 1, 2023)

ALEXANDER KACZMAREK*
Group representative for the Federal states of Berlin, Brandenburg, Mecklenburg-Western Pomerania,
Berlin
a) – S-Bahn Berlin GmbH
b) – Usedomer Bahn GmbH (Advisory Board, Deputy Chairman)
– DEVK Deutsche Eisenbahn Versicherung Lebensversicherungsverein a.G. Company welfare scheme of Deutsche Bahn (Advisory Board)

PROF. DR. SUSANNE KNORRE
Management consultant,
Hanover
a) – Salzgitter AG
– Norddeutsche Landesbank
– Rain Carbon Germany GmbH
– STEAG Power GmbH (March 2 to December 31, 2023)

DOROTHEE MARTIN
Member of the German Parliament,
Hamburg
b) – Stiftung Freundeskreis – (auxiliar Gesellschaft mbH) (Board of Trustees)
– HafenCity Universität Hamburg (University Council)

DANIELA MATTHEUS
Lawyer and management advisor,
Berlin
a) – Commerzbank AG
– Jenoptik AG (since November 1, 2023)
– Yunex GmbH (until October 31, 2023)
– CEWE Stiftung&Co. KGaA (since June 7, 2023)
– Die Autobahn GmbH des Bundes

HEIKE MOLL*
Chairwoman of the General Works Council of DB Station&Service AG,
(since July 27, 2023: merged with DB InfraGO AG),
Munich
a) – DB Station&Service AG
(since December 27, 2023: merged with DB InfraGO AG)
– DEVK Allgemeine Versicherungs-AG (since July 1, 2023)
b) – DEVK Deutsche Eisenbahn Versicherung
Sach- und HUK-Versicherungsverein a.G.
Company welfare scheme of Deutsche Bahn
(until May 1, 2023; Advisory Board)

MICHAEL PUSCHEL
Federal Ministry of Transport and Digital Infrastructure,
Head of the Federal Roads Department,
Nieder-Olm
a) – Hafenbetriebe Rheinland-Pfalz GmbH (until January 31, 2023)
– Hafenbetriebe Ludwigshafen am Rhein GmbH
(until January 31, 2023)
– Trierer Hafengesellschaft mbH (until January 31, 2023)
– Die Autobahn GmbH des Bundes (since March 7, 2023)
b) – State-owned facilities on waterways (BLAW)
(until January 31, 2023; Administrative Board)
– ivm GmbH (integrated transport system and mobility
management) (until Jan 31, 2023)

DR. IMMO QUERNER
Managing Partner of KoppaKontor GmbH,
Celle
a) – BÖAG Börsen AG
b) – Arriva plc (now Arriva Limited), Sunderland/United Kingdom
(Member of the Board of Directors)
– Assenagon Asset Management S.A. (Board of Directors)
– German Nuclear Waste Management Fund
(Chairman of the Investment Committee)
– Akinn Group SPF Sàrl, Luxembourg
(Member of the Board of Directors)

BERND REUTHER
Member of the German Parliament,
Wesel
a) – Toll Collect GmbH
b) – DeltaPort GmbH&Co. KG

MANFRED SCHOLZE*
Chairman of the General Works Council of DB Fernverkehr AG,
Ebersbach-Neugersdorf
a) – DB Fernverkehr AG
b) – DEVK Deutsche Eisenbahn Versicherung
Lebensversicherungsverein a.G.
Company welfare scheme of Deutsche Bahn (Advisory Board)

KLAUS-PETER SCHÖLZKE*
Chairman of the Central Works Council of DB Regio AG,
Dresden

JENS SCHWARZ*
Chairman of the Group Works Council of Deutsche Bahn AG,
Chemnitz
a) – DEVK Deutsche Eisenbahn Versicherung
Lebensversicherungsverein a.G.
Company welfare scheme of Deutsche Bahn
(Deputy Chairman)
– DEVK Deutsche Eisenbahn Versicherung
Sach- und HUK-Versicherungsverein a.G.
Company welfare scheme of Deutsche Bahn

VEIT SOBEK*
DB Netz AG project and program management expert
(since December 27, 2023: DB InfraGO AG),
Halberstadt
a) – Bundesbahn-Wohnungsbaugesellschaft Kassel GmbH
b) – DEVK Deutsche Eisenbahn Versicherung
Lebensversicherungsverein a.G.
Company welfare scheme of Deutsche Bahn (Advisory Board)

* Employees' representative on the Supervisory Board.

Supervisory Board committees

MEMBERS OF THE EXECUTIVE COMMITTEE
- Werner Gatzer (Chairman)
- Martin Burkert
- Susanne Henckel
- Jens Schwarz

MEMBERS OF THE AUDIT AND COMPLIANCE COMMITTEE
- Dr. Immo Querner (Chairman)
- Susanne Henckel
- Jörg Hensel
- Cosima Ingenschay

MEMBERS OF THE PERSONNEL COMMITTEE
- Werner Gatzer (Chairman)
- Martin Burkert
- Susanne Henckel
- Jens Schwarz

MEMBERS OF THE MEDIATION COMMITTEE
- Werner Gatzer (Chairman)
- Martin Burkert
- Susanne Henckel
- Jens Schwarz

Berlin, February 27, 2024

Deutsche Bahn Aktiengesellschaft
The Management Board

Additional information

INDEPENDENT AUDITOR'S REPORT

To Deutsche Bahn Aktiengesellschaft, Berlin

Audit Opinions

We have audited the consolidated financial statements of Deutsche Bahn Aktiengesellschaft, Berlin, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated statement of income, the reconciliation of consolidated comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2023, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Deutsche Bahn Aktiengesellschaft, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2023. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information"section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2023, and of its financial performance for the financial year from 1 January to 31 December 2023, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to §322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with §317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). We performed the audit of the consolidated financial statements in supplementary compliance with the International Standards on Auditing (ISAs). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the corporate governance report pursuant to No. 7.1 of the German Federal Public Corporate Governance Code included in section "Corporate Governance Report" of the group management report
- the sections of the group management report marked as unaudited with red arrows (↴↑↓↑) and a grey font colour.

The other information comprises further all remaining parts of the publication "Integrated Report" – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to §315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to §315e Abs. 1 HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Berlin, 4 March 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Thomas Kieper
Wirtschaftsprüfer

Philipp Medrow
Wirtschaftsprüfer

GRI INDEPENDENT PRACTITIONER'S REPORT ON A LIMITED ASSURANCE ENGAGEMENT ON SUSTAINABILITY INFORMATION [1)]

To Deutsche Bahn AG, Berlin

We have performed a limited assurance engagement on the disclosures made in the sections "To our Stakeholders – Open Stakeholder Dialog", "To our Stakeholders – Charitable Commitment by the Deutsche Bahn Foundation" and sections marked with arrows at the beginning (↓) and end (↑) and highlighted with a grey font color (hereinafter together the "Disclosures") of the Integrated Report 2023 of Deutsche Bahn, Berlin, (hereinafter the "Company") for the period from 1 January to 31 December 2023 (hereinafter the "Report").

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Report in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter the "GRI-Criteria").

This responsibility of Company's executive directors includes the selection and application of appropriate methods of sustainability reporting as well as making assumptions and estimates related to individual sustainability disclosures, which are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as they have considered necessary to enable the preparation of a Report that is free from material misstatement whether due to fraud or error.

Audit Firm's Independence and Quality Management

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Within the scope of our engagement we did not perform an audit on external sources of information or expert opinions, referred to in the Report.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Management 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality management for audit firms (IDW Qualitätsmanagementstandard 1: Anforderungen an das Qualitätsmanagement in der Wirtschaftsprüferpraxis – IDW QMS 1 (09.2022)), which requires the audit firm to design, implement and operate a system of quality management that complies with the applicable legal requirements and professional standards.

Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the Disclosures in the Report based on the assurance engagement we have performed.

We conducted our assurance engagement in accordance with the 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 allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe

1) PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the Report and issued an independent practitioner's report in German language, which is authoritative. The following text is a translation of the independent practitioner`s report.

that the Disclosures in the Company's Report for the period from 1 January to 31 December 2023 have not been prepared, in all material aspects, in accordance with the GRI-Criteria.

In a limited assurance engagement the assurance procedures are less in extent than for a reasonable assurance engagement and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the practitioner's judgment.

