



# Sustainability in the DB Group

Responsibility for the future





Cover: Heiner Müller-Elsner  
Photos: Stefan Warrter; Matthias Lüddecke

**Dear Reader,**

Anybody who today does not prepare for tomorrow is irresponsible. This applies as much to the individual as it does to politicians and companies. We cannot afford to lose sight of the future – particularly in times of crisis.

At Deutsche Bahn, this means that we have to create the basic conditions today that will enable us in future to be successful in the marketplace and to secure jobs. We have to set the course today to ensure that we will always have excellently qualified and extremely motivated employees, even in the face of demographic change. We must develop services that will enable us to meet the continuously growing demand for mobility in a way that is friendly to the environment and easy on our resources. And we must accept responsibility today for the society that all of us, and that means we at Deutsche Bahn, our customers and our business partners, intend to live in tomorrow.

We refer to this all-encompassing investment in the future as sustainability.

A company can only achieve sustainable success when it plays by the rules, both inside and outside the company. White-collar crime damages companies in the long term as much as do infringements of competition rules, data protection provisions or the code of conduct. Deutsche Bahn's view is that we are only fit for the future if we are a reliable and trustworthy employer and business partner, and a good corporate citizen. For this reason, my top priority following my appointment was a systematic investigation into the cases of data misuse. In future, there will be a member of the Group Management Board responsible solely for 'compliance, data protection and legal affairs'.

In terms of economic sustainability, we once again delivered a record performance in 2008, despite the overall difficult situation, and confirmed the capital market viability of the company. This means that we are able to invest further in the modernization of the infrastructure and rolling stock. We have



**Dr. Rüdiger Grube**, CEO and Chairman of the Management Board of Deutsche Bahn AG and DB Mobility Logistics AG

also been affected by the economic crisis of course. And we are responding with an extensive action program – based on the responsibility we assume for the entire 240,000-strong DB workforce, for whom we intend to remain a dependable employer. We also understand sustainability to mean that, despite the crisis, we will continue to offer the same number of apprentice and trainee places. We are thus investing today to be fit for the period following the crisis.

In the case of ecological sustainability, in 2008 we included the entire non-rail logistics business in our climate protection goal for 2020. In other words: we also want to reduce the specific carbon dioxide emissions on road, sea and air by 20 percent by the year 2020. For rail, we are working on ways of reducing the energy demand of our vehicles even further. Our daring vision is carbon-free rail transportation. With our sustainability management system, we have declared future viable action to be a permanent mission – and have set clearly defined targets that we monitor on a regular basis to determine the progress we make.

In this brochure you will find many more examples of how we are preparing today for tomorrow. You can download the details online at [www.deutschebahn.com/sustainability-report](http://www.deutschebahn.com/sustainability-report).

I wish you enjoyable reading.

Sincerely,

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## The second sustainability report is online.

At [www.deutschebahn.com/sustainability-report](http://www.deutschebahn.com/sustainability-report) you will find the Sustainability Report 2009. This brochure provides selected topics from our many activities, and focuses on the 2007/2008 reporting period. The links at the end of each text take you to more detailed information in the online version of the sustainability report. Simply add the keyword to the above address.

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“ Our new integrated climate and energy strategy includes a large number of measures we have introduced to make DB future viable despite climate change and the growing shortage of fossil energy resources. They include new carbon-free rail transportation services, the transfer of consignments from truck to freight train, and lots more. With the launch of our DB Eco Program, we are publicizing this commitment and the ecological sustainability of our products more than ever before.”

**Achim Fiack**, physicist, is the project manager responsible for the integrated climate and energy strategy at DB Group Strategy, Berlin.

## Think ahead – act with **foresight**

**Deutsche Bahn has a special role to play with respect to society and ecology. And every day it faces up to the resulting responsibilities – for its customers and its employees worldwide, for a sound environment and for a strong future viable market position.**

**Fulfilling mobility needs** is Deutsche Bahn’s key task – on both a regional and an international scale. DB is able to build and operate intelligent and highly complex transportation networks. And it also brings together all forms of transportation under one roof, allowing it to offer its customers the best possible combination for each specific case, both economically and ecologically.

“As the largest rail freight carrier in Europe, the second largest provider of rail passenger services in Europe and Germany’s largest regional bus company, DB offers travel chains with a carbon footprint that is improving all the time,” says Dr. Lutz Bücken, Generally Authorized Representative for Integrated Systems Rail and the man responsible for sustainability management within the Group. DB is making a major contribution to the renaissance of rail inside and outside Germany, which will also secure sustainable growth potential in the future. It has been the established innovation leader on the trans-

portation market for a long time. Bücken adds: “The ability to make a noticeable contribution to containing climate change, which poses a general threat, will determine the economic success of the mobility sector even more in the future.” As early as 2005, DB had established a sustainability management system as an integral part of its corporate strategy. In its mission statement approved in 2008, the Group declared itself to be a “forerunner in climate and environment-friendly transportation”.

DB has effective tools to decouple transportation growth from increasing carbon emissions: it carries increasingly more people and freight and thus reduces energy consumption and carbon emissions in relation to the corresponding transportation performance. With demanding environmental goals, climate-friendly services and its 'DB Eco Program' information campaign, the DB Group in 2009 is stressing its commitment. "Our goal of reducing specific CO<sub>2</sub> emission levels by 2020 by a further 20 percent involves all of our Group-wide activities worldwide and therefore includes our business on rail, on road, on water and in the air," says Joachim Kettner, Head of the DB Environment Center.

The corporate success proves DB's strategy to be right: extensive restructuring, the modernization of infrastructure and rolling stock, and the continuous increase in productivity in all operations resulted once again in a record performance in 2008 – despite the effects of the economic crisis. Revenues at EUR 33.5 billion were higher than ever, which also applies to the operating income – adjusted for special items – at EUR 2.5 billion. This also ensured that the prerequisites were met for partial privatization, which was favored by the owners. Declines on the capital markets and their negative consequences for the real economy, however, resulted in this being postponed in the fall of 2008. Even so, the combination of infrastructure, global logistics activities and modern mobility chains in the integrated Group was economically and ecologically successful. A workforce of 240,000, a quarter of whom are employed outside Germany, are behind this success.

