

Green Bond Report

A sustainable way forward
with room for all of us



20
25

Photo: IC5 electric train set

Introduction

Brief overview of DSB

DSB is the national train operator in Denmark, organised as an independent public institution governed by a special Danish law. DSB is 100 percent owned by the Danish State, acting through Ministry of Transport.

As a vital part of Danish society and with the purpose 'A sustainable way forward with room for all of us', DSB is connecting Denmark and ensuring mobility through efficient sustainable train operations for more than 450,000 journeys every day.

DSB is Denmark's largest provider of passenger transport and has a long history within rail transport, having operated railway services in Denmark since its foundation in 1885. Passenger transportation services by rail is offered on a commercial basis and operated based on a contract with the Danish State. This includes Long-distance & Regional Train services as well as S-train services (public transport in the Greater Copenhagen area).

The DSB Group employs more than 6,000 full-time employees and operates a fleet of 377 train sets, locomotives and S-trains, serviced at DSB's workshops.

DSB's train traffic is run on infrastructure owned and managed by Banedanmark (Rail Net Denmark) and Sund & Bælt A/S. Banedanmark, a Danish state agency under Ministry of Transport, provides rail infrastructure such as tracks, power supply and signalling systems. Sund &

Bælt A/S provides bridge and tunnel infrastructure for crossing Great Belt.

A sustainable way forward and DSB's commitment to sustainability

A strong commitment to sustainability underpins the integration of Environmental, Social, and Governance (ESG) principles into DSB's strategic framework. Through strategic investments in sustainable transportation solutions, DSB actively contributes to the green transition. As part of this commitment, DSB has set ambitious environmental goals for 2030. This includes achieving a 98 percent reduction in Scope 1 and 2 CO₂e emissions, halving energy consumption, eliminating particulate emissions from train engines, and ensuring that at least 90 percent of waste is recycled, all measured against 2019 as base year.

The sustainability efforts are aligned with the United Nations Sustainable Development Goals (SDGs), focusing particularly on goals related to industry, innovation, infrastructure, sustainable cities and communities, and climate action.

With the investment program focused on replacing the current train fleet with new electric rolling stock, DSB will significantly reduce its environmental footprint while also reinforce public transportation as the sustainable contribution to Denmark's transition towards a more sustainable society.

Purpose of the Green Bond Report

The purpose of this report is to provide a comprehensive overview of the environmental impacts of the projects financed by DSB's Green Bonds. The report aims to ensure transparency

and accountability in the allocation and utilization of the Green Bond proceeds, demonstrating DSB's commitment to sustainability and responsible investments.

DSB's Green Bond Framework, dated January 2024 is based on the Green Bond Principles 2021 version (with June 2022 Appendix 1), issued by the International Capital Markets Association (ICMA). ICMA's Green Bond Principles are a set of voluntary guidelines that recommend transparency and promote integrity in the development of the green bond market by clarifying the approach for issuing a green bond.

DSB's intention is to follow best practices in the market as the standards develop and as such the Green Bond Framework may be updated going forward.



Photo: EC train coach

Allocation Report

Basic information

Reporting Date	= 31 December 2024
Reporting frequency	= Annual, until full allocation of proceeds from Green Bonds issued
Green Bond Framework applied	= DSB's Green Bond Framework, dated January 2024
Reference framework	= International Capital Markets Association's Green Bond Principles 2021 (with June 2022 Appendix 1)
Second opinion provider	= S&P Global Ratings: Dark Green classification
Reporting approach	= Portfolio-based

Impact indicators

Impact indicator	Data point used	Result
Number of electric rolling stock financed and deployed in passenger service	Total number of new EB electric locomotives, EC train coaches, and IC5 train sets	42 new EB electric locomotives in passenger service
Estimated annual GHG emissions avoided in Scopes 1 and 2 from Green Bonds proceeds	Estimated annual GHG reduction when fully implemented	21,800 tonnes CO ₂ e in 2024
Estimated particulate emissions avoided from Green Bonds proceeds	Estimated annual reduction in particulate emissions when fully implemented	2,774 kg particles in 2024
Certification for new workshops	DGNB certification	Copenhagen: Gold (achieved) Næstved: Gold (expected) Aarhus: Platinum (expected)