Within the scope of our assurance engagement, we performed amongst others the following assurance procedures and further activities:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement
- Assessment of the process for conducting the materiality analysis in accordance with the GRI criteria.
- Inquiries of personnel involved in the preparation of the Report regarding the preparation process, the internal control system relating to this process and selected disclosures in the Report
- Identification of the likely risks of material misstatement of the Report under consideration of the GRI-Criteria
- Review of processes for the collection, control, analysis and aggregation of selected data from different locations of the Company on a sample basis
- Analytical evaluation of selected disclosures in the Report
- Inquiries on the relevance of climate-risks
- Evaluation of the presentation of the selected disclosures regarding sustainability performance

Assurance Conclusion

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the Disclosures in the Company's Report for the period from 1 January to 31 December 2023 have not been prepared, in all material aspects, in accordance with the GRI-Criteria.

Intended Use of the Assurance Report

We issue this report on the basis of the engagement agreed with the Company. The assurance engagement has been performed for purposes of the Company and the report is solely intended to inform the Company as to the results of the assurance engagement. The report is not intended to provide third parties with support in making (financial) decisions. Our responsibility lies solely toward the Company. We do not assume any responsibility towards third parties.

Berlin, 4 March 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Hendrik Fink Wirtschaftsprüfer (German Public Auditor)	ppa. Thomas Groth

GLOBAL REPORTING INITIATIVE (GRI) INDEX

Statement of use	DB Group has reported in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD		Page(s)	Omission		
			Requirement(s) omitted	Reason	Explanation
General disclosures					
GRI 2: GENERAL DISCLOSURES 2021					
1. THE ORGANIZATION AND ITS REPORTING PRACTICES					
2-1	Organizational details	37-38, 228-233, 278-283			
2-2	Entities included in the organization's sustainability reporting	43-45, 228-233, 278-283			
2-3	Reporting period, frequency and contact point	43-45, 306			
2-4	Restatements of information	106, 230-232			
2-5	External assurance	28, 43-45, 290-291			
2. ACTIVITIES AND WORKERS					
2-6	Activities, value chain and other business relationships	37-38, 38-40, 119-120, 185-186, 216			
2-7	Employees	30-31, 94-96, 101-102, 102, 124, 126-128, 127, 129, 134-136, 135, 139, 140-142, 141, 145, 153-154, 158, 158-159, 161-162, 162, 166, 168, 172, 172-173, 189-190, 197, 197-198, 198-199	b. ii, b. iii	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies.
2-8	Workers who are not employees	–	a., b., c.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. With regard to vocational trainees, dual-degree students, interns and external temporary agency workers, the report covers the DB Group in Germany.
3. GOVERNANCE					
2-9	Governance structure and composition	37-38, 205-206			
2-10	Nomination and selection of the highest governance body	205-206			
2-11	Chair of the highest governance body	205-206			
2-12	Role of the highest governance body in overseeing the management of impacts	40-42			
2-13	Delegation of responsibility for managing impacts	40-42, 205-206			
2-14	Role of the highest governance body in sustainability reporting	43-45	a.	Information unavailable/incomplete	A more detailed description of the procedure for review and approval is planned for future reporting years.
2-15	Conflicts of interest	205-206			
2-16	Communication of critical concerns	26-28			
2-17	Collective knowledge of the highest governance body	–	a.	Information unavailable/incomplete	Issues relating to the relevant training of Supervisory Board members will be addressed as part of the developing legal framework for sustainability reporting in Germany.
2-18	Evaluation of the performance of the highest governance body	207			
2-19	Remuneration policies	26-28, 41, 207-211			
2-20	Process to determine remuneration	208-210			

GRI STANDARD	Page(s)	Omission: Requirement(s) omitted	Reason	Explanation
2-21 Annual total compensation ratio	–	a., b., c.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies.
4. STRATEGY, POLICIES AND PRACTICES				
2-22 Statement on sustainable development strategy	22-24			
2-23 Policy commitments	119-120, 188, 194, 195, 195-197, 197, 197-198, 198-199			
2-24 Embedding policy commitments	119-120, 194, 195-197, 197, 197-198, 198-199			
2-25 Processes to remediate negative impacts	119-120, 197-198, 198-199	d., e.	Information unavailable/incomplete	A more detailed description of the procedures for reviewing the effectiveness and involvement of stakeholders is planned for future reporting years.
2-26 Mechanisms for seeking advice and raising concerns	195-197			
2-27 Compliance with laws and regulations	51, 84, 195-197	a., b., c., d.	Information unavailable/incomplete	Information system not yet available. In development.
2-28 Membership associations	29, 31-32			
5. STAKEHOLDER ENGAGEMENT				
2-29 Approach to stakeholder engagement	29-32			
2-30 Collective bargaining agreements	30-31, 36, 43-44, 57-58, 92, 93, 94, 99-100, 182-183, 189-190, 197- 198, 212, 213	a., b.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. For the Group companies within the Integrated Rail System in Germany, the principle is that the employment conditions for employees not subject to collective bargaining agreements and executives are not determined by collective bargaining agreements. Nevertheless, the remuneration of the great majority of employees not subject to collective bargaining agreements is based on the highest pay under collective bargaining agreements. Furthermore, DB Group ensures that the employment conditions of employees, both subject to and not subject to collective bargaining agreements, as well as executives, are compatible with one another with respect to personnel policy.
Material topics				
GRI 3: MATERIAL TOPICS 2021				
3-1 Process to determine material topics	30-31, 43-45			
3-2 List of material topics	43-45			
Economic performance capability				
3-3 Management of material topics	29-32, 52-58, 110-111, 111-114, 114-118, 213-218			
GRI 201: ECONOMIC PERFORMANCE 2016				
201-1 Direct economic value generated and distributed	107-109, 220, 225			
201-2 Financial implications and other risks and opportunities due to climate change	188-189	a. v.	Information unavailable/incomplete	Costs for managing climate-related opportunities and risks are set out in various items of the statement of income in the reporting. However, they have not yet been combined under this aspect.
201-3 Defined benefit plan obligations and other retirement plans	258-262			
201-4 Financial assistance received from government	36, 45-48, 54-55, 83, 115-117, 212, 228-233, 273-276			
GRI 203: INDIRECT ECONOMIC IMPACTS 2016				
203-1 Infrastructure investments and services supported	54-55, 115-117, 187, 272			
203-2 Significant indirect economic impacts	52-58			

GRI STANDARD		Page(s)	Requirement(s) omitted	Reason (Omission)	Explanation (Omission)
Corporate management and compliance					
3-3	Management of material topics	195, 195–197			
GRI 205: ANTI-CORRUPTION 2016					
205-1	Operations assessed for risks related to corruption	44–45, 180–183, 195, 195–197	a.	Information unavailable/incomplete	Quantitative survey in accordance with requirements is not material from DB Group perspective and therefore disproportionate. Within a three-year cycle, all Group companies with operating activities are to be examined for risks of corruption. Compliance risks must be reported annually on business units level.
205-2	Communication and training about anti-corruption policies and procedures	119–120, 195–197	a., b., c., d., e.	Information unavailable/incomplete	Quantitative survey in accordance with requirements is not material from DB Group perspective and therefore disproportionate. Communication and training on anti-corruption are described under "Compliance instruments." Upon conclusion of the contract, suppliers are informed of and obliged to meet anti-corruption requirements.
205-3	Confirmed incidents of corruption and actions taken	195–197, 197			
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016					
206-1	Legal proceedings due to anti-competitive behavior, anti-trust and monopoly practices	51	b.	Not applicable	No completed proceedings during the reporting period.
Sustainable resource use					
3-3	Management of material topics	79–80, 188			
GRI 301: MATERIALS 2016					
301-1	Materials used by weight or volume	80–81	a.	Information unavailable/incomplete	According to the material flow analysis conducted in 2021, the materials used in track infrastructure (rail steel, gravel, concrete ties) are the main resources of DB Group. The materiality of additional resources is checked continuously.
301-2	Recycled input materials used	80–81	a.	Information unavailable/incomplete	According to the material flow analysis conducted in 2021, the materials used in track infrastructure (rail steel, gravel, concrete ties) are the main resources of DB Group. The materiality of additional resources is checked continuously.
301-3	Reclaimed products and their packaging materials	80–81	a.	Information unavailable/incomplete	According to the material flow analysis conducted in 2021, the materials used in track infrastructure (rail steel, gravel, concrete ties) are the main resources of DB Group. The materiality of additional resources is checked continuously.
GRI 306: WASTE 2020					
306-1	Waste generated and significant waste-related impacts	81–82			
306-2	Management of significant waste-related impacts	79–80, 81–82			
306-3	Waste generated	81–82			
306-4	Waste diverted from disposal	81–82	b., c.	Information unavailable/incomplete	The data on "Preparation for reuse" is not collected by DB Group or by the commissioned disposal companies because it is not currently part of the waste law system.
306-5	Waste directed to disposal	81–82	b., c.	Information unavailable/incomplete	DB Cargo AG is the only part of the DB Cargo business unit included. The extent to which the data can be collected in the medium term is being examined.
Climate protection					
3-3	Management of material topics	71–77, 126, 134, 140, 157–158, 161, 170–171, 188–189			
GRI 305: EMISSIONS 2016					
305-1	Direct (Scope 1) GHG emissions	73–74, 74	c.	Information unavailable/incomplete	In the context of the currently unreported Scope 3.3 emissions according to the GHG Protocol, accounting for biogenic CO_2 emissions does not make sense. An expansion is planned in the medium term.
			d.	Not applicable	The Group climate protection target with the base year 2006 does not include any separate scope targets.