**The future begins now**

The global recession primarily affects DB Schenker Rail's European rail freight business, which saw a decline of 24 percent in the first quarter of 2009. The result has been that around 35,000 freight cars are not running and several thousand employees are working shorter hours. "In spite of this, globalization will not come to an end with the current crisis, but will continue," says Dr. Alexander Hedderich, Head of Corporate Development at DB. Proceeding from the assumption that the flow of goods will increase worldwide, DB is expanding its international logistics networks. With 2,000 locations worldwide, DB Schenker is currently represented in 130 countries.

Wherever DB can directly influence its business, it acts ecologically and economically. But it will also push forward developments to achieve its strategic goals. It helps industry to develop low-emission diesel locomotives, for example, and is involved in research into innovative noise control methods. It cooperates with universities to benefit from state-of-the-art scientific research in the continuing development of its activities and to be able to cover its future demand for young talent.

None of this happens without taking into account the four megatrends of globalization, climate change/resource depletion, demographic change and deregulation. All four are increasingly influencing the development of the transportation markets and shaping their future.

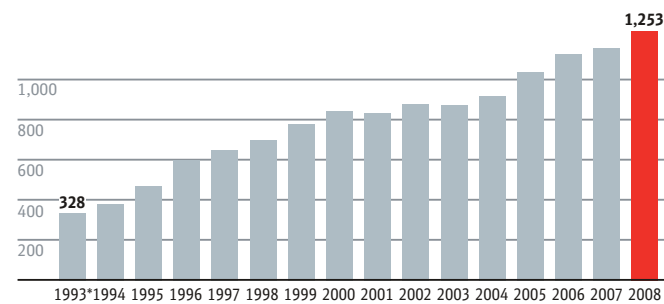
Urbanization and shifts in the age structure of the population, for example, have resulted in economically strong urban areas continuing to grow and structurally weak rural regions losing out. Even under such circumstances, DB has the competence required to provide mobility for Germany with its long-distance, regional and urban transportation services and thus makes an important contribution to society as a whole.



Berlin Central Station is one of the largest and most modern crossing stations in Europe.

**Productivity up 282 percent**

Compared with 1993, rail reported a 282 percent increase in productivity. Overall productivity has increased almost four-fold compared with the situation prior to the Rail Reform. (Figures in thousand passenger-ton km per rail employee)



\*prior to Rail Reform

**Excellent track record continues in 2008 despite crisis**

DB generated just under EUR 2.5 billion profit before tax, interest and special items in 2008. This enabled DB, despite the onset of the economic crisis, once again to improve its earnings situation significantly. The EBIT (Earning before interest and taxes) before special items and compensation for inherited burdens has increased EUR 5.47 billion since 1994. (Figures in EUR billions)

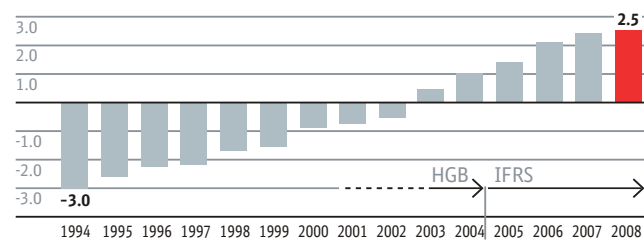


Photo: Hartmut Reiche

As an employer, the DB Group is implementing measures designed to counteract a shortage of young recruits and specialists in the future and taking steps to prepare for the average age of the workforce increasing to over 50 in 2015.

Management also has to respond quickly and effectively in the current crisis. The Group program reACT09 has been launched for this purpose. It is designed to enable management to gain control of the consequences of the recession and to strengthen DB's competitive position in the long term. "The entire project is supported by the Federal Government's two economic stimulus programs and is designed to secure more jobs in business and industry," says Stefan Garber, Member of the DB Management Board responsible for Infrastructure, adding: "This additional funding amounting to EUR 1.3 billion will enable us to refurbish 2050 small and medium-sized stations, for example, speed up new-build and upgrading projects and launch an additional quality program for the regional infrastructure."

To further increase the possibilities of transferring more passengers and freight to rail in future, investments in the rail infrastructure are essential. In addition to investments that have already been approved, DB intends therefore to upgrade more corridors, in particular for the growing North-South traffic.

In the existing rail network, transportation capacity is already being increased with numerous demand-driven measures. In addition to infrastructure measures, such as preventive maintenance and track renewal, technical innovations are increasingly being implemented. This results not only in more capacity, but also reduces the high costs for maintaining the rail infrastructure. The DB Group is not the only operator that benefits from this optimized infrastructure – it is also of benefit

to the more than 300 competitors who use the network. Primarily, however, it benefits the over five million passengers who travel by rail daily. A high-capacity rail network enhances Germany's role as a business center, creates the prerequisites for transferring more passengers and freight to rail and improves the punctuality of the trains.

Last but by no means least, deregulation of the European rail transportation markets represents both a challenge and an opportunity for DB. In future, it means greater exploitation of the opportunities for growth in Europe beyond the transportation of freight. In passenger transportation within the EU, another step towards liberalization is to take place in 2010 that will open up new prospects for cross-border passenger rail services.

» /company



Under one roof: new strategies for a future-driven company with a sense of responsibility for what happens inside and outside.

### Data protection and the fight against corruption are being improved

As one of the largest purchasers of products and services in Germany with an order volume way in excess of EUR 20 billion, the DB Group, as is the case with many large companies, is prone to corruption and white-collar crime. Even if Deutsche Bahn's fight against corruption was regarded as exemplary in Germany for many years, it became painfully clear as a result of the data affair that serious mistakes had been made during the investigations. These included infringements of the Federal Data Protection Act, the Employees' Representation Act, the Telecommunications Act and internal guidelines.

Deutsche Bahn has taken far-reaching consequences as a result of this data affair. The new CEO and Chairman, Dr. Rüdiger Grube, apologized to all affected employees. To clear the way for a resolute new start, HR and structural consequences were taken at the highest

management level. DB will in future create and maintain the highest possible data protection and ethics standards.