Outstanding Green Bonds

ISIN	XS2847684938
Amount	EUR m 500 (DKK m 3,730)
Coupon	3.125%
Issue date	4 September 2024
Maturity date	4 September 2034

Exchange rate EUR/DKK: 7.46 as of 31 December 2024.

Distribution

	DKK m	Percent
New financing	3,730	100
Refinancing	-	-
Total	3,730	100

Fund allocation

	OpEx	CapEx	Total	Percent
DKK m				
Portfolio of Eligible Green Projects				
Clean transportation				
Passenger transport by rail	839	2,760	3,599	46
Infrastructure for rail transport	136	4,049	4,185	54
Total clean transportation	975	6,809	7,784	100
Renewable energy	-	-	-	-
Solar power	-	-	-	-
Total renewable energy	-	-	-	-
Portfolio of Eligible Green Projects, total	975	6,809	7,784	100
Green Bonds allocated to Eligible Green Projects				
Passenger transport by rail	839	1,117	1,956	52
Infrastructure for rail transport	136	1,638	1,774	48
Green Bonds allocated to Green Project, total	975	2,755	3,730	100

As stated in the Green Bond Framework, CapEx qualify without a specific look-back period, while OpEx qualify with a three-year look-back period prior to the issue date of the Green Bonds. For the Portfolio of Green Projects in the above table, CapEx is included for the years 2018-2024, while OpEx is included for the years 2022-2024. Accordingly, the Green Bonds proceeds are first allocated to cover OpEx, with the remaining funds allocated to CapEx. The allocation to OpEx and CapEx is then distributed proportionally based on their respective percentage weights.

EU Taxonomy alignment of the projects financed

DSB has reported on EU Taxonomy alignment of investments in 2022, 2023 and 2024. The 2024 Annual Report was the first subject to external assurance.

Many of DSB’s Eligible Green Projects were initiated before the EU Taxonomy was implemented. While these projects are approved as Eligible Green Projects under the Green Bond Framework, they were not subject to assurance regarding EU Taxonomy alignment in any periods prior to 2024.

For the EU Taxonomy alignment reporting below, DSB considers all investments in Eligible Green Projects to be EU Taxonomy aligned, including those made prior to 2024. To ensure transparency, DSB distinguishes between investments made in 2024 that were subject to assurance and those made prior to 2024 that were not.

EU Taxonomy alignment of Eligible Green Projects

From 2018 through 2024, DSB has invested a total of DKK 7,784 million in a portfolio of Eligible Green Projects comprising of both Capital Expenditures (CapEx) and Operating Expenditures (OpEx). Of this, DKK 2,575 million was invested in Eligible and Aligned Green Projects in 2024, while DKK 5,209 million was invested in Eligible and Aligned Green Projects in periods prior to 2024.

The EU Taxonomy alignment of investments in Eligible Green Projects is therefore 100 percent. Of this, 33 percent - representing investments

of DKK 2,575 million made in 2024 - was subject to external assurance.

DSB intends to continue reporting on EU Taxonomy alignment in the future and expect the share of investments subject to assurance to gradually increase over time.

Green Bond Framework Governance

To ensure the effective management and transparency of DSB’s Green Bond Framework, a robust governance structure has been established. The structure is designed to oversee the selection, evaluation, and monitoring of projects financed through Green Bonds, ensuring alignment with DSB’s Green Bond Framework.

Governance Structure and Responsible Committee

The governance of DSB’s Green Bond Framework is anchored in DSB’s Capex Board who is responsible for the approval of Eligible Green Projects that qualify for Green Bond funding. The Capex Board consists of DSB’s Group Management and decides whether potential projects are to be approved for investment.