GRI STANDARD	Page(s)	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
305-2 Energy indirect (Scope 2) GHG emissions	71–72, 73–74, 74			
305-3 Other indirect (Scope 3) GHG emissions	71–72, 73–74, 74	c.	Information unavailable/ incomplete	In the context of the currently unreported Scope 3.3 emissions according to the GHG Protocol, accounting for biogenic CO_2 emissions does not make sense. An expansion is planned in the medium term.
305-4 GHG emissions intensity	72–73, 74			
305-5 Reduction of GHG emissions	71–72, 72–73, 73–74, 74	a.	Information unavailable/ incomplete	No quantitative information is available at the time of data collection. In addition to qualitative data, quantitative data is also being reported in the medium term.
305-6 Emissions of ozone-depleting substances (ODS)	–	a., b., c., d.	Not applicable	If used, refrigerants are used in such small quantities that materiality is not given.
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	83–84			
GRI 302: ENERGY 2016				
302-1 Energy consumption within the organization	73–74, 74, 75–76	b., c., d.	Information unavailable/ incomplete	Total fuel consumption is reported, but the fuel types used cannot be broken down at present. A breakdown by fuel type is only available for the DB traction current mix. Further information will be reported in the medium term.
302-2 Energy consumption outside the organization	73–74, 75–76	a.	Information unavailable/ incomplete	The primary energy consumption reported includes the energy consumption of the main Scope 3.4 transport services in accordance with the GHG Protocol (DB Schenker, DB Regional Bus, rail freight transport to China). Additional Scope 3 categories are specified in the medium term.
302-3 Energy intensity	75–76			
302-4 Reduction of energy consumption	71–72, 73–74, 75–76	a., b., c.	Information unavailable/ incomplete	No quantitative information is available at the time of data collection. In addition to qualitative data, quantitative data is also being reported in the medium term.
302-5 Reductions in energy requirements of products and services	73–74, 75–76			
Attractive employer and securing skilled labor				
3-3 Management of material topics	85–87, 97–99, 99			
GRI 401: EMPLOYMENT 2016				
401-1 New employee hires and employee turnover	88, 89, 89–92, 92, 101–102, 102	a., b.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. The current reporting covers DB Group in Germany.
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	37–38, 94–96, 96–97, 97–99	a.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. The current reporting covers DB Group in Germany. For the Group companies within the Integrated Rail System in Germany, the principle is that there are no differences among part-time or fixed-term employees. The differences that exist with certain offers result from factual reasons arising in the case of a fixed-term or part-time employment.
401-3 Parental leave	94–96	a., b., c., d., e.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. All employees in Germany have entitlement to parental leave allowance in accordance with the legal framework (in particular the Federal Parental Allowance Act and Parental Leave Act). The key figures for b. to d. are presented for the employees in the Integrated Rail System in Germany.

GRI STANDARD	Page(s)	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
GRI 402: LABOR/MANAGEMENT RELATIONS 2016				
402-1 Minimum notice periods regarding operational changes	94, 94–96, 96	a., b.	Information unavailable/incomplete	At present, the information cannot be reported for DB Group because the required data for the analysis is not centrally available. Re a.: For the Integrated Rail System in Germany, the principle is that operational changes pursuant to the Works Constitution Act (BetrVG) must always be discussed with the relevant employee interest groups. Specifically, the employer is required to include employee interest groups, in good time and comprehensively, before a decision to implement an organizational change. In the case of organizational changes which, according to the legislation, constitute a change in operations, the relevant economic committee must also be included in addition to the respective Works Council, and the required documents must be submitted (see Sections 106, 111 and 112 BetrVG). In the case of a change in organization as part of a transfer of operations, the relevant employees must also be notified in advance by the employer in accordance with the principles of Section 613 a of the German Civil Code (BGB). Re b.: For the Integrated Rail System in Germany, the principle is that it is specified in the Collective Bargaining Agreement Act that the collective bargaining parties, i.e. the employer and the responsible trade unions, are bound to the term of the collective bargaining agreement. Furthermore, the employer is required to disclose the collective bargaining agreements to be applied in the course of the operation. There are no fixed deadlines for consultation and notification under the collective bargaining agreement.
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018				
403-1 Occupational health and safety management system	97–99, 180–183, 194	a., b.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-2 Hazard identification, risk assessment, and incident investigation	97–99, 194	a., b., c., d.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-3 Occupational health services	97–99	a.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-4 Worker participation, consultation, and communication on occupational health and safety	97–99	a., b.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-5 Worker training on occupational health and safety	67–69, 97–99, 198–199	a.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-6 Promotion of worker health	97–99	a., b.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	97–99	a.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-8 Workers covered by an occupational health and safety management system	97–99	a., b., c.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System.
403-9 Work-related injuries	97–99	a., b., c., d., e., f., g.	Information unavailable/incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System. In accordance with statutory provisions in Germany, occupational accidents are reported and provided to the statutory accident insurance company within three calendar days of the accident becoming known. The relevant statutory accident insurance company is responsible for determining the damage and regulating the costs of the accident. Statistically, only fatal occupational accidents and not serious ones are disclosed or reported.

GRI STANDARD	Page(s)	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
403-10 Work-related ill health	97-99	a., b., c., d., e.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this information is presented for the Integrated Rail System. There is no monitoring of work-related illnesses. Data on occupational illnesses that make up a portion of the work-related illnesses are held by the accident insurance company.
GRI 404: TRAINING AND EDUCATION 2016				
404-1 Average hours of training per year per employee	90-91, 101-102	a.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. This year, this key figure will initially be displayed for employees in the Integrated Rail System in Germany.
404-2 Programs for upgrading employee skills and transition assistanceprograms	57-58, 59-62, 90-91, 92, 96-97, 99-100, 100-101, 101, 189-190	a., b.	Information unavailable/ incomplete	This information is not available on a consolidated basis for Group companies outside the Integrated Rail System in Germany. Re a.: The information refers to services offered by the internal training service providers, DB Training for employees and DB Academy for the target group of executives as well as centrally managed programs for training in addition to a job, each with a focus on Germany. Re b.: In Germany, the departure from working life to retirement or by giving notice of termination of employment is regulated by law in order to protect and support employees. With employer-financed contributions to the DEVK pension fund, the DB Group offers a pension scheme to supplement the statutory pension for the period after retirement. DB Group offers additional programs to provide transitional assistance for a departure from the profession, e.g. via the Bahn Sozial Werk (retirement support).
404-3 Percentage of employees receiving regular performance and career development reviews	91-92, 216-217	a.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the various companies. All employees and executives in the Integrated Rail System in Germany receive annual feedback on their performance. The penetration rate is 95%. The variation from 100 % is due to special cases such as sick employees and executives.
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016				
405-1 Diversity of governance bodies and employees	85, 101, 126-128, 134-136, 140-142, 153-154, 158-159, 161-162, 166, 172-173, 216-217	a., b.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. . The current reporting covers the DB Group in Germany.
405-2 Ratio of basic salary and remuneration of women to men	37-38, 41, 94	a.	Information unavailable/ incomplete	Not all companies outside of Germany have a central data warehouse to consolidate and process the individual data from the different companies. The collective bargaining agreements, works council agreements and other DB Group regulations on employment conditions are generally gender-neutral. Job evaluations and remuneration levels are based exclusively on the requirements of the respective activity, not on the personal characteristics of the candidates.
GRI 406: NON-DISCRIMINATION 2016				
406-1 Incidents of discrimination and corrective actions taken	99, 195-197, 197, 197-198	a., b.	Information unavailable/ incomplete	At present, this information cannot be provided for DB Group because the required data are not centrally available for Group-wide statistics and documentation. We implement the requirements of the LkSG.