A new and open corporate culture will ensure that the incidents of the past will not be repeated. DB managers and employees must deal honestly with each other on a basis of trust and confidence, with managers expected to set a good example. Deutsche Bahn accepts fundamental values that are summarized in its ethical principles: these include social responsibility, dealing with others on a basis of a trusting partnership and mutual respect, in addition to having the courage to question and if necessary change what is already in place.

To effectively and permanently bring about this change, DB has created a new board division for compliance, data protection and legal affairs and thus positioned these issues on the highest management level. » /compliance

### Sustainability management – a system designed to increase company value

The future viability of companies is not measured solely on the basis of their economic power and good positioning on the market. Overcoming crises, exploiting opportunities and assuming credible and forward-looking responsibility for the environment, society, and the employees are just as important today for assessing the value of a company. In 2005, the DB Group introduced for the first time an integrated sustainability management system, in which society's expectations of the company were analyzed and key areas of action determined.

The sustainability management team reports directly to the CEO and Chairman of the Management Board and is controlled by the company-wide Sustainability Steering Committee, which also approved the company's sustainability strategy. The committee is headed by the Generally Authorized Representative for Integrated Systems Rail, who is present at all meetings of the DB AG Management Board and reports on sustainability issues. The DB Environment Center coordinates and monitors the activities. With its second sustainability report ([www.deutschebahn.com/sustainability-report](http://www.deutschebahn.com/sustainability-report)), DB now presents an overall picture of how the company is responding to megatrends like climate change, resource depletion, globalization and demographic change. » /management

“ I spent two years looking for a job before the 50plus engineers program launched by DB together with the German Federal Employment Agency put my career back on the right track. It was like winning the jackpot in the lottery, because at 54 I'm still too young for retirement. The nine-month course of theoretical and practical lessons was well worth it. I'm surprised at the respect they showed to an old guy like me and how much they appreciate my skills in my new job with DB Communications Technology.”

**Bernd Rock**, qualified engineer with DB Communications Technology, Berlin, completed the engineers program and is now in service management overseeing the installation of cash dispensers in stations.



## Fit for **demographic change** with new concepts

**By 2015, the average age of the DB workforce will have risen from 45 to 50. DB is preparing for the change by supporting older employees and securing new recruits.**

**Low birth rates** and increasing life expectancy are changing the age pyramid of the population – with far-reaching consequences for both the employer and the employed. In business and industry, new strategies are required to deal effectively with demographic change and thus make companies fit for the future. Long-term employment policy must deal with issues such as lifelong learning and health care as much as with recruiting older employees and – as always – securing new recruits.

For the first time in many years, the number of apprenticeships on offer in Germany in 2008 exceeded the number of applicants. This good news for many young

people reflects a trend that will become stronger in future and will develop into an enormous challenge for business and industry. Whereas in 2007, around 975,000 young people left Germany's schools, the figure will have dropped by almost 20 percent by 2020. Competition for young talent both nationally and internationally began long ago. The

focus is not only on talented university and college graduates, but also on young people with a good level of secondary school education.

“We can’t stop the trend, but we can adjust to it with a long-term HR strategy,” says Martina Niemann, Head of Collective Bargaining Policy/Social Policy at Deutsche Bahn.

**Finding the right mix of young and experienced employees**

With around 8,700 trainees and employees taking cooperative education programs, the DB Group is one of the largest training institutions in Germany. The large number of trainees the company will be taking on this year remains unchanged, despite the economic crisis. “Vocational training is the foundation for securing new recruits. First-class training for suitable school-leavers who are enthusiastic about working for DB is a key investment in the future. Particularly as Deutsche Bahn acquires over 90 percent of its specialists and managers via vocational training and a cooperative education program,” says Katharina Heuer, Head of Management and Employee Training at DB Mobility Logistics AG.

With tools such as the cooperation agreements with 220 schools and the Chance Plus internship program (see page 11), DB is actively involved in organizing the transfer from school to career. In competition for young academic talent, the DB Group has also taken the initiative and has already positioned itself on the campus as a potential employer. Just recently, 40 managers entered into sponsorship agreements with 20 selected German universities. They are DB ambassadors and at the respective universities bridge the gap between theory and practice in the course of presentations, forums, fireside chats and excursions.



DB is also on the lookout for university graduates in the USA, as in this case at the MIT European Career Fair in Boston in January 2009.

University cooperation agreements have a long tradition at Deutsche Bahn. The Group regularly awards research contracts, and supports diploma projects and dissertations. In 2008, around 1,000 university students got to know Deutsche Bahn in the course of an internship, including 20 from the prestigious Massachusetts Institute of Technology (MIT) in Boston.

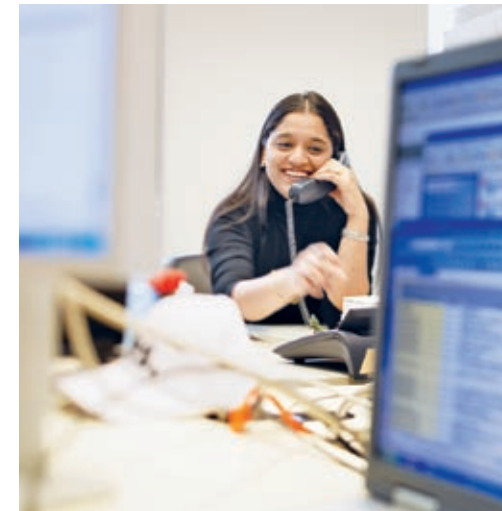
For some years now, the average age of company workforces has been steadily increasing in western industrialized countries. By 2015, the average age of DB’s workforce will rise from a current 45 to around 50. This irreversible process is leading to rethinking by all those involved: when planning their lives, employees will have to adjust to a longer working life. For DB, this means that, if no countermeasures are taken, there will be unbalanced age structures in many areas. “As far as our future viability is concerned, that will mean disadvantages if we cannot secure the transfer of know-how,” says Niemann. “We need the right mix of young and experienced employees.”

