Carbon Reduction Plan

DB Cargo UK | Financial Year 2025

Commitment to achieving Net Zero:

Deutsche Bahn Group (DB AG) has committed to achieve net-zero greenhouse gas (GHG) emissions across the value chain by 2040.

This target has been validated by the Science Based Targets initiative (SBTi), and as a subsidiary, DB Cargo UK aligns its own net zero targets with those of DB AG.

Baseline Year: 2019

Long-term Targets:

1. Reduce absolute scope 1 and 2 GHG emissions 90% by 2040
2. Reduce all remaining absolute scope 3 GHG emissions 90% by 2040

Near-term Targets:

1. Reduce absolute scope 1 and scope 2 GHG emissions 63% by 2034
2. Reduce absolute scope 3 GHG emissions from fuel and energy related activities 40% by 2034
3. Commits that 61.2% of its suppliers by emissions covering purchased goods and services and capital goods, will have SBTi's by 2029
4. Commits that 67.7% of its suppliers by emissions covering upstream transportation and distribution, will have SBTi's by 2029

For DB Cargo UK, these targets primarily translate into decarbonising traction energy, transitioning away from diesel, and driving emissions reductions across our supply chain and procurement activities.

From this point forward, all content refers exclusively to DB Cargo UK.

Baseline Emissions Footprint

Baseline year: 2019/20

The 2019/20 financial year was selected as our baseline year to avoid the impact of the COVID-19 pandemic on GHG emissions. The methodology for measuring our carbon footprint is in line with the Greenhouse Gas Protocol and the DESNZ emissions reporting guidelines. The calculations were completed using the current UK Government emissions factors.

Baseline year emissions: 2019

Emissions	Total tCO_2e
Scope 1	112,500
Scope 2	3,746
Scope 3[1]	178
Total emissions	**116,424**

Current Emissions Reporting

Reporting year: 2025

Emissions	Total tCO_2e
Scope 1	99,214
Scope 2	2,783
Scope 3[1]	98
Total emissions	**102,095**

Emissions Reduction Progress Against 2019 Baseline[2]

DB Cargo UK's baseline year for carbon reporting is 2019, with total Scope 1 and Scope 2 emissions of 116,246 tCO_2e. By 2025, these emissions have reduced to 101,997 tCO_2e, representing an absolute reduction of 14,249 tCO_2e (12.3%) against the baseline.

Scope 1 Emissions

Scope 1 emissions have reduced from 112,500 tCO_2e in 2019 to 99,214 tCO_2e in 2025, a reduction of 11.8%. This reduction reflects:

- Optimisation of rail freight operations and improved locomotive utilisation.
- Reduced fuel consumption associated with changes in service volumes across reporting periods.
- Ongoing driver efficiency programmes and fuel management controls.

[1]includes downstream waste and water emissions and road business travel

[2]focuses on Scope 1 and Scope 2 emissions, as these are based on verified operational data. Scope 3 emissions are excluded here as they remain subject to ongoing updates and improvements in supply chain reporting.

- Introduction of biofuels (HVO)
- Fluctuating service volumes, transported weights and distances.

A proportion of the reduction in Scope 1 emissions is attributable to changes in freight service volumes across the reporting period. As rail freight demand fluctuates year-to-year, absolute emissions will vary accordingly.

Scope 2 Emissions (Estate)