GRI STANDARD		Page(s)	Omission: Requirement(s) omitted	Reason	Explanation
Customer safety					
3-3	Management of material topics	67–68			
GRI 410: SECURITY PRACTICES 2016					
410-1	Security personnel trained in human rights policies or procedures	67			
GRI 416: CUSTOMER HEALTH AND SAFETY 2016					
416-1	Assessment of the health and safety impacts of product and service categories	–	a.	Information unavailable/incomplete	Information cannot currently be reported due to the complex business structure.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	–	a., b.	Information unavailable/incomplete	Information cannot currently be reported due to the complex business structure.
Capacity expansion of the infrastructure and vehicle fleet					
3-3	Management of material topics	52–54, 54, 55–56			
GRI 413: LOCAL COMMUNITIES 2016					
413-1	Operations with local community engagement, impact assessments, and development programs	–	a.	Information unavailable/incomplete	Percentage can currently not be represented due to the complex Group structure and extensive infrastructure.
413-2	Operations with significant actual and potential negative impacts on local communities	–	a.	Information unavailable/incomplete	Information can currently not be represented due to the complex Group structure and extensive infrastructure.
Dealing with politics and regulations					
3-3	Management of material topics	29, 36, 45–50, 140, 152, 154, 154–155, 188, 212			
GRI 415: PUBLIC POLICY 2016					
415-1	Political contributions	29	a., b.	Not applicable	Contributions of any kind to political parties, their representatives, political leaders, elected representatives and candidates for political office are generally prohibited.
Solutions for modern and digital mobility, logistics and service					
3-3	Management of material topics	63, 63–64, 64			
Customer benefit and product quality					
3-3	Management of material topics	59, 59–62			

UN GLOBAL COMPACT INDEX

The UN Global Compact is the largest and most important initiative in the world for responsible corporate management. Upon joining the UN Global Compact in 2009, DB Group made a commitment to support its ten principles, and regularly reports on its activities and services in a Communication on Progress.

		Page
HUMAN RIGHTS		
Principle 1	Support and respect for international human rights	32–34, 43–51, 119–120, 197–199
Principle 2	Exclusion of human rights abuses	119–120, 197–199
LABOR STANDARDS		
Principle 3	Preserving freedom of association and law on collective bargaining	85–102, 197–199
Principle 4	Elimination of all forms of forced labor	119–120, 197–199
Principle 5	Elimination of child labor	119–120, 197–199
Principle 6	Elimination of discrimination	43–51, 85–102, 197–199
ENVIRONMENTAL PROTECTION		
Principle 7	Preventive environmental protection	29–32, 40–58, 70–84, 161–162
Principle 8	Initiative for greater environmental awareness	29–32, 40–58, 70–84, 126, 134, 140, 152–153, 157–158, 161–162, 170–171
Principle 9	Development and dissemination of eco-friendly technologies	29–32, 40–42, 52–58, 70–84, 119–120, 126, 133–134, 138, 140, 152–153, 155–158, 161–162, 170–171, 218
ANTI-CORRUPTION		
Principle 10	Measures against corruption	29–32, 119–120, 194–199

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX

DB Group supports the recommendations of the TCFD on reporting climate-related information. In this Integrated Report, we publish content recommended by the TCFD at various points.

The index table shows in which chapters and sub-chapters relevant topics can be found. The table is broken down according to the TCFD recommendations into the four core areas of governance, strategy, risk management, as well as key figures and targets.

TCFD RECOMMENDED DISCLOSURES		Page [1]
GOVERNANCE		
Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the Board's oversight of climate-related risks and opportunities.	40–42, 52–58, 180–183, 188–189
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	29–31, 40–42
STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	76–77, 180–183, 188–190
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	46, 52–54, 56–58, 70, 71–76, 76–77, 180–183, 188–189
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	52–54, 56–58, 70, 71–76, 76–77, 183–190
RISK MANAGEMENT		
Disclose how the organization identifies, assesses and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate-related risks.	76–77, 180–183, 183–190
	b. Describe the organization's processes for managing climate-related risks.	183–190
	c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	180–183, 183–190
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	40–42, 56–58, 70, 71–76, 96–97, 125
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	57–58, 70, 71–74, 301
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	56–58, 70, 71–76

[1] Page references refer to the chapters and sections in the report containing TCFD-relevant information.

GLOSSARY

A

Accessibility
Understood as universal design, meaning a design of products, environments, programs and services in such a way that they can be used by all people. Accessibility at train stations covers a wide range of aspects, from information and service to structural design. The overall objective is to dismantle all settings-based and environmental barriers that prevent passengers from full, effective and equal participation in the rail system.

Airborne pollutants
Natural substances or airborne substances caused by human activities which may have a detrimental effect on the environment. Examples of airborne pollutants caused by combustion are soot particles, nitric oxides, hydrocarbons (reported as non-methane hydrocarbon) or sulfur dioxide.

Artificial intelligence (AI)
AI systems in the context of this common understanding are IT systems that develop further in order to fulfill their requirements through automatic learning by continuously increasing their data base, with the aim of detecting patterns from it, drawing conclusions and preparing decisions for people. Generative AI systems are a sub-type of AI systems. They are characterized by the fact they can be used to generate new content (e.g. texts or images).

B

Biofuel
Fuel that is produced from biomass and is a climate-friendly alternative compared to diesel. Biofuels that are produced exclusively from waste and residues and without the use of cultivated biomasses are also known as advanced biofuels. HVO (hydrotreated vegetable oil) is an example of an advanced biofuel.

Bond
Interest-bearing security which is used to borrow funds on the capital market. Helps mid-term to long-term debt financing by companies.

Bus kilometers (bus km)
The journey of a bus over a distance of 1 km.

C

Capital employed
Includes property, plant and equipment (including intangible assets) and net current assets.

Circular economy (full)
The full circular economy within DB Group is defined by maintaining the value of the production resources and products essential for DB Group and the resources it contains within the economy for as long as possible, thereby reducing the need for primary raw materials and the volume of waste. This means that only technically necessary primary raw materials are used as input and all waste is recycled as output, insofar as this is legally possible.

Climate
The entirety of meteorological events (e.g. temperature, precipitation, wind), which describe the average condition of the atmosphere at a certain location for a duration of at least 30 years.

TCFD **Climate neutrality**
DB Group's climate neutrality target is based on the net-zero standard of the Science Based Targets initiative (SBTi) and thus an established standard. DB Group follows the principle of "avoid, reduce, neutralize." Essentially, this means reducing all greenhouse gas emissions (Scopes 1–3) for which it is technically possible and economically reasonable to do so, and to neutralize the remaining emissions. At the same time, a maximum of 10% of emissions may be neutralized, i.e. removed from the atmosphere and permanently bound by technical or natural solutions. DB Group's ambitious reduction path is consistent with the objective of holding global warming to 1.5 °C (1.5 °C compliant path) until the 2040 targets have been achieved in full.

Combined transport
Combined transport of containers or entire trucks on rail and road.

Commercial paper program (CP program)
Contractual framework or model documentation for the issue of short-term commercial papers.

Compass index
Measures the implementation of the "Compass for Strong Teamwork" in DB Group. It is a key indicator for the transformation of the organization as part of the Strong Rail strategy. It is collected annually as part of the employee survey and the culture barometer (from 2021).

Compliance
An important component of corporate governance. This is understood as compliance with laws and directives, as well as voluntary codes of conduct in the company.

Contracting organizations
In general, the Federal states are responsible for ordering regional rail passenger transport services from transport companies. This is carried out by a total of 27 different contracting organizations. Public road passenger transport (includes buses, trams and subways) is assigned to the municipal level in the Federal states. As a general principle, the ordering function is fulfilled by the districts or independent municipalities.

Contract logistics
Service package comprising multiple logistics activities. The service provider not only organizes transport orders, but also independently assumes parts of the value-added chain.

Costs of capital
Based on fair values as a weighted average of risk-adequate market returns for the minimum return requirement calculated for debt and equity capital.

Credit facilities
Credit facilities granted by banks which can be utilized if necessary. These are firm commitments of credit lines with different maturities, some of which serve as liquidity reserves that are available at all times, while the "umbrella credit lines" are available in particular to foreign subsidiaries for working capital financing and as a guarantee line.

Credit rating
Credit rating assigned by rating agencies that affects a company's refinancing options and costs.

Culture barometer
Germany-wide random sample survey in the Integrated Rail System in Germany. Short, compact and digital instrument as a supplementary format in the years between the more comprehensive employee survey. The focus of the survey is the compass index, which measures corporate culture in relation to the "Compass for Strong Teamwork."