A sustainable corporate culture, therefore, in addition to securing new recruits, must also create the prerequisites for lifelong learning. In this area, DB focuses on the in-house development of specialists and managers. “Lifelong learning is not a buzzword for us, it’s something we’re involved in day by day,” says Katharina Heuer. “Attractive development opportunities and innovative training programs secure motivated and dedicated employees for the company.” The options range from further training needed to keep up with day-to-day job requirements to high-potential and high-performance programs for specialists and managers, and also include part-time study. For employees over 50, part-time training is available at DB today as a matter of course. With the launch of its 50plus engineers program in 2008, DB was entering completely new territory and now targets older engineers on the labor market.



Benefit from experience: the transfer of know-how from old to young is also encouraged at DB in seminars.

Employees taking a cooperative education program in electrical engineering: in 2008, DB took on 2,800 trainees, 250 cooperative education students and 600 university graduates.



IT specialist Valli Chivukula at DB Schenker in Essen appreciates the flexible working hours available.



Photos: Sonja Ostermann; Max Lautenschläger; Heiner Müller-Elsner

**Financial freedom provides incentive for further training**

Development opportunities within the Group make further training attractive to employees: “Our new pay system takes qualifications into account in the pay groups,” explains Niemann. “With increasing part-time training, traffic controllers, for example, can move through four pay groups depending on the requirements of their jobs and increase their pay by around EUR 800 a month, which is an increase of over 40 percent.”

Variety instead of monotony, flexibility instead of routine are proven incentives that increase an employee’s commitment and willingness to perform throughout his entire working life. It is important that the employee can continue to learn

something new and gain new experience. “I imagine older employees as mentors for the very young, passing on what they have learned through experience to new recruits,” says Niemann.

The extension of the employment history of individual employees shifts the focus to the question of health. Occupational health management, under the heading DB Health World, offers fitness or disease prevention courses,



or even health-conscious meals in DB's company cafeterias. As a new DB Health World module, DB provides telephone health coaching free of charge in particular for employees performing physically demanding work.

**Flexible working hours to keep mothers in the company**

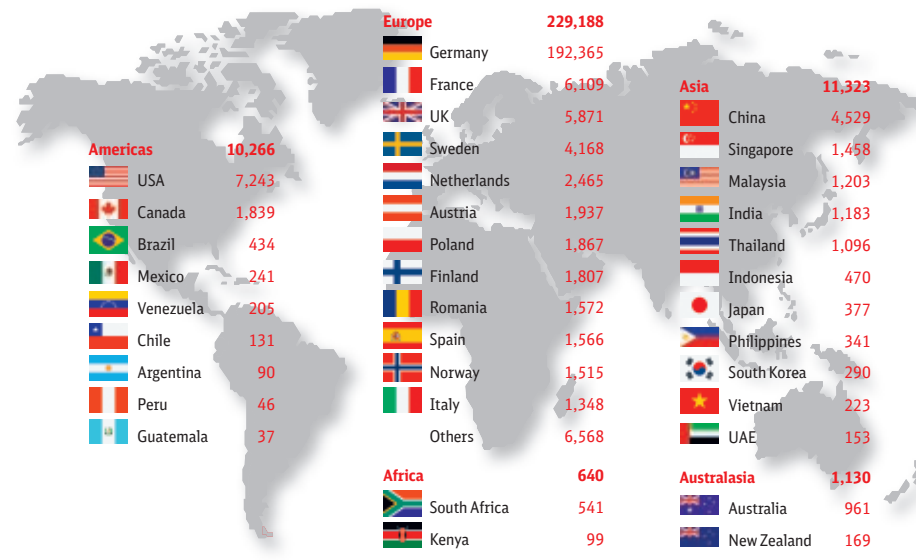
Sustainable HR policy at DB also focuses on improving reconciliation between career and family life. Flexible working time models are designed to open up opportunities for employees in shift work. In particular, they offer alternatives to years of maternity leave for female employees the company can hardly do without due to their excellent qualifications and training.

Demographic change is forcing companies and employees alike to face new challenges. With DB Social Dialog, the Group offers a discussion platform where management and employees, together with works councils and social partners, can work out answers to these important questions for the future.

- » /demography
- » /family

**Employees throughout the world**

Tens of thousands of employees on all continents reflect the increasing international focus of the DB Group. Even if a large number of employees are still located in Germany, where the Group is based, ethnic, religious and cultural diversity is firmly anchored in DB's HR strategy. It promotes internationalization by offering career opportunities outside Germany, as part of the SCHENKERimpact or Job Rotation exchange programs, for example.



Last modified 31 December 2008



New start in customer support

**Job placement services within the Group**

For employees who are made redundant, the Group's internal labor market opens up new career prospects. At the same time, DB can adjust its demand for human resources to the requirements of the markets and technical innovations. Former crossing keepers, switchmen or fitters, for example, have been retrained as security guards at stations and in trains, or as vehicle cleaning and maintenance personnel. In August 2008, together with the Federal State of Saxony-Anhalt, DB launched the KiN campaign that enabled 43 DB employees to find new career prospects in customer support on local train services. The campaign ultimately created 109 new jobs. At the moment, DB is able to offer four out of five redundant employees a new job immediately.

» /employment

**DB training facilities**

With 230,000 participants, 22,000 events and 70 locations, DB Training provides training and consultancy services to DB and external companies. The DB Academy is a partner for development and dialog for top-level executives. It promotes discussion and strategic issues, and provides a platform for the exchange of ideas between executives from different parts of the organization.

» /training



School-children in Leipzig's City Tunnel

Photos: Margit Brettmann; Philipp von Recklinghausen; DB AG; Heiner Müller-Elsner

**Overcome poor grades with Chance Plus**

In the Chance Plus internship program, the DB Group each year gives over 500 young people with poor grades the chance to prepare for an apprenticeship. This one-year combination of classroom study, individual counseling and social care, and practical experience benefits both sides: the program allows young people to catch up on what they failed to learn at school, and at the end of the program, the company takes on a large number of the participants as trainees. Such as Kim-Arne Möller, who completed his training as a transportation services clerk at DB after enrolling in Chance Plus. Over 70 percent of the participants have been offered an apprenticeship or a job, the vast majority of them at DB.

