

16 November 2015

Ladies and gentlemen,

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For us at Deutsche Bahn, as one of the world's leading mobility and logistics companies, we need social acceptance for all our activities. That is why we introduced DB2020 strategy in 2012, setting ourselves the objective of bringing three dimensions – economic, social and environmental – into harmony with each other. This sustainable strategy has guided our business activities ever since.

After three years, we can say that we have progressed further than we had originally expected in some areas and have even met some of our targets ahead of time. In other areas, we still have a great deal of work to do.

We are facing challenges particularly in our economic dimension. In the first half of 2015 the total number of passengers in our trains fell by 1.6% (to 985 million), compared to our record-breaking year 2014. Despite the difficult environment in which we operate, we raised revenues slightly - by 1.3% - to EUR 20 billion. In order to fulfill our aspirations in the economic dimension, we intend to focus more than ever on ways to improve the products and services we offer our customers. We recognize the challenges coming from new digital business models, but also see great opportunities for the further development of our product portfolio. We have restructured our Group to become leaner, faster, more efficient, and especially more customer focused – in short, to be well equipped for the digital age.

The developments in our social dimension have been more positive. Employee satisfaction, as measured in our Group-wide employee survey, rose from 3.6 to 3.7 in the second survey in fall 2014, on a scale from 1 ("Strongly disagree") to 5 ("Strongly agree") in the first survey in 2012. We have also made considerable progress in improving our attractiveness as an employer. Among engineering students, DB made the top ten for the first time, ranking tenth among preferred employers in Germany. Our high appeal as an employer is also reflected in our low employee turnover and the low percentage of vocational trainees who leave our company before

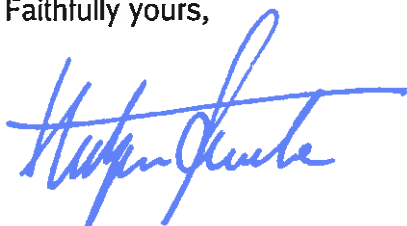
completing their training. In Germany as a whole, 24% of vocational trainees leave their company before finishing their training; at the DB Group, that figure is only 11%.

We also set high standards as an eco-pioneer in 2014. We cut our global specific CO₂ emissions by 22.7%, surpassing our target – a 20% reduction from 2006 to 2020 – six years ahead of time. Renewable energy now accounts for nearly 40% of traction power, and we have also been proactively cutting power use at our train stations. We opened our first carbon-free station in summer 2014, and we are working on a second green station. We have also made further progress on our noise reduction targets. In Germany we refitted 2,400 homes with noise control features in 2014 and added 55 more kilometers of noise barriers along our tracks, taking the total to 560 kilometers. We also equipped roughly 5,000 more freight waggons with whisper brakes in 2014. That means that DB Schenker Rail was running a total of 14,500 quiet freight waggons, both new and retrofitted, by the end of the year.

Thanks to our first comprehensive stakeholder survey with several thousand respondents, we were able to intensify the dialogue with our stakeholders in 2014. The results of the survey laid the foundation for a systematic materiality analysis and also triggered a number of constructive follow-up discussions with our stakeholders. The third DB Sustainability Day was especially significant in this regard. At the event, my fellow board members and I met with representatives of all our stakeholder groups and discussed the current status of our work on the path toward our DB2020 goals.

Sustainability is particularly important to me as the CEO of Deutsche Bahn. That is why I assumed responsibility for this area in July of 2015 following the retirement of my highly-esteemed colleague Dr. Karl-Friedrich Rausch. I am firmly convinced that our work in 2014 brought us an important step closer to sustainable business success. DB2020 will continue to guide us as we move toward the future, and we will continue to actively support the principles of the UN Global Compact.

Faithfully yours,



Chairman of the Management Board and CEO
Chief Sustainability Officer