Customer satisfaction
Satisfaction of customers and partners with a product/offer or a service, surveyed on a representative basis and evaluated on behalf of DB Group by independent market research institutes by telephone, in person or online. This is given as a standardized grade on a satisfaction scale of 1 (very satisfied) to 6 (very dissatisfied). The actual surveys are business-specific and therefore in some cases use different scales, e.g. for DB Cargo on a scale of 5 (very satisfied) to 1 (very dissatisfied) to ensure clarity for DB Cargo customers in other European countries. Customer satisfaction is addressed internally using the satisfaction index (SI). This achieves comparability of the customer satisfaction figures of different survey types and facilitates a more precise control of developments for individual customer satisfaction issues.

D

Data protection
Data protection is a basic right. Data protection is the protection against improper processing of personal data and the protection of the right to data autonomy.

DBeco plus
Service for rail freight transport customers to have their goods transported in a climate-neutral way on all electrified lines within Germany and Austria.

Debt coverage
Key financial indicator that describes the relationship between the company's current financial power and its financial obligations (adjusted net financial debt).

Debt issuance program
Contractual framework or sample documentation for the issuance of bonds. This guarantees a high degree of flexibility in issue activity.

Derivative financial instruments (derivatives)
Financial instruments, the price or value of which depends on the future rates or prices of other goods, assets or reference values (interest rates, indices). These are contracts in which the contracting parties agree to buy, sell or swap assets at specified conditions in the future, or alternatively make value equalization payments.

Diversity
Refers to the variation within the workforce with regard to gender, ethnicity and social background, age, religion, sexual orientation and identity, as well as physical and mental ability. Diversity also encompasses employees' variety of perspectives, values, professional experience and skills.

E

Earnings before interest and taxes (EBIT)
Operating profit/loss before interest and tax.

Earnings before interest, taxes, depreciation and amortization (EBITDA)
Operating profit/loss before interest, taxes, depreciation and amortization.

Ecosystem (digital)
Ecosystems are networks of partners who work on common (or competing) value-added chains for a value proposition. In partnership-based value chains, the created value exceeds the sum of the isolated value-added chains, for example, through a simple and better customer experience or increased efficiency in production.

Electricity mix
Composition of electricity by type of energy generation (e.g. renewable energies, gas and others).

Employee satisfaction index (SI)
As part of the Group-wide employee survey conducted every two years, the index is calculated using questions about motivation, job satisfaction and (emotional) loyalty to the company on a scale from 1 to 5 (best possible value).

Employee survey
It has been conducted within DB Group every two years since 2012. The aim of the employee survey is to give the individual divisions, business units and the entire DB Group an assessment for various organizational and cultural frameworks. Another objective of the survey is the subsequent improvement processes, which are triggered by the discussion of the results.

ESG rating
Assessment of sustainability, for example of a company. The degree of sustainability is assessed on the basis of the fulfillment of environmental, social and governance (ESG) criteria.

Equity method/at-equity accounting
Procedures for the accounting of subsidiaries which are not included in the consolidated financial statements on the basis of full consolidation with all assets and liabilities. The book value of the holding is adjusted by the development of the pro rata equity in the holding.

Equity ratio
Key financial indicator based on the balance sheet structure: proportion of equity in the balance sheet total as a percentage.

European Train Control System (ETCS)
Train control system, through which the interaction between the vehicle and line is standardized across Europe. The migration to ETCS affects vehicles and lines. ETCS offers a modular system of functions, clustered in levels and operating modes, the use of which depends on the rules and use cases of the respective infrastructure.

Existing network
Existing rail network and therefore core of the infrastructure.

F

Fast-track program (Schnellläuferprogramm; SLP)
Economic stimulus program from the Federal Government, DB Group and industry to renew signaling, interlocking and level crossing technology within a very short time.

Final energy
The energy form for which an end consumer receives an invoice, for example the quantity of fuel added, or the traction current obtained.

Floating rate notes (FRN)
Bonds with variable interest rates.

G

Global Reporting Initiative (GRI)
An international organization committed to the distribution and improvement of sustainability reporting. The GRI standards are regarded as the most widely used and most internationally recognized reporting standard for sustainability.

Global warming potential (GWP)
The global warming potential of a climate-affecting chemical compound such as methane describes the relative warming effect on the Earth's atmosphere over a period of 100 years (as a rule). The dimensionless figure describes the number of times a greenhouse gas contributes to global warming in comparison with CO_2. For example, for methane this is 28 times. The respective status reports of the IPCC are decisive in this.

Greenhouse gas emissions (CO_2 equivalents (CO_2e))
Emissions of trace gases that contribute to the greenhouse effect on Earth. According to the Kyoto Protocol and GHG Protocol, this includes the following compounds: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), partly halogenated hydrochlorofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). The CO_2 equivalent (unit: CO_2e) is used as a measure of the relative contribution to the greenhouse effect. This is also referred to in international standards as GWP (global warming potential).

Greenhouse Gas (GHG) Protocol
A globally recognized standard for the quantification and management of greenhouse gas emissions which is used by many companies, non-governmental organizations (NGOs) and governments.

Gross capital expenditures
Total capital expenditures in property, plant and equipment and intangible assets – irrespective of the type of financing.

Gross profit
Amount of revenues remaining after deduction of the variable (= revenue-related) costs or direct (= contract-related) costs.

H

High-performance network
Germany's highly utilized network, which will gradually undergo general modernization and special maintenance measures by 2030 to significantly increase the reliability, performance capability and customer experience on this network.

HVO (hydrotreated vegetable oil)
HVO (hydrotreated vegetable oil) is an example of an advanced biofuel.

Hybrid bonds
A corporate bond which, under certain conditions, is counted as equity within the scope of the IFRS accounting regulation. Hybrid bonds usually have very long maturities or no fixed redemption dates, but may be terminated by the issuer after the expiry of a predefined minimum term.

I

IFRS 16
An accounting rule of the International Accounting Standards Board (IASB), which, since 2019, has obligated companies preparing balance sheets in accordance with IFRS to record all lease agreements with a contract term of more than one year in their balance sheets.

Interest-free loans
Loans from the Federal Government that have to be repaid, but are not interest-bearing. These result from financing contributions from the Federal Republic of Germany for capital expenditures for track expansion and replacement.

Intermodal competition
Competition between different modes of transport, for example between rail and air transport.

International Financial Reporting Standards (IFRS)
Internationally recognized accounting standards. Since 2002, IFRS has been regarded as the overall concept of standards adopted by the International Accounting Standards Board. Previously adopted standards are still cited as International Accounting Standards (IAS).

Interoperability (multisystem capability)
The ability of rolling stock to adapt to different technical standards (for example track gauges or power systems) so as to run as consistently as possible between different rail networks of individual countries.

Investment grants
Financing contributions from third parties in specified capital expenditures projects without future repayment requirements.

K

K brake shoe
Brake shoe made from composite materials (K), see also V brake shoes.

L

Law for the expansion of renewable energies
The Renewable Energy Sources Act (EEG) is a Federal law to promote the supply of electricity from renewable energies.

LL brake shoe
Brake shoe made from composites (LL: low noise, low friction), see also V brake shoe.

Load factor/capacity utilization
Load factor describes the share of the capacity used by production equipment (for example train, bus) as a proportion of the total available capacity. In addition, the capacity utilization of lines describes the ratios capacity usage and supply between two operating points.

Local transport
Transport services with regional and S-Bahn (metro) trains (DB products Interregio-Express (IRE), RB, RE and S-Bahn (metro), buses, trams and subways and on-demand services.

Long-distance transport
DB transport services with ICE and Intercity/Eurocity products. There are also offers from non-Group train operating companies.

Lost time injury frequency (LTIF)
Describes the relationship between accident frequency and hours actually worked based on one million working hours.

M

Means of transport
In a broad sense, means of transport are any technical or organizational facilities that help passengers and goods to undertake journeys through changes in location.

Mode of transport
The type of route, for example road or rail. Modes of transport include the transport infrastructure that must be available for a specific transport or means of transport so that a transport performance can take place.

N

Net capital expenditures
Gross capital expenditures less investment grants from third parties, for example for infrastructure investments.

Net financial debt
Balance from interest-bearing external liabilities and finance lease liabilities as well as cash and cash equivalents and interest-bearing external receivables.

Nettable plan assets
Assets that are offset against gross pension obligations in the balance sheet.

Noise
Noise which disturbs people and the environment or which in extreme cases is damaging to health.