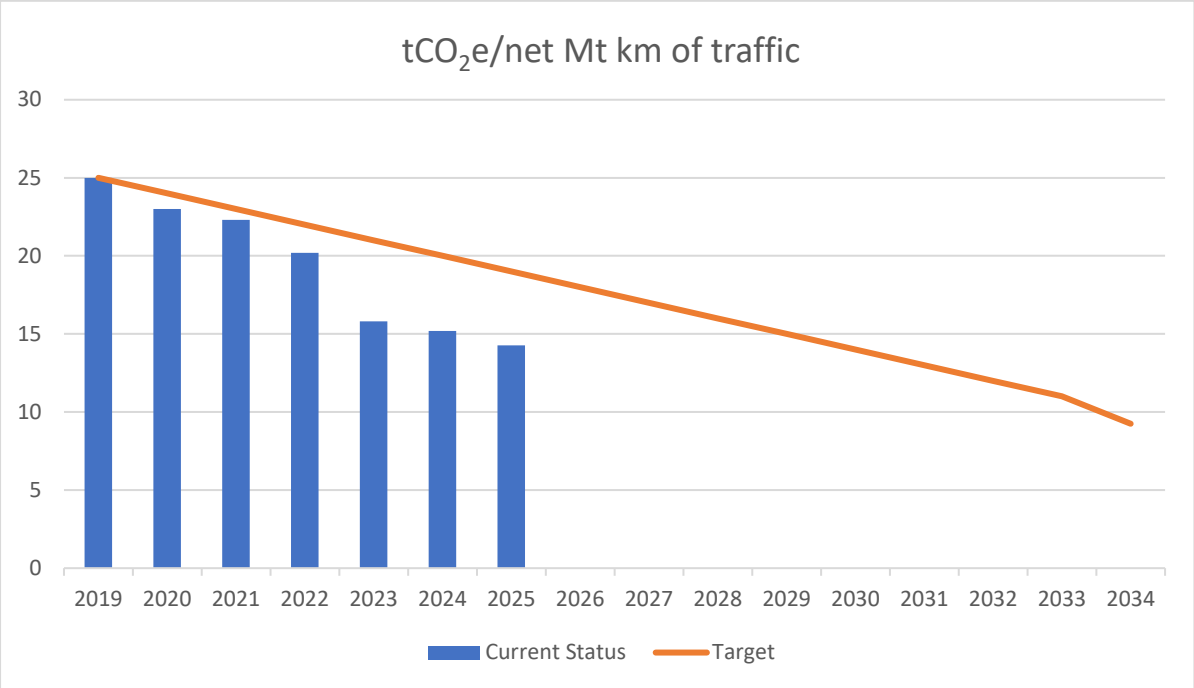
DB Cargo UK's Scope 2 emissions have reduced by 963 tCO_2e (25.7%) compared with the 2019 baseline year. Analysis of electricity consumption sources indicates that the majority of this reduction is attributable to changes in operational activity rather than efficiency improvements alone.

Based on available electricity consumption data, approximately 845 tCO_2e of the reduction relates to decreased electric locomotive operations, reflecting the retirement of certain electric locomotives and the cessation of electrically hauled services. This represents approximately 22.6% of the baseline Scope 2 emissions.

The remaining 118 tCO_2e reduction (approximately 3.1% of baseline Scope 2 emissions) is estimated to reflect improvements in building energy performance, supported by initiatives such as HVAC replacement at the Doncaster headquarters, energy efficiency upgrades across operational sites, and the development of modern energy-efficient training facilities.

Overall, approximately 88% of the Scope 2 reduction since the baseline year is attributable to operational activity changes, while around 12% reflects improvements in energy efficiency across DB Cargo UK's estate.

Progress against our target to Reduce absolute scope 1 and scope 2 GHG emissions 63% by 2034 using an intensity metric of tCO2e/net Mt km traffic



Overall Position

The 12.3% reduction in Scope 1 and 2 emissions since the 2019 baseline reflects a combination of:

- Retirement of electric locomotives
- Fluctuating service volumes, transported weights and distances.
- Operational optimisation,
- Estate efficiency improvements, and
- Behavioural changes in working practices.

DB Cargo UK recognises that a proportion of emissions reduction is activity related. Continued focus will therefore remain on structural decarbonisation measures, traction efficiency, and estate energy performance to ensure sustained progress aligned with long-term net zero commitments.

Completed Carbon Reduction Initiatives

Since the 2019/20 baseline year, DB Cargo UK has implemented a structured programme of carbon reduction initiatives targeting Scope 1 and Scope 2 emissions, while also supporting reductions across our wider value chain (Scope 3). These initiatives form part of a long-term estate, fleet and operational decarbonisation strategy aligned with UK Government Net Zero ambitions.

1. Fleet and Fuel Decarbonisation (Scope 1)

Transition to Lower-Carbon Fuels

Hydro-treated Vegetable Oil (HVO) has been introduced as a lower-carbon alternative to conventional diesel where supply availability and operational requirements permit, or at customer request. The use of HVO significantly reduces lifecycle greenhouse gas emissions compared with standard diesel, directly reducing Scope 1 emissions and enabling customers to lower associated Scope 3 emissions.