Eligible Green Projects to be financed with proceeds from DSB’s Green Bonds will be evaluated, selected, and prioritised by the Capex Board in line with its decision process. A decision to allocate Green Bond net proceeds will require a consensus decision in the Capex Board.

As part of the decision process, new and existing investments will be prepared and presented as a business case and be nominated to the Capex Board as a potential green project. Proceeds from Green Bonds will be used exclusively to projects that meet the eligibility criteria outlined in DSB’s Green Bond Framework and evaluated to support DSB’s environmental targets and applicable policies and guidelines. Further, the Capex Board ensures that environmental and social risks have been addressed through adherence to existing group-wide policies and procedures.

Monitoring and Reporting

Once approved, Eligible Green Projects are monitored to ensure they deliver the expected environmental benefits. DSB employs a comprehensive reporting system to track the progress and impact of each project. This includes regular updates on key performance indicators and an annual impact report that details the environmental and social benefits achieved.

Independent Verification

To maintain transparency and credibility, DSB engages an independent external party to verify the allocation of Green Bond proceeds and EU taxonomy alignment for CapEx and OpEx in 2024. This verification process ensures that reported data are accurate and that the Green Bond Framework is implemented as intended. By adhering to this governance framework, DSB ensures that its Green Bond Program effectively supports the sustainability objectives and contributes to the broader target of reducing environmental impact and promoting sustainable development.

EU Taxonomy Alignment				
DKK m	Code	Prior periods	2024*	Total
CapEx for Aligned Green Projects				
Passenger interurban rail transport	CCM 6.1	2,016	744	2,760
Infrastructure for rail transport	CCM 6.14	2,599	1,451	4,049
Total CapEx for Aligned Green Projects		4,615	2,194	6,809
OpEx for Aligned Green Projects				
Passenger interurban rail transport	CCM 6.1	594	381	975
Infrastructure for rail transport	CCM 6.14	-	-	-
Total OpEx for Aligned Green Projects		594	381	975
Total CapEx + OpEx for Aligned Green Projects		5,209	2,575	7,784

As outlined in the Green Bond Framework, CapEx qualifies without a specific look-back period, while OpEx qualifies with a three-year look-back period prior to the issuance of Green Bonds. In the table above, CapEx and OpEx are categorized by 2024 and prior periods. For CapEx, prior periods cover 2018–2023, while OpEx covers 2022–2023. Renewable energy is excluded from the table due to no investments being made. * Investments made in 2024 was subject to external assurance.

Description of Eligible Projects

Categories of Eligible Green Projects

DSB's Green Bond Framework identifies the following categories of Eligible Green Projects that align with the sustainability goals and contribute to significant environmental benefits:

- **Clean Transportation**

Investments in electric locomotives, train coaches, and electric train sets. This includes major overhauls, improvements, and maintenance of rolling stock with zero direct (tail-pipe) CO₂ emissions.

Infrastructure investments for rail transport and associated subsystems connected to electric train operations, such as stations, terminals, and rail service facilities.

New workshops dedicated to the maintenance of electric locomotives, train coaches, and electric train sets, designed to achieve as a minimum DGNB Gold certificate for sustainable construction or equivalent certification.

- **Renewable Energy**

Investments in solar photovoltaic (PV) technology such as on-site solar rooftop panels.

Detailed descriptions of specific projects financed by Green Bonds

Clean Transportation

Acquisition of Siemens Vectron electric locomotives (EB)



Photo: EB electric locomotive

DSB has taken delivery of 42 Vectron electric locomotives in the period 2020-2022. Following testing and final authority approval, the locomotives have been put into passenger service. The locomotives are used in passenger service to Hamburg and in regional train traffic with temporary leased train coaches and double-decker coaches. The leased train coaches will gradually be replaced by new train coaches, manufactured by Talgo.