Noise barrier
Installation of active noise protection on railway tracks, mostly made from materials such as aluminum, wood, concrete or wire baskets filled with stones (gabions).

Noise reduction
Noise reduction through active measures at the source (for example brake shoes made of composite materials on freight cars, known as whisper brakes) and to stop the spread (for example noise barriers) as well as passive noise remediation measures (for example soundproof windows).

Noise remediation program
Voluntary program of the Federal Government implemented by DB Group to reduce the noise on existing Federal rail lines.

Noise prevention
Noise remediation measures on new and expansion lines based on legal claims.

O

On-demand services
Services that are provided to the customer when they need and request them.

Operating leases
Off-balance-sheet financial instruments: leased or rented assets.

Operating profit after interest
Key earnings figure that also takes financing costs into account for a sustainable assessment of earnings (particularly relevant in the infrastructure business fields). Therefore, in comparison with EBIT, the operating interest balance is also taken into account.

Overall punctuality
Covers all rail transport on DB InfraGO AG infrastructure at DB Netze Track.

P

Passenger kilometers (pkm)
Unit of measurement for volume sold in passenger transport: product of the number of passengers transported and the average travel distance.

Passenger punctuality
The passenger punctuality records the arrival time of all passengers throughout the entire travel chain in long-distance transport. As with other means of transport, the threshold is 14:59 minutes compared to the planned arrival time.

Preferred carriers
Key transport partners (freight carriers) of our logistics provider DB Schenker.

Primary energy
Energy which is available in its original energy form or source, such as coal, natural gas, sun, wind and nuclear fuel.

Procurement volume
Net total of all order values from individual orders and batches from framework contracts that were concluded by the respective product areas.

Punctuality (operational)
Proportion of on-time stops in relation to all stops along and at the end of routes in Germany. A stop is considered operationally punctual if the scheduled arrival time is exceeded by less than six minutes in passenger transport or less than 16 minutes in freight transport. In addition, since 2020, DB Regional Bus has also evaluated buses that have been operated more than one minute too early as not on time, with retroactive effect. For the arrival punctuality of passengers.

Q

Quality of facilities
To ensure maintenance funds are used according to demand and to assess improvements stemming from implemented measures, the condition of structural and technical facilities undergo periodic and event-based evaluations.

R

Renewable energies
Energy from renewable sources that are theoretically unlimited in supply, such as water, wind or sunlight.

Requirement plan
New construction and expansion projects set out in the Federal Government's Transport Infrastructure Plan.

Resource
Aid, fund, reserve, raw material.

Return on capital employed (ROCE)
Key performance indicator for value-based management. Corresponds to the yield on capital employed. Percentage ratio of (adjusted) EBIT to the capital employed.

S

Science Based Targets initiative (SBTi)
The Science Based Targets initiative is a partnership between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). It defines methodologies for defining science-based targets in accordance with the latest findings in climate science, and defines and promotes best practice for emissions reductions and net zero targets.

Scope of consolidation
Subsidiaries of a group which are included in the consolidated financial statements.

Scope 1–3 (according to GHG protocol)
As part of carbon accounting based on the Greenhouse Gas (GHG) Protocol, emissions are divided into three scopes. For DB Group: Scope 1 = greenhouse gas emissions from our own combustion-powered vehicles or stationary heat generation plants, Scope 2 = electricity, district heating and cooling supply, Scope 3 = third-party emissions from business relationships, for example transport services provided by our subcontractors (commissioned transport services). Due to our business model, we report on the main transport-related emissions within Scope 3.

Senior bond
Bond that is serviced in the event of insolvency before other issued bonds of the same company with a lower rank (e.g. hybrid bonds) and therefore has a higher level of security, but also a lower interest rate.

Sickness rate
Shows the share of labor that is lost due to illness in relation to overall labor and therefore only includes employees who are still paid a salary.

Specific
Relative to a certain (reference) quantity, for example based on the volume sold.

Stakeholders
Interest groups and representatives.

Stationary facilities
Buildings and facilities such as depots and stations.

Station pricing system
Transparent and non-discriminatory category pricing system for the use of passenger stations by customers, depending on the relevant transport segment and the train stops.

Supply chain
The stages of production illustrated as an orderly sequence of activities. These activities add value, consume resources and are connected with each other in processes.

Supply reliability
Measure of the reliability of the energy supply. Can also be used for sub-areas, such as security of the energy supply in Germany or the energy supply of railway operations.

Sustainability
Guiding principle of reconciling ecological, social and economic objectives for sustainable and generationally equitable development.

Sustainable Development Goals (SDGs)
Political targets set by the United Nations with a view to ensuring sustainable development on an economic, social and environmental level. The goals took effect on January 1, 2016, and will run until 2030, and apply to all member states.

Swap
The basic concept for financial instruments that involve the exchange of future cash flows. This allows financial risks (interest, currencies, raw materials) to be hedged in a targeted manner.

T

Task Force on Climate-related Financial Disclosure (TCFD)
The Task Force on Climate-related Financial Disclosure is an initiative established in 2015 to make recommendations for reporting material financial opportunities and risks that result from climate change for companies.

Ton kilometers (tkm)
Unit of measurement for the volume sold in freight transport: product of the freight carried (tons) and the distance traveled (kilometers).

Traction
Propulsion to move trains. Depending on the energy source, drive machine and power transmission, a distinction is made between electrical, diesel-electric and diesel hydro-electric traction, among other things. Traction units that, in addition to electric traction, also have diesel-assisted traction are also referred to as hybrid vehicles.

Traction current
Electric drive power supplied by DB Energy to intra-Group train operating companies in Germany.

Traction current grid
The DB traction current grid, as a nationwide railway infrastructure, provides traction current to traction units at a frequency of 16.7 hertz. The traction current grid consists of the 110 kV power grid, transformers and converters, and the substations in which the electrical energy is stepped down to the voltage of 15 kV required to operate the train and fed into the 15 kV overhead wires running along the train tracks. The network operator is DB Energy.

Traction current mix
Composition of the traction current of all train operating companies in Germany supplied by DB Energy and other suppliers through the traction current grid.

Train-path
The share of the rail track capacity that is required for a train to be able to travel between two places in a set time.

Train-path kilometers (trkm)
See volume produced.

Train-path pricing system
DB InfraGO AG's transparent and non-discriminatory fee system for train-path use by customers, dependent on the relevant market segments and the train-path kilometers traveled.

Transport contract
Agreement between the contracting organization and the transport company on the provision of local passenger transport services.

U

United Nations Global Compact
The world's largest initiative for responsible corporate management. On the basis of its ten universal principles, it pursues the vision of an inclusive and sustainable global economy to the benefit of all people, communities and markets, today and in the future.

V

V brake shoe
Brake shoe made from composites (V) which halves the rolling noise of freight cars. Collective term for K and LL brake shoes.

Vegetation control
Vegetation control includes all vegetation-related maintenance and traffic safety measures to ensure the safety of railway operations and third parties. These include checking and cutting/removing vegetation in and on the tracks using mechanical and chemical (only in the immediate vicinity of the tracks) procedures.

Volume produced
Distance covered by train operating companies on the rail network. Measurement: train-path kilometers (train-path km).

Volume sold
Key performance indicator for measuring the transport services provided in passenger and freight transport. Units of measurement: passenger kilometers (pkm), ton kilometers (tkm).

W

Weight-related ton kilometers (Ltkm)
Indicator for the provided transport performance in rail passenger and freight transport. Product from the gross weight of the entire train, including the traction unit (weight-related tons) and the distance covered (kilometers).

Well-to-wheel (WTW)
Method for calculating emissions considering the entire chain of effects from extraction and provision to the conversion and use of energy (in vehicles or facilities).

Whisper brakes
See K and LL brake shoes.