» www.deutschebahn.com/youth

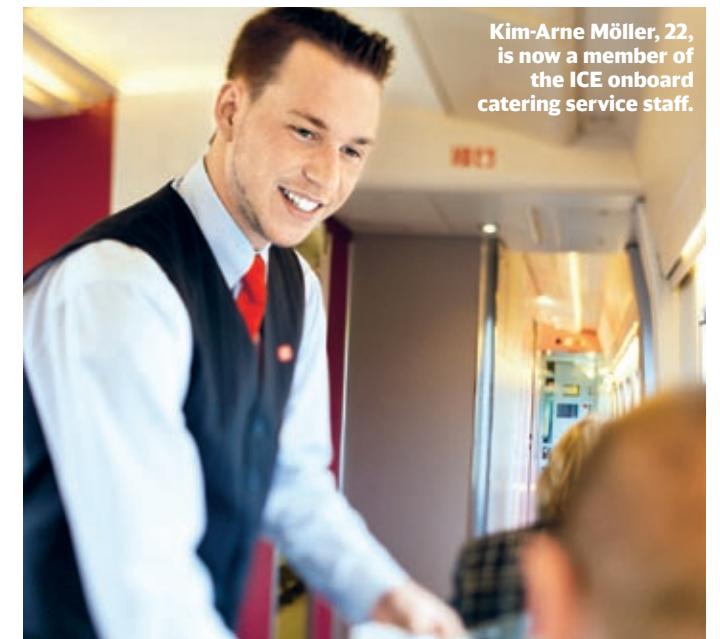


The DB Executive Staff Academy in the Imperial Station in Potsdam

**Career counseling**

Since 2007, DB has initiated cooperation agreements with 220 schools in Bavaria, Berlin, Hamburg and North Rhine-Westphalia. The schools and the company benefit equally from the partnerships. DB makes the career choice easier for students by means of internships, factory visits, and training sessions for job applicants and also enables teachers to offer better career counseling. At the same time, it presents itself as an attractive employer and a possible company for apprentices and trainees with a variety of career interests. Following the successful launch of the project, DB now plans to further expand its involvement in school cooperation agreements.

» /recruits



Kim-Arne Möller, 22, is now a member of the ICE onboard catering service staff.

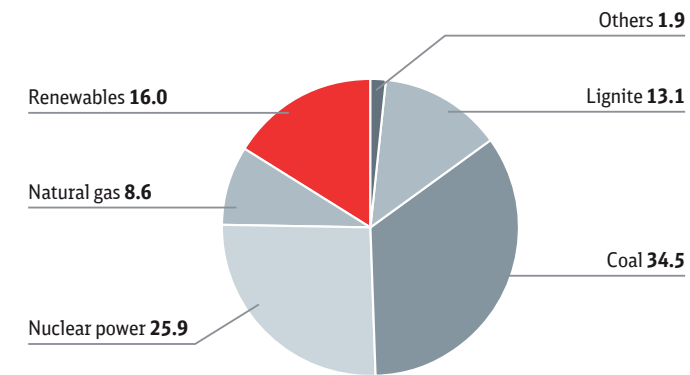


“ The world’s cleanest diesel locomotive is in service with DB. With the aid of an exhaust aftertreatment system, NOx emissions are halved and particulate emissions reduced by no less than 90 per cent. This means that the tough EU exhaust emissions standards that will apply as of 2010 can be met. In the Locex project, which we are implementing in cooperation with engine manufacturer MTU Friedrichshafen, Deutsche Bahn has provided industry with a test platform to examine the reliability, functionality and suitability of the exhaust aftertreatment system for rail applications in regular commercial service.”

**Petra Viehweg**, qualified engineer with Integrated Systems Rail, Leipzig, runs the Locex project on behalf of DB.

**The percentage of alternative energy sources is on the increase**

The traction power mix extensively reflects the German power mix. In recent years, the percentage of regenerative energy sources has continuously risen. (Figures in percent)



increase, transportation performance and rail’s market share have steadily risen in the last few years. This is an area where the DB Group has been setting a good example for a long time. In the company’s core business – rail activities –, which operates what is the most environmentally friendly mode of transportation, the specific carbon emissions had already been cut by 36 percent between 1990 and 2006. Since 2007, the DB Group has extended its climate protection goal for 2020 – a further 20 percent reduction compared with 2006 – to all the Group’s activities, including non-rail activities. This puts the focus on DB Schenker’s global logistics networks: DB AG has now launched an extensive climate protection program that also includes ocean freight, air freight and road transportation.

Climate change is not an issue for the future. It is here, and it’s happening now and on an hour-by-hour basis. “With climate-friendly rail transportation as its core business, DB is setting the standards for sustainable mobility and logistics,” says Joachim Kettner, Head of the DB Environment Center. “Our new strategy is sending signals to the market.”

**Carbon-free rail travel**

Since April 2009, DB’s major passenger and freight transportation customers have been able to book completely carbon-free travel and freight transportation by rail for the first time. For these new, bright green products, the DB Group is using a key rail system benefit: over 90 percent of all travelers and goods carried by rail are driven by electric power. Whereas cars, trucks, ships and aircraft are dependent on oil, a fossil fuel, passenger and freight trains are driven by power generated from renewable energy sources and further reduce rail’s carbon emissions, which are low anyway, to zero.

Environmental benefit: a good 90 percent of travelers and freight are driven by electric power.



Photos: Pablo Castagnola; Heiner Müller-Elsner

# Concepts for an ecological turnaround

People talk a lot about climate protection. At Deutsche Bahn, we’ve been doing a lot for a long time and are setting the standards for sustainable mobility and logistics. DB’s new climate and energy strategy also includes for the first time carbon-free travel and freight transportation services.

**Climate change** presents the entire human race with a challenge of global dimensions that allows no further hesitation and no ignoring the facts. Over a hundred countries have set themselves the goal of limiting the global rise in temperature from the pre-industrial period to 2050 to two degrees Celsius.

According to a study conducted by the Potsdam Institute for Climate Impact Research (PIK), from 2000 to 2009 the Earth’s population has already emitted one third of the carbon budget it has to keep to in order to achieve the two degree goal by 2050. “If we continue to consume fossil fuels as we have done to date, then the carbon budget will be completely used up in just 20 years’ time, and the increase in

temperature will be much more than two degrees,” warns Malte Meinshausen, PIK research scientist and the leading author of the study. “Only by rapidly withdrawing from fossil fuels will we have a good chance of avoiding a significant rise in temperature.”