The EB locomotives are fully electric, producing zero direct emissions during operation and significantly lowering DSB's carbon footprint. The electric locomotives ensure quieter operation compared to diesel locomotives, reducing noise pollution. In addition, they are to ensure high recyclability at the end of their lifecycle.

Acquisition of Talgo train coaches and control cars (EC)

DSB has ordered 240 train coaches and 16 control cars from Talgo. The first 45 train coaches have been delivered per 31. December 2024 and is undergoing authority approval and final testing. The first train coaches will be put into passenger service during 2025. The remaining train coaches and control cars will be delivered to DSB in 2025-2027 and gradually put into passenger service. Each formation of 15 train coaches has space for 492 passengers, 3 dedicated spaces for wheelchairs and 12 toilets, including one designed for wheelchairs.

The train coaches are designed to reduce environmental impacts in several ways. Life cycle analyses are conducted to identify and minimize environmental impacts throughout the train coaches' lifecycle. The lightweight design helps lower greenhouse gas emissions (GHG) during operation, while recycled and highly recyclable materials are prioritized. Furthermore, the train coaches follow an environmental design procedure, enabling easier assembly and disassembly.

Total expected investment: DKK 2.6 billion (OpEx DKK 0.2 billion, CapEx DKK 2.4 billion)

Acquisition of new electric train sets (IC5)

DSB has ordered 100 new electric train sets from Alstom. The first train sets are currently undergoing testing and authority approval will follow. The train sets will be delivered to DSB from 2027 and will gradually be put into passenger service in 2027-2030. DSB holds the option to upsize the initial order by another 50 train sets. Each train set consists of 5 train coaches and has space for 300 passengers, 2 dedicated

spaces for wheelchairs, and 3 toilets, including one designed for wheelchairs.

The electric train sets are designed to reduce environmental impacts by minimizing energy consumption through aerodynamic design, lower weight, regenerative braking, and optimized traction.

Noise emissions are also minimized with electrodynamic braking, energy saving mode, and motor design aimed at reducing noise at stations, during acceleration, and when parked.

Furthermore, the electric train sets are produced with recycled materials, which help reduce their carbon footprint, and are designed to be highly recyclable at the end of life.

Total expected investment: DKK 10.5 billion (OpEx DKK 0.9 billion, CapEx DKK 9.6 billion)



Photo: IC5 electric train set

Acquisition of double-decker coaches (DD)
DSB operates a fleet of 113 double-decker coaches and is in the process of acquiring additional pre-owned coaches to enhance capacity and provide more seating for customers.

Future S-network and S-trains

In 2023, DSB was awarded the project to upgrade the network of the Greater Copenhagen S-trains to a driverless system. Initial investments have focused on upgrading the signalling system. Fully automated S-trains are scheduled to begin service from the end of 2031.

DSB has initiated two calls for tenders and expects to award contract for S-trains of the Future in the second half of 2025 and for the supporting systems in the first half of 2026. In collaboration with Banedanmark, DSB is also preparing to take over the S-network in 2027.

S-trains of the Future will represent a major investment. Suppliers must set climate reduction targets for production and maintenance in line with the Paris Agreement. This contract is a strategically important investment for DSB, with significant Scope 3 climate impact.

Infrastructure for rail transport

DSB has no current projects of infrastructure for rail transport.

Workshops

DSB is constructing 3 new workshops in Copenhagen, Næstved and Aarhus. The workshops are necessary for the deployment of the new rolling stock.

All the workshops are designed and constructed to fulfil the requirements to achieve DGNB Gold

or Platinum certifications, demonstrating the focus on sustainability across design and construction of the facilities.