LIST OF ABBREVIATIONS

A
- **ABS** Expansion line
- **AEG** General Railways Act
- **AGV MOVE** Mobility and Transport Services Association
- **AI** Artificial intelligence
- **AktG** German Stock Corporation Act
- **ATO** Automatic train operation

B
- **bAV** Company pension plan
- **BDI** Federal Association of German Industry
- **BEV** Federal Railway Fund
- **BGB** German Civil Code
- **BilMoG** German Accounting Law Modernization Act
- **BKartA** Federal Cartel Office
- **BMAS** Federal Ministry of Labor and Social Affairs
- **BMDV** Federal Ministry of Transport and Digital Infrastructure
- **BMF** Federal Ministry of Finance
- **BMI** Federal Ministry of the Interior and Community
- **BMUV** Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection
- **BMWK** Federal Ministry for Economic Affairs and Climate Protection
- **BNetzA** Federal Network Agency
- **BSW** Railway Social Work Foundation
- **BSWAG** Federal Rail Infrastructure Extension Act
- **Bund** Bundesrepublik Deutschland (Federal Republic of Germany)
- **bus km** Bus kilometers

C
- **CCO** Chief Compliance Officer
- **CEF** Connecting Europe Facility
- **CEO** Chief Executive Officer
- **CER** Community of European Railway and Infrastructure Companies
- **CIO** Chief Information Officer
- **CISO** Chief Information Security Officer
- **CMS** Compliance management system
- **CO_2** Carbon dioxide
- **CO_2e** CO_2 equivalent
- **CSA** Credit support agreements
- **CSO** Chief Sustainability Officer
- **CSP** Corporate security platform
- **CSR** Corporate social responsibility
- **CSR-RUG** CSR Directive Implementation Act
- **CTA** Contractual trust arrangement

D
- **DAC** Digital automatic coupling
- **DB AG** Deutsche Bahn AG
- **DB E&C** Deutsche Bahn Engineering&Consulting GmbH
- **DB Finance** Deutsche Bahn Finance GmbH
- **DB Group** Deutsche Bahn Group
- **DB IO** Deutsche Bahn International Operations
- **DKS** Stuttgart Digital Hub
- **DSA** Dynamic visual display
- **DSD** Digital Rail for Germany
- **DSMS** Data protection management system
- **DSTW** Digital interlocking

E
- **EAV** Profit and loss transfer agreement
- **EBA** Federal Railway Authority
- **EBIT** Earnings before interest and taxes
- **EBITDA** Earnings before interest, taxes, depreciation and amortization
- **ECJ** European Court of Justice
- **EDIP** European Debt Issuance Program
- **EE** Renewable energy
- **EEG** Renewable Energy Sources Act
- **ENeuOG** Rail Restructuring Act
- **EnWG** Energy Industry Law
- **ERA** European Union Agency for Railways
- **ERegG** Railway Regulation Act
- **ERTMS** European Rail Traffic Management System
- **ESG** Environmental, Social, Governance
- **ESTW** Electronic interlocking
- **ETCS** European Train Control System
- **EU** European Union
- **EVG** Railway and Transport Workers' Union
- **EVO** Railway and Transport Ordinance

F
- **FCL** Full container load
- **FS** Italian state-owned railway
- **FTE** Full-time equivalents
- **FüPoG II** Second Act for the Equal Participation of Women and Men in Management Positions

G
- **GDL** German Train Drivers' Union
- **GDP** Gross domestic product
- **GDPR** General Data Protection Regulation
- **GHG** Greenhouse gas
- **GRI** Global Reporting Initiative
- **GVFG** Municipal Transport Financing Act
- **GWh** Gigawatt hour

H
- **Hbf.** Central station
- **HGB** German Commercial Code
- **HR** Human Resources
- **HVO** Hydrotreated vegetable oil

I
- **IC** Intercity
- **ICE** Intercity Express
- **ICS** Internal control system
- **IFRS** International Financial Reporting Standards
- **ILO** International Labor Organization
- **IRIS** Passenger information of the future
- **ISO** International Organization for Standardization
- **IT** Information technology

K
- **KBV** Group employer/works council agreement
- **KonTraG** Corporate Sector Supervision and Transparency Act
- **KSP** Climate protection program
- **KTF** Climate and Transformation Fund
- **KV** Combined transport
- **kWh** Kilowatt hour

L
- **LCL** Less than container load
- **LKSG** German Supply Chain Act
- **LTI** Long-term incentive
- **LTIF** Lost time injury frequency
- **Ltkm** Weight-related ton kilometers
- **LuFV** Performance and Financing Agreement
- **LV InfraGO** InfraGO performance agreement

M
- **MaaS** Mobility as a service
- **MAB** Employee survey
- **MaRisk** Appropriate Risk Control and Management Systems
- **MdB** Member of the German Parliament
- **MitbestG** German Co-Determination Act
- **MIV** Motorized individual transport
- **MJ** Megajoule
- **MWh** Megawatt hour

N
- **NABU** Naturschutzbund Deutschland e.V.
- **NBS** New construction line
- **NFS** Non-financial statement
- **Nkm** Commercial vehicle kilometers
- **No.** Number
- **NO_x** Nitrogen oxide
- **NP** Natural persons
- **NPM** National Platform for the Future of Mobility
- **NS** Dutch state-owned railway

O
- **OECD** Organisation for Economic Cooperation and Development
- **ÖBB** Austrian Federal Railways
- **ÖPNV** Local public transport
- **ÖSPV** Public road passenger transport
- **OT** Operational technology

P
- **Para.** Paragraph
- **PCGK** Federal Public Corporate Governance Code
- **PFA** Plan approval section
- **Pkm** Passenger kilometers
- **PKP** Polish state-owned railway
- **PPA** Power purchase agreements
- **PwC** PricewaterhouseCoopers

R
- **RB** Regional railway
- **RE** Regional Express
- **RegG** Regionalization Act
- **RESY** Regional energy savings system
- **RI** Passenger information
- **RIC** Rail infrastructure company
- **RMS** Risk management system
- **ROCE** Return on capital employed

S
- **S.** Clause
- **SAF** Sustainable aviation fuel
- **SBB** Swiss Federal Railways
- **SBTi** Science Based Targets initiative
- **SDGs** Sustainable development goals
- **SGB** Social Security Code
- **SGV** Rail freight transport
- **SI** Satisfaction index
- **SNCF** French state-owned railway
- **SO_2** Sulfur dioxide
- **S&P** S&P Global Ratings
- **SPFV** Long-distance rail passenger transport
- **SPNV** Regional rail passenger transport
- **SPV** Rail passenger transport
- **STI** Short-term incentive
- **Sts(in)** Secretary of State
- **SWP** Strategic workforce planning

T
- **t** Tons
- **TCFD** Task Force on Climate-related Financial Disclosures
- **TEN** Trans-European Network
- **TEU** Twenty-foot equivalent unit
- **tkm** Ton kilometers
- **TOC** Train operating company
- **TPS** Train-path pricing system
- **Trkm** Train-path kilometers
- **Tsd.** Thousand

U
- **UBA** German Environment Agency
- **UIC** International Union of Railways
- **UNGC** United Nations Global Compact

V
- **VDB** Association of the Railway Industry
- **VDE** German unification transport projects
- **VDV** Association of German Transport Companies

W
- **WSF** Economic Stabilization Fund

Z
- **ZIB** Railway Construction Initiative for the Future (Zukunftsinitiative Bahnbau)

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This Integrated Report and the Annual Financial Statements of Deutsche Bahn AG, the Annual Reports of DB Long-Distance AG, DB Regional AG, DB Cargo AG, DB Station&Service AG and DB Netz AG (only available in German) as well as up-to-date information are also available on the Internet.

This Integrated Report and the Annual Financial Statements of Deutsche Bahn AG are published in German and English.

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Conserving resources. Using no-process printing plates saves on development, cleaning and rubberizing after exposure. Chemicals and fresh water are no longer used to wash the printing plates and power consumption is reduced.

Energy-efficient printing. An energy management strategy has been implemented at the printing company and an energy audit was carried out in accordance with DIN EN 16247-1.

DB SERVICE NUMBER

DB Group provides its customers in the passenger transport sector in Germany with all telephone information at local rates. A hotline provides information about timetables, tickets and the BahnCard, and navigates passengers in a targeted way to the service team.

- **DB service number:** +49 (0)30 2970. Information about fares and timetables, information about Deutsche Bahn services and the BahnCard.
- **Services for travelers with reduced mobility hotline:** +49 (0)30 652 128 88. Contact for planning accessible travel.
- **Passenger rights service center:** +49 (0)30 586 020 920. Information on fare reimbursements within the scope of the EU Regulation on Rail Passengers' Rights and Obligations.
- **Lost and found:** +49 (0)30 586 020 909. Reporting lost or found objects in the train or station. Customers can find answers to frequently asked questions and other ways to contact us at bahn.com/en/contact.

SOCIAL MEDIA

DB Group

DB Group has a strong presence on various social media channels: Facebook, Instagram, YouTube, WhatsApp, LinkedIn, TikTok, X (formerly Twitter) and Threads.

Passenger transport

Our passenger transport team is available on various social media channels for conversations, discussions, and for service and product questions. Find us on Facebook, Instagram, YouTube, X (formerly Twitter), LinkedIn and Threads.