In the transportation sector, where total carbon emissions continue to

Regenerative energy sources currently account for some 16 percent (nuclear power 26 and fossil fuels 58 percent) of the conventional traction power mix. “Corporate customers using passenger services and shipping businesses can now for the first time purchase travel services and freight transportation from us that run completely on eco power,” explains Kettner. “We purchase the energy required for these shipments from regenerative energy sources in Germany. This enables us to eliminate the emissions at source; there’s absolutely no need for carbon offset arrangements.” At the same time, DB is making sure that the percentage of renewable energy sources in the traction power mix continues to increase and the dependence on fossil fuels is reduced.

**McDonald’s and German BP use carbon-free travel**

For one person traveling by rail, the price is increased by around one percent. By comparison: offset providers in air travel on the same route can be up to ten times as expensive. The major customers involved – they include German BP, Generali and McDonald’s – receive a certificate from TÜV Süd stating the power source and the carbon saving, and can then include this in their own carbon footprint. The possibility of extending the service to include other customer groups has already been examined, but assumes positive results in the markets currently being tested. In addition to these green products, DB is continuously working on its own processes to achieve more climate and environment-friendliness: measures include the increasing energy efficiency of vehicles, the training of all train drivers, as well as bus and truck drivers, to enable them to develop an energy-saving driving style, the transfer of shipments to climate-friendly rail and better utilization of the transportation capacity available.

With its many years’ commitment to climate protection and the climate protection goal for 2020, which has been extended to include all business units, the DB Group is setting the standards in its markets. “In the transportation sector, we are already

providing the answers that many of our competitors have only just begun to look for,” says Kettner. “In future, we will be increasingly drawing the attention of the general public to our pioneering role.”

‘DB Eco Program’ is the name of this global campaign that DB is using to present its commitment and its projects for the climate and the environment. The green logo will be a prominent feature on all the Group’s ads and brochures, the website [www.dbecoprogram.com](http://www.dbecoprogram.com) will document the solutions that the DB Group has to offer as the trendsetter for sustainable mobility and logistics.

- » [/climate](#)
- » [www.deutschebahn.com/environment](http://www.deutschebahn.com/environment)
- » [www.dbecoprogram.com](http://www.dbecoprogram.com)

**Green networks in logistics**

DB is including rail and all logistics activities in its ambitious climate protection goals.

Those who transport a lot also have a lot of responsibility for the environment. “Based on our core business on rail, which is already environmentally friendly, we are further expanding our leading position as a green transportation and logistics services provider,” says DB Schenker CEO Dr. Karl-Friedrich Rausch.

According to a study published by the PricewaterhouseCoopers (PwC) consultancy firm, only 30 percent of all logistics companies are currently offering green logistics products, for which at least the carbon emissions are offset by investments in climate protection measures. And a good 40 percent of those interviewed do not intend to offer climate-neutral shipments in the future either, because they see no demand for this service. “In the foreseeable future, service providers that are unable to provide any figures relating to the carbon footprint of their shipments will have significant competitive disadvantages,” was the judgment of the PwC study. The reason is that green logistics services have been of concern to customers for a long time.



DB Schenker shows customers other ways of reducing emissions from transportation chains.

Dr. Rausch, Member of the Board of Management responsible for Transportation and Logistics, adds: “Our customers’ interest in climate protection has risen in the last few years. Large producers of consumer goods, automotive and high-tech companies are all promoting green logistics to the final customer.”

DB Schenker, for example, is offering a new quality of climate-friendly logistics with its carbon-free rail shipments based on regenerative power. On the line from Hamburg to Munich, for example, customers can make carbon savings of some 20 tons for a 1,000-ton block train – compared with conventional rail transportation. Compared with truck services, carbon savings come to more than 55 tons.

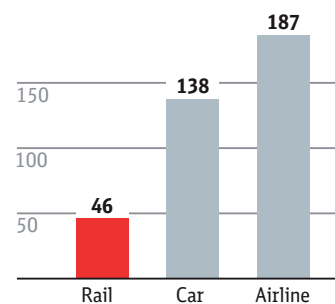
As part of the DB Eco Program, numerous individual projects in all business units are making their own contributions to the climate protection goal – to reduce specific carbon emissions by 20 percent by 2020.

- » [www.dbschenker.com/environmental](http://www.dbschenker.com/environmental)

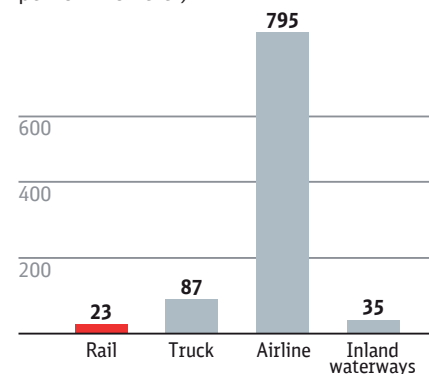
**Climate-friendly rail**

Comparison of the specific carbon emissions of various transportation modes with average capacity utilization

**Long-distance passenger services**  
(Figures in grams of CO<sub>2</sub> per passenger kilometer)



**Freight services**  
(Figures in grams of CO<sub>2</sub> per ton kilometer)



**Selected projects from the DB Eco Program**

» **Green Logistics Networks**

combines the strengths of the individual transportation modes and optimizes them ecologically and economically. DB Schenker offers its customers detailed calculations of the environmental and climate impact of transportation chains and shows them ways of reducing emissions to a minimum. In this respect, the combined transportation services provided by DB Intermodal are exemplary. They produce annual carbon savings for the environment of around 1.3 million tons – compared with transportation by road alone.

» **Green Terminals**

targets the optimization of all stationary processes in logistics centers, depots and terminals. In the case of new-build or upgrading projects, the focus is on the increased use of solar energy, photovoltaics and geothermal energy sources, plus natural cooling, better thermal insulation and the use of rainwater.