Road Fleet Electrification

A phased transition of the company road fleet to zero emission vehicles (ZEVs) has commenced. Fully electric vehicles are prioritised where operationally viable, supported by the installation of EV charging infrastructure at Head Office. This programme contributes to a progressive reduction in direct combustion emissions.

Fuel Efficiency and Idling Reduction

Operational controls, driver engagement and fuel performance monitoring have been enhanced to reduce unnecessary idling and improve overall fuel efficiency across the fleet.

2. Estate Energy Efficiency Improvements (Scope 2)

A comprehensive programme of energy efficiency improvements has been delivered across operational depots and offices.

Heating and Boiler Upgrades

- Crewe IEMD: Installation of 25 new high-efficiency 30kW heaters replacing 30-year-old 15kW units. The upgraded system provides consistent temperature control while operating more efficiently and reducing overall energy demand.

- Westbury: Replacement of an outdated oil-fired combi boiler with a modern high efficiency 30kW unit, reducing fuel consumption and associated emissions.
- Energy-efficient water heaters installed across multiple sites to lower electricity demand.

HVAC Modernisation – Head Office (Doncaster)

The heating, ventilation and air conditioning (HVAC) system at Head Office has been fully replaced with a modern, energy-efficient system. The upgrade improves thermal performance, reduces electricity consumption and supports ongoing Scope 2 emission reductions.

3. Lighting Optimisation and Controls (Scope 2)

- A targeted lighting upgrade programme has significantly reduced electricity demand across multiple sites:
    - Dollands Moor: Replacement of 156 legacy 400W light fittings with 100W energy-efficient alternatives, reducing electricity demand by approximately 75% per fitting.
    - Westbury: Nine lighting towers upgraded to LED technology, reducing energy consumption from approximately 5kW to 2kW per tower.

- Multi-site LED retrofits: Older lighting systems replaced with LED fittings across various depots, achieving energy reductions of up to 50% in some locations.
- Installation of lighting timers and improved controls to prevent unnecessary energy use outside operational hours.
- Solar-powered lighting introduced at Oxford (Hinksey) to reduce grid electricity demand.

4. Sustainable Infrastructure Development

Cricklewood – Net Zero Rail Freight Terminal

Cricklewood has been developed as DB Cargo UK's first Net Zero rail freight terminal. The site incorporates sustainable construction and operational design principles, including:

- Surface water recycling systems
- Energy-efficient lighting and equipment
- Consideration of embodied carbon within construction materials

This development demonstrates the integration of carbon reduction principles into capital investment and infrastructure planning.

Sustainable ERTMS Training Centres – Doncaster and Wembley

New and upgraded training facilities supporting the rollout of ERTMS have been developed in line with sustainable design principles, incorporating:

- High-efficiency heating and cooling systems
- LED lighting with intelligent controls
- Enhanced insulation and improved building fabric performance
- Energy-conscious equipment specification

This ensures that organisational growth and technological advancement are delivered in parallel with carbon reduction objectives.

5. Renewable Energy and Monitoring

Renewable Electricity Procurement

Where contractually feasible, renewable-backed electricity tariffs have been secured to reduce Scope 2 emissions associated with purchased electricity.

Energy Monitoring and Governance

Improved metering, consumption tracking and internal reporting processes have been implemented to strengthen emissions data accuracy and identify further efficiency opportunities. Carbon performance is reviewed through established governance structures to ensure continual improvement.

Commitment to Ongoing Reduction

DB Cargo UK recognises that decarbonisation is an ongoing process. The initiatives outlined above form part of a broader, long-term strategy that will continue to prioritise:

- Fleet electrification
- Low-carbon fuels
- Estate energy efficiency
- Supply chain engagement

Further projects are currently under review as part of our rolling carbon reduction roadmap to ensure continued progress toward Net Zero.

Declaration and Approval

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and its associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHS Reporting Protocol corporate standard and used the appropriate UK Government emissions conversion factors for company greenhouse gas reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and approved by the DB Cargo UK Management Board.

Signed on behalf of DB Cargo UK:

Andrea Rossi, CEO DB Cargo UK