As a function hereof, there has been a strong focus on choosing materials with a low GHG footprint from production. For example, recycled concrete used in the subgrade protection of roads and parking lots at the workshop in Copenhagen is sourced from Metro construction sites. Other examples include, but are not limited to:

- Aluminium facade sheets contain 43 percent recycled content
- Aluminium sinus plates (roof plates, parts of facades) contain approx. 45 percent recycled content
- Steel for construction contains 40 percent recycled steel
- Steel used for reinforcing is produced using hydroelectric power and thus have a low carbon footprint

In addition, there is focus on minimizing the environmental footprint across the lifetime of the workshops. High levels of insulation, grass-covered roofs and solar cells to produce energy for the building's own use are examples of initiatives aimed at reducing the environmental impacts from operations.

Total expected investment: DKK 5.8 billion (OpEx DKK 0.3 billion, CapEx DKK 5.5 billion)

The workshop in Næstved



Photo: The workshop in Næstved

At the workshop in Næstved, maintenance of the EB electric locomotives, the DD double-decker and EC train coaches will be carried out by DSB. Construction is progressing as planned and the workshop is expected to be completed in 2025 with production commencing in 2026.

The workshop in Næstved is pre-certified, and expected to archive, a DGNB Gold certification.

The workshop in Copenhagen



Photo: The workshop in Copenhagen

The workshop in Copenhagen was finalised in 2024 and the future maintenance of the new

IC5 electric train sets will be carried out here by Alstom, once the electric train sets have been put into passenger service. The workshop is currently being fitted with Alstom's equipment to be ready for testing the electric train sets.

The workshop in Copenhagen has achieved a DGNB Gold certification.

The workshop in Aarhus



Photo: The workshop in Aarhus

Construction of the workshop in Aarhus commenced in 2023 and is progressing as planned. The workshop is scheduled to be finalised by 2026. Here, Alstom will be conducting maintenance on the IC5 train sets from 2027.

The workshop in Aarhus is pre-certified, and expected to archive, a DGNB Platinum certification.

Renewable Energy

DSB has no current projects of renewable energy but is analysing scope for possible future solar power projects on existing buildings/locations.

Impact Report

As stated in the Green Bond Framework, impact reporting may include information such as number of new trains financed and deployed, GHG emissions avoided, particle emissions avoided and achieved level of certification for workshops.

This section describes DSB's climate change mitigation plan, contribution to the UN Sustainable Goals and reporting on impact indicators and the related methodology and assumptions.

Contribution to SBTi approved climate change mitigation plan

DSB's climate mitigation plan is approved by the Science Based Targets initiative (SBTi) to be aligned with the Paris Agreement and the ambition herein to limit global warming with 1.5 degrees Celsius.

DSB has the following climate mitigation targets for 2030 with 2019 as base year:

- Reducing our CO₂e emissions for Scopes 1 and 2 (location-based) by minimum 98 percent
- Reducing our indirect CO₂e emissions from downstream transportation by 28 percent (related to transportation of customers to/from stations) (Scope 3.9)
- Reducing our indirect CO₂e emissions from sales of fossil fuels (diesel) by 100 percent (Scope 3.11)
- Reducing all other Scope 3 CO₂e emissions by 30 percent

The investments in electric train sets and locomotives are the single biggest contributor to the realization of all climate mitigation targets presented above, except for the target for reducing emissions from downstream transportation.

Contribution to the UN Sustainable Development Goals (SDGs)

DSB's Eligible Green Projects contribute to several UN Sustainable Development Goals, particularly:

SDG #7: Affordable and clean energy

The purpose of the goal is to promote access to and use of renewable energy, and to ensure that energy is used wisely. As a nationwide train operator, approximately 90 percent of our energy consumption is used for operating trains. The remaining approximately 10 percent of our energy consumption is used in workshops and at stations.

DSB is working to minimize the energy consumption and has a strategic goal of using 50 percent less energy in 2030 compared to 2019. Funds from the Green Bonds will be used to purchase new electric train sets and constructing new workshops, providing significant efficiency gains making the single biggest contribution towards achieving the strategic target of reducing our energy consumption.

SDG #9: Industry, innovation and infrastructure

The purpose of the goal is to ensure robust and sustainable infrastructure and to promote sustainable industrialization and innovation. The train already constitutes a reliable, robust and sustainable means of transport with equal

access for all at an affordable price. The train also helps to reduce congestion on the roads, and in this way contributes to the green transition.

DSB is actively working to attract more customers to the train, which contributes to reducing congestion and CO₂ emissions from Danes' transport. The funds from Green Bonds will allow DSB to improve the competitiveness of the train, by investing in new electric train sets and train coaches, which will improve the customer experience and make our operations even more environmentally friendly.

SDG #12: Responsible consumption and production

The purpose of the goal is to promote sustainable consumption and production and thereby ensure sustainable management of natural resources. As a significant purchaser of goods and services, DSB has a major influence on this global goal. We therefore want to take on a major responsibility for sustainable consumption and production, and work to promote sustainable solutions through our purchasing.

The purchases financed through the Green Bonds are all purchases that will help DSB transform the business towards a more sustainable one. They are, however, also purchases that require intensive production, which can cause environmental impacts.

To mitigate these potential impacts, DSB has made environmental objectives a part of the procurement process for our new trains as well as the construction of our workshops.

For the construction of the workshops, it has been important to ensure that these, as a minimum, are awarded a DGNB Gold certification, attesting to the systematic care and concern for sustainability involved in the design and construction of the workshops, that ranges from calculating and minimizing the carbon footprint from design and production to ensuring good biodiversity at the future sites, etc.

SDG #13: Climate action

The purpose of the goal is to mitigate climate change and ensure adequate adaptation to climate change. In this context, the train is already a low carbon means of transport.

The replacement of our diesel trains with electric train sets and locomotives is the single largest contribution to the realization of our Paris Agreement-aligned climate reduction targets for Scopes 1, 2 and 3.



Methodology and Assumptions

Methodology

The impact reporting methodology used by DSB is designed to ensure a high level of transparency while allowing for simple estimates of environmental impacts from the issuing of Green Bonds. Due to the uncertain nature of when the actual reductions occur, simplicity has been prioritized over accuracy.

The methodology of calculating the estimated annual GHG emissions avoided involves the following 5 steps:

1. Calculating the estimated annual effect of electrification

The calculation has been made from a starting point of our 2019 GHG inventory. The total annual effect from electrification of our rolling stock has been calculated to 193,253 tonnes CO₂e in Scopes 1 and 2. This corresponds to the total emissions from our rolling stock in 2019 subtracted emissions from relinquished traffic. In 2019, emissions from relinquished traffic amounted to 11,391 tonnes CO₂e.

The annual effect on Scope 3 emissions has not been estimated.

2. Risk of double counting impact and applied method to mitigate

DSB's investments in new electric rolling stock and deployment into passenger service is dependent on an upgraded railway infrastructure for electric train operation. The necessary investments in the electrification of the Danish

railway network are conducted by Banedanmark as the railway infrastructure provider in Denmark on behalf of the Danish State.

The Danish State is also issuing green bonds to fund parts of the government budget, including Banedanmark's investments in electrification of the railway network. To avoid possible double counting of estimated impacts of Banedanmark's and DSB's investments, a pro-rata sharing of impacts will be applied. This approach is in line with the recommendations in the ICMA Guidance Handbook, November 2023, and has been agreed with the Danish State. The pro-rata calculations are based on the total investment and the estimated annual reductions on CO₂e for Banedanmark's investments in electrification as well as DSB's investment in rolling stock and workshops. The combined total investment has been computed to DKK 33.1 billion in 2022 prices and annual reductions are estimated to 193,253 tonnes CO₂e, as mentioned above. DSB's share of the combined total investment is DKK 23.1 billion in 2022 prices (70 percent share) and thus, DSB's investments contribute towards estimated annual reductions of 135,268 tonnes CO₂e.

3. Expected total investments

The total expected investments amount to DKK 23,144 million (2022 prices).

4. Impact per DKK million investment

We divide expected annual GHG reductions with total expected investments to get an expected annual GHG reduction in Scopes 1 and 2 per DKK million invested.

$$135,268 \text{ tonnes CO}_2\text{e} / 23,144 \text{ DKK m} = 5.844 \text{ tonnes CO}_2\text{e per DKK m}$$

This results in expected annual reductions of 5.844 tonnes CO₂e per DKK million invested.

5. Impact Calculation

We multiply the total proceeds from Green Bonds allocated to Green Projects in DKK million with the expected annual reduction per DKK million to compute estimated annual GHG emissions avoided in Scopes 1 and 2.

Impact in reduction of annual GHG emissions from issued Green Bonds:

$$5.844 \text{ tonnes CO}_2\text{e per DKK m} \times 3,730 \text{ DKK m} = 21,800 \text{ tonnes CO}_2\text{e reduction in 2024}$$

Avoided particulate emissions

A similar method has been used to estimate the annual particulate emissions avoided. However, as there is no risk of double counting these emissions, step 2 mentioned above has not been relevant. Thus, the entire estimated effect on avoided particulate emissions is contributed to DSB.

Impact in reduction of emissions of particles from issued Green Bonds:

$$17,210 \text{ kg particles} / \text{DKK } 23,144 = 0.74 \text{ kg particles per DKK m}$$

$$0.74 \text{ kg particles per DKK m} \times 3,730 \text{ DKK m} = 2,774 \text{ kg particle emission reduction in 2024}$$

Assumptions

Several key assumptions are made in the impact reporting process:

- **Avoided emissions:** The calculation of estimated annual avoided emissions is based on the difference between 2019 emissions from train operations (Scopes 1 and 2) and expected emissions once the investments have been fully implemented and DSB's train operations is fully electrified by 2030. DSB has chosen a simple and clear model: The annual reductions are calculated based on the proportion of the total investments that has been made in the relevant year. This is described in detail above. By using this methodology, all other things being equal, the GHG reductions will be recognized earlier than actual reductions are realised.
- **Electricity emissions:** DSB's SBTi approved climate mitigation targets for Scope 2 are location-based. When estimating the annual emission reductions, it is assumed that direct emissions from electricity consumption (DSB's Scope 2 emissions) will be 0 grams CO₂e/kWh in all Danish electricity pricing zones by 2030. This assumption rests on the Energy Agreement, adopted by the Danish Parliament in 2018.

By adhering to this methodology and the assumptions mentioned above, DSB ensures that the reported environmental impacts of its Green Bond-funded projects are transparent and aligned with international standards.

Accounting Policies

DSB report on the EU Taxonomy Regulation pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 and supplementing Regulations (EU) 2021/2139, 2021/2178, 2022/1214 and 2023/2486 and pursuant to Directive 2013/34/EU on non-financial reporting.

The Taxonomy Regulation and the supplementing regulations with technical screening criteria set out the conditions which an economic activity must meet in order to qualify as environmentally sustainable within the framework of the EU classification system. These include that the economic activity must contribute substantially to fulfilling one or more of the six environmental objectives and, at the same time, do no significant harm ('DNSH') to any of the other environmental objectives.

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Minimum safeguards

In addition, the activity must be carried out in alignment with a number of minimum safeguards, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as well as fundamental principles and rights established under the auspices of the International Labour

Organisation (ILO) and in international instruments on fundamental human rights.

Screening process for activities

Taxonomy-eligible activities indicate the DSB Group's CapEx and OpEx derived from economic activities covered by the EU Taxonomy. Taxonomy-aligned activities indicate that they also meet the technical screening criteria to qualify as environmentally sustainable.

It is possible to apply several criteria for the contribution of each activity. For DSB, the material contribution is climate change mitigation (Climate Change Mitigation - CCM). Based on the descriptions of activities, we have identified the following taxonomy-eligible activities of the Group with the relevant technical screening criteria:

Passenger interurban rail transport, CCM/CCA 6.1,

where the activity must meet one of the following criteria: Trains and passenger coaches have zero direct (tailpipe) CO₂ emissions, or trains and passenger coaches have zero direct (tailpipe) CO₂ emissions when operated on a track with necessary infrastructure and use a conventional engine where such infrastructure is not available (bimode).

DSB's activities comprise train operations with either diesel or electric-powered rolling stock. Electric traction meets the stated criteria as it produces no direct CO₂ emissions.

Infrastructure for rail transport, CCM/CCA 6.14, comprising, i.e., transfer of passengers from rail to rail or from other modes to rail, including stations. Furthermore, the construction of rail

service facilities, such as workshops, is also included.

Substantial contribution criteria

DSB's economic activities are assessed in relation to whether they contribute to climate change mitigation. The review is based on Regulations (EU) 2020/852 and 2023/2486 as well as the related technical screening criteria.

The same considerations apply in relation to the DSB Group's CapEx and OpEx.

Climate change mitigation

Passenger transport by rail is fundamentally an activity contributing to climate change mitigation as the CO₂ emissions generated are lower than for other modes of transport. Electric rail transport is stated as contributing to climate change mitigation.

DSB's overall strategy is to convert train services to become exclusively electric powered. DSB still operates diesel-powered rolling stock, and these activities are deemed not to contribute to climate change mitigation.

DSB is in the process of acquiring new electric-powered rolling stock in replacement of the existing diesel-powered rolling stock. Over the coming years, this will gradually result in a significant reduction in the consumption of diesel oil and, as a result, a significant reduction in CO₂ emissions.

CO₂ emissions will be reduced by 98 percent in Scopes 1 and 2 compared to 2019, partly due to the conversion to electric-powered train operations, partly due to Denmark's national ambition

of a 100 percent renewable energy supply by 2030.

S-train services are 100 percent electric, while the corresponding percentage for Long-distance & Regional Train services is 61 percent. In 2024, a total of 68 percent of DSB's train services were electric.

In the economic activities in which DSB operates, there are no additional significant contribution criteria which might be considered sustainable.

DNSH – Do No Significant Harm

DSB's economic activities are furthermore assessed in relation to the principle of doing no significant harm to any of the other environmental objectives. The basis of the review is the same as for significant contributions.

The same considerations apply in relation to the DSB Group's CapEx and OpEx. However, the requirements are not identical in the different economic activities in which DSB operates.

Passenger interurban rail transport, CCM 6.1,

Climate change adaptation

For the two economic activities that are assessed to be sustainable for DSB, the requirements for climate change adaptation are the same.

DSB operates train services on infrastructure that is owned and managed by Banedanmark and Sund & Bælt A/S.

The greatest consequence of climate change and increasing occurrences of extreme weather

events in the future is that it will affect and challenge DSB's ability to operate rail services. Therefore, DSB has carried out an analysis using the Climate Atlas tool developed by the Danish Meteorological Institute (DMI), which incorporates the UN Intergovernmental Panel on Climate Change (IPCC) climate scenarios in a Danish context. In addition, general insights from DMI's latest update on the future Danish climate have been used, which are based on a medium-high emissions scenario corresponding to RCP (Representative Concentration Pathways) 4.5 up to the year 2100.

In accordance with Appendix A, II, of Council Regulation (EU) 2020/852, the greatest hazards to DSB's passenger transport are acute and chronic risks related to changes in water, wind and soil conditions due to climate change. The main risks are:

- Cloudbursts and heavy rain events, which will become more intense and occur more frequently in the future
- Increase in the mean sea level in the seas around Denmark
- Storm surges will occur more frequently and have more severe consequences
- Storms and stronger wind forces will occur more frequently.

Historically, storms have been the most frequent weather