» **Green Road**

targets environment-friendly land transportation by truck. Shipments are bundled, empty runs put to good use with an optimized organization, high-capacity equipment avoided and all 20,000 drivers are trained in fuel-saving driving techniques. The fleet is gradually being converted from the Euro 3 emission standard to Euro 5.

» **Environmental footprints for business trips**

are prepared annually by DB for corporate customers free of charge. The environmental footprint documents the emissions and energy consumption of all business trips using DB services. This enables customers to see their savings in carbon emissions compared with car and air travel. In this way, DB helps its corporate customers to achieve their climate protection goals.

- » [www.dbecoprogram.com](http://www.dbecoprogram.com)

Photo: Stefan Watter

## Environment



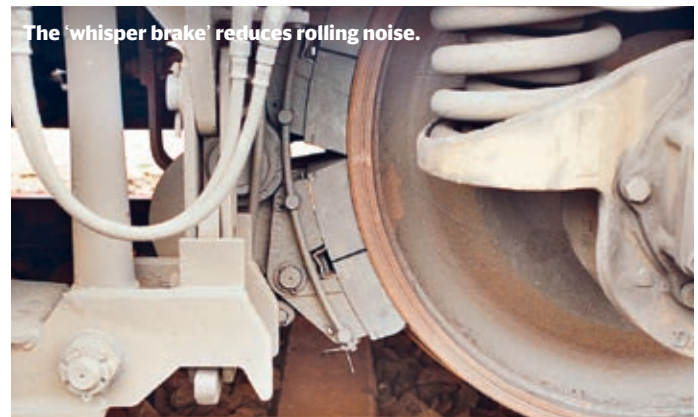
Deutsche Bahn provides a door-to-door service.

### Passenger services increase environmental lead

With mobility chains extended by car sharing and bicycle hire, DB is providing a supplement to car travel. Since 2002, DB has been teaching train drivers fuel-saving driving techniques. The result is a steady reduction in carbon emissions that pollute the atmosphere. Since 2008, bus drivers have also been using much more energy-efficient driving techniques. In addition, modern vehicles reduce energy consumption and thus carbon emissions. The carbon emissions of new rapid transit vehicles, for example, are more than 50 percent lower than the levels emitted by their predecessors. The Environmental Mobility Check available online at [www.bahn.de](http://www.bahn.de) prepares a carbon footprint comparison of rail, car and air journeys for all routes in Germany and Europe. A passenger traveling by train from Frankfurt am Main to Hanover in Germany produces just one fifth of the carbon emissions compared with completing the same journey by car. » [/passenger-transportation](#)

### Reducing rail noise

In 2008, DB erected noise barriers on a further 55 kilometers of its existing network. In total, the Federal Government's noise abatement program being implemented voluntarily by DB Netz has already completed 740 kilometers of the 3,400 kilometers of rail track planned. By 2020, DB intends to halve rail noise in Germany. All new freight cars are being fitted with composite brake blocks that are easier on the wheel tread and reduce rolling noise. Innovative noise control measures include rail web damping systems, ballast mats and gabions – wire cages filled with rocks around a core of recycled car tires. » [/noise](#)



### 'Travel naturally' with DB's subsidiary Ameropa

In 2009, DB's tour operator Ameropa launched its own 'Travel naturally' program designed for the environmentally conscious traveler. After arriving at the destination by train, the focus is on car-free mobility during the stay. Energy-saving hotels and certified organic food served in the onboard restaurant are other elements of the program. Destinations include major cities and unique nature reserves – from Binz on the Island of Rügen in Northern Germany to Garmisch-Partenkirchen in Bavaria. » [www.ameropa.de](http://www.ameropa.de), [www.deutschebahn.com/destination-nature](http://www.deutschebahn.com/destination-nature)



### More clean diesel engines needed

Emissions from diesel locomotives and multiple units include particulates (soot) and nitrogen oxides. Since 1990, the particulate emissions from DB vehicles have been reduced by 87 percent, due in part to newly electrified lines and the use of new vehicles. Over 90 percent of DB's transportation performance on rail today is provided by electric power. Eliminating pollutants from diesel engine exhaust emissions is technologically complex, and the prices currently charged by filter and vehicle manufacturers, even in the case of new models, are excessively high. Buses, trucks and cars at DB are being procured more and more frequently with the appropriate filter factory-installed. Rail vehicles are still lagging behind in this respect. In collaboration with industry, DB intends to change this situation. » [/air](#)

“ I’m being given excellent technical training here at DB that also includes social issues. In the ‘Deutsche Bahn Trainees against Hatred and Violence’ contest, the group I am in produced a brochure on the subject of how young people with a migration background can successfully handle the transition from school to working life. We learned a lot, particularly about how important it is to deal with prejudices.”

**Manja Weiß** completed her training as an office communications clerk in the Infrastructure and Rail Operations unit, Berlin. In 2009, she took part in the ‘Deutsche Bahn Trainees against Hatred and Violence’ contest.



## Committed to young people

**The DB Group touches many aspects of society. It is absolutely fundamental, therefore, that it assumes responsibility. One of the key areas for many years has been providing help for children and young people.**

**As she often does, Julia Zahidi** walks around Cologne Cathedral, always on the lookout. “I’m looking for young people here who have run away from home and are wandering around. You get to recognize them after some time, of course, in most cases from the dirty clothes they wear,” says the streetworker, who works for the Off Road Kids initiative. Some of the kids are only 13 or 14 years of age and have run away from broken homes, from abuse, violence and neglect, and also from care centers.

Street work with young people requires both patience and a sense of urgency. “We have to reach newcomers in the neighborhood as quickly as possible to ensure they don’t fall in with groups of homeless people here in the city center of Cologne,” explains Julia Zahidi.

Developing trust and confidence, however, takes time. The Off Road Kids program wants to be there at the right time before drugs, prostitution, crime and disease take their toll. Zahidi and her colleagues spend up to 150 hours on each individual youngster, listening, accompanying them on their way to doctors or the authorities – and sometimes back home again.

Anyone who's run away from home has a long way back. But it's a road that he or she should not have to travel alone. To ensure that social workers involved in the Off Road Kids program can move easily around Germany, they are supported by Deutsche Bahn. Since 1994, the company has provided them with Germany-wide annual season tickets free of charge. The association, which has centers in Cologne, Dortmund, Hamburg and Berlin, has been able to offer new prospects to 1,500 young people to date.

The organization is itself dependent on active support to finance its work. Deutsche Bahn has been one of the sponsors for 15 years now: in addition to the free annual season tickets, it donated the profits from rounding following the introduction of the euro – EUR 500,000 – and with this injection cash provided the basis for the Off Road Kids Foundation. With the income from this investment, it has been possible to finance an additional streetworker since 2004.

**Encouraging parents throughout Germany to read aloud to their children with the Reading Foundation**

Why DB is particularly dedicated to reaching out to children and young people is based on a simple principle: tomorrow is already here today. It is not possible for all children and young people to grow up in a family that is intact and to experience values such as respect, love and trust, tolerance or education. On the other hand, those who show them future prospects at an early age are laying the foundation stone today on which to build an independent future that is worth living for. Deutsche Bahn is placing a specific emphasis, therefore, on supporting children and young people not only in the case of Off Road Kids, but also in its long-standing partnership with the Reading Foundation.

Since 1996, DB has supported numerous events to support reading or has organized them itself. Activities with the Reading Foundation currently concentrate on encouraging parents to read aloud to their children, something that is not being done as it should, according to scientific studies. Reading aloud to a child is the stage that precedes independent reading as the basis for improving the child's educational opportunities and ultimately coping with today's world. According to the recent study entitled 'Reading aloud in Children's Daily Life 2008', 37 percent of the children interviewed in Germany said that nobody ever read to them. Neither at home, nor in kindergarten, nor in school. The questionnaire was initiated by DB, the German weekly 'Die Zeit', and the Reading Foundation. This was the first time that children had had the opportunity to speak on the subject. The result is one reason why DB in cooperation with the Reading Foundation has set itself the

The reader: Chernob Jobatey at the reading aloud event held for schoolchildren in the Berlin S-Bahn's panorama car.



“ DB Schenker in South Africa is pushing through what is called a Learnership Program. It focuses on the vocational training and advanced training provided for our black employees, to whom we now intend to pay even more attention. We are investing five percent of our HR expenditure in the program. It is DB Schenker's contribution to the government's Black Economic Empowerment initiative, the aim of which is to achieve equal participation of all members of society in economic life. We thus at the same time comply with a prerequisite for participation in public tenders.”

**Tony Pheiffer**, Head of DB Schenker Logistics' South African country organization, Johannesburg, the largest country organization in Africa with 540 employees.

goal of providing 3,000 children's and young people's homes in Germany with 'reading aloud and book boxes' by 2010. On 19 November 2009, the 'Germany – Land of Ideas' initiative will name Deutsche Bahn's reading aloud box as the 'Spot of the Day'.

**Accepting all aspects of corporate social responsibility**

DB is aware of its overall responsibility to society. And not only with respect to employees and their families or customers worldwide. It is convinced that a company can only achieve lasting success in an intact social environment.

"This means that our responsibility has many facets," says Birgit Gantz-Rathmann, DB's representative for corporate social responsibility in the field of human resources. With some 190,000 employees and trainees, DB is one of the largest employers in Germany. The extensive restructuring of the past and DB's successful economic strategy provide the basis for job security.

"Dealing fairly with employees, a sensible way of handling disputes and the encouragement of team thinking also reflect our social responsibility and the values that are

experienced and communicated throughout the Group," stresses Gantz-Rathmann. DB encourages its employees to become involved in voluntary work, for example, and recognizes this each year with a Deutsche Bahn Award. Values such as tolerance and diversity are communicated to all trainees in the first year of their apprenticeship by means of the 'Deutsche Bahn Trainees against Hatred and Violence' contest (see page 17). DB's CEO and Chairman, Dr. Rüdiger Grube, is the patron of this event, which is the only one of its kind in Germany.

- » /commitment
- » [www.deutschebahn.com/against-violence](http://www.deutschebahn.com/against-violence)

Photos: Pablo Castagnola; Jodi Bieber

## Projects

### DB Museum: the fascination of rail history

In Nuremberg, where Germany's first train service was launched in 1835, you will find Deutsche Bahn's company museum. In 1996, it changed from being state-owned to being owned by DB, and it is the world's oldest transportation museum. It not only presents company history and historical technical developments, but also reveals the history of rail in a broader economic, political and social context. Recognizing its historical responsibilities, Deutsche Bahn also presents the role it played during the Nazi period, when it provided the logistics for war and extermination. Extensive archives, guided tours and educational activities make the DB Museum an educational institute that attracts tens of thousands of visitors each year. » [www.deutschebahn.com/railmuseum](http://www.deutschebahn.com/railmuseum)



### Playing ball with disabled sports partners

Since 2002, DB has enjoyed a close and successful partnership with the German Sports Federation for the Disabled (DBS). DB would like to emphasize in this way the values found in sport. In addition to supporting paralympic athletes, its involvement focuses particularly on joint activities that make barrier-free travel possible and thus further improve DB's services for all disabled travelers. In the past few years, DB has created numerous services specifically for this group, such as a brochure entitled 'Mobility for the Disabled – Services for Mobility-Impaired Customers', which is designed specifically for the needs of this target group. In addition, Deutsche Bahn provides valuable assistance in the transportation of sports equipment to the Paralympic Games through its logistics subsidiary Schenker. Expansion of the partnership to include more DBS fields is being planned for the near future. » [/disability](#)

### DB Schenker in Hong Kong is a caring company

DB Schenker has been involved in social work in Hong Kong for many years. Since 2003, the country organization has received the Caring Company award (company's commitment to society) each year. In 2008, for example, DB Schenker and its employees in Hong Kong donated the equivalent of a total of EUR 26,000, plus non-cash donations, for Chinese earthquake victims in the region of Sichuan. Other charitable activities were for the benefit of immigrant families and the Red Cross. The country organization also performed voluntary work for society and in 2009 set up a 'We Care Committee'. China and Hong Kong, with a total of around 4,400 employees, is the largest DB Schenker country organization outside Europe, after the USA.





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