FINANCIAL CALENDAR

July 25, 2024

Interim Results Press Conference,
publication of the Integrated Interim Report January–June 2024

March 27, 2025

Annual Results Press Conference,
publication of the 2024 Integrated Report

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Zum interaktiven Kennzahlenvergleich

10-YEAR SUMMARY

€ million	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
STATEMENT OF INCOME										
Revenues	45,191	52,085	47,075	39,901	44,430	44,065	42,693	40,557	40,403	39,728
Overall performance	49,817	56,200	50,959	43,465	47,596	47,156	45,593	43,298	43,102	42,422
Other operating income	3,354	4,157	5,901	3,439	3,030	2,998	2,954	2,834	2,772	2,824
Cost of materials	-25,276	-32,017	-28,419	-22,757	-22,262	-22,258	-21,457	-20,101	-20,208	-20,250
Personnel expenses	-19,604	-18,288	-19,219	-18,297	-18,152	-17,301	-16,665	-15,876	-15,599	-14,919
Depreciation [1]	-3,912	-3,576	-3,804	-5,372	-3,671	-2,688	-2,847	-3,017	-4,471	-3,190
Other operating expenses [1]	-5,652	-5,037	-5,716	-5,235	-5,157	-6,088	-5,890	-5,677	-5,750	-5,057
Operating profit/loss (EBIT)	-1,273	1,439	-298	-4,757	1,384	1,819	1,688	1,461	-154	1,830
Result from investments accounted for using the equity method	9	-7	-10	-21	-12	12	14	33	22	8
Other financial result	-78	9	48	-91	-36	-14	-30	-16	0	-3
Net interest income [1]	-617	-351	-528	-615	-655	-645	-704	-772	-800	-898
Profit/loss before taxes on income	-1,959	1,090	-788	-5,484	681	1,172	968	706	-932	937
Net profit/loss for the year	-2,351	-227	-911	-5,707	680	542	765	716	-1,311	988
Dividend payment (for previous year)	650	–	–	650	650	450	600	850	700	200
VALUE MANAGEMENT										
EBITDA adjusted [1]	2,877	4,783	2,287	1,002	5,436	4,739	4,930	4,797	4,778	5,110
EBIT adjusted	-964	1,225	-1,552	-2,903	1,837	2,111	2,152	1,946	1,759	2,109
Capital employed as of Dec 31 [1]	48,300	45,289	43,020	41,764	42,999	36,657	35,093	33,066	33,459	33,683
Return on capital employed (ROCE) [1] (%)	-2.0	2.7	-3.6	-7.0	4.3	5.8	6.1	5.9	5.3	6.3
Debt coverage (%)	5.2	11.8	4.3	0.8	15.3	17.6	18.7	18.1	19.0	20.3
CASH FLOW/CAPITAL EXPENDITURES										
Cash flow from operating activities [1]	3,044	5,644	3,900	1,420	3,278	3,371	2,329	3,648	3,489	3,896
Gross capital expenditures [1]	16,867	15,098	15,387	14,402	13,093	11,205	10,464	9,510	9,344	9,129
Net capital expenditures [1]	7,578	6,524	6,342	5,886	5,646	3,996	3,740	3,320	3,866	4,442
BALANCE SHEET AS OF DEC 31										
Non-current assets [1]	60,966	59,044	56,149	52,964	53,213	46,646	45,625	45,290	45,199	45,530
thereof property, plant and equipment and intangible assets [1]	56,856	55,122	52,487	49,994	50,485	44,487	43,207	42,575	42,821	43,217
Current assets	16,506	17,259	15,694	12,471	12,615	11,881	10,811	11,034	10,860	10,353
thereof cash and cash equivalents	2,631	5,138	4,591	3,411	3,993	3,544	3,397	4,450	4,549	4,031
Equity	12,126	14,679	10,621	7,270	14,927	13,592	14,238	12,657	13,445	14,525
Equity ratio [1] (%)	15.6	19.2	14.8	11.1	22.7	23.2	25.2	22.5	24.0	26.0
Non-current liabilities [1]	42,369	39,145	39,631	37,686	32,820	29,104	27,510	28,525	28,091	28,527
thereof financial debt [1]	33,971	31,186	30,322	27,070	23,977	20,626	19,716	20,042	19,753	19,173
thereof pension obligations	3,492	2,970	5,031	6,517	5,354	4,823	3,940	4,522	3,688	4,357
Current liabilities	22,977	22,479	21,591	20,479	18,081	15,831	14,688	15,142	14,523	12,831
thereof financial debt [1]	4,137	4,087	4,164	6,254	4,716	2,618	2,360	2,439	2,675	1,161
Net financial debt [1]	33,953	28,827	29,107	29,345	24,175	19,549	18,623	17,624	17,491	16,212
Total assets [1]	77,472	76,303	71,843	65,435	65,828	58,527	56,436	56,324	56,059	55,883
RAIL TRANSPORT PERFORMANCE FIGURES										
PASSENGER TRANSPORT										
Passengers (million)	1,837	1,737	1,413	1,499	2,603	2,581	2,564	2,365	2,251	2,254
Long-distance transport	140	132	82	81	151	148	142	139	132	129
Regional transport	1,697	1,605	1,331	1,418	2,452	2,433	2,422	2,226	2,119	2,125
Volume sold (million pkm)	82,943	76,475	50,831	51,933	98,402	97,707	95,854	91,651	88,636	88,407
Long-distance transport	45,459	41,720	24,762	23,542	44,151	42,827	40,548	39,516	36,975	36,102
Regional transport	37,485	34,754	26,069	28,391	54,251	54,880	55,306	52,135	51,661	52,305
FREIGHT TRANSPORT										
Freight carried (million t)	197.6	222.3	226.5	213.1	232.0	255.5	271.0	277.4	300.2	329.1
Volume sold (million tkm)	74,458	84,468	84,850	78,670	85,005	88,237	92,651	94,698	98,445	102,871
INFRASTRUCTURE										
Train kilometers on track infrastructure (million train-path km)	1,118	1,133	1,109	1,066	1,090	1,086	1,073	1,068	1,054	1,044
thereof non-Group railways	438	420	414	386	368	349	331	322	290	261
SOCIAL										
Employees as of Dec 31 (FTE)	292,423	286,077	323,716	322,768	323,944	318,528	310,935	306,368	297,202	295,763
Employee satisfaction (SI)	–	3.9	–	3.9	–	3.7	–	3.7	–	3.7
ENVIRONMENTAL										
Specific greenhouse gas emissions in comparison to 2006 [2] (%)	-40.1	-42.1	-36.1	-34.4	-34.8	-33.2	-29.5	-27.3	-24.5	-22.8

From 2022 without DB Arriva (except the Group balance sheet, reclassification of DB Arriva 106).

[1] Since 2019, limited comparability with the previous years' figures due to the IFRS 16 effect (2019 Integrated Report 101).

[2] Excluding USA Truck 171.

OUR STRATEGIC TOP TARGETS

Germany needs a strong rail system – and that is our inner ambition! At Deutsche Bahn, we are committed to achieving that goal. A strong rail system encompasses everything that we represent and advocate, what we devote our full attention to and combine our strengths for. The Strong Rail strategy will help our country to overcome existential challenges: Germany will only achieve its climate protection targets if it succeeds in shifting large amounts of its traffic to rail in the next decade. In addition, Germany will only continue to be economically successful if people and goods remain mobile and are not increasingly stuck in traffic jams.

OUR FOCUS IS ON SHIFTING THE MODE OF TRANSPORT TO RAIL AND CREATING THE CAPACITY REQUIRED TO DO SO.

TOGETHER WITH THE FEDERAL GOVERNMENT, WE ARE INVESTING AT RECORD LEVELS THIS DECADE IN ORDER TO MAKE THE RAIL NETWORK FIT FOR GROWTH.

AFTER OVERCOMING THE COVID-19 PANDEMIC, WE ARE CONTINUING ON OUR GROWTH PATH.

THE TREND TOWARDS CLIMATE-FRIENDLY MOBILITY AND LOGISTICS CONTINUES UNABATED. RAIL BENEFITS FROM THIS AS THE GREENEST MODE OF TRANSPORT.

WE HAVE SET AMBITIOUS TARGETS FOR IMPLEMENTING OUR GREEN TRANSFORMATION AND WANT TO BE CLIMATE-NEUTRAL BY 2040.

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COVER IMAGE

Preparations for general modernization

With the new approach, we are fundamentally reorganizing construction from 2024. Instead of recurring work spread over many years, we are completely modernizing the rail infrastructure and stations within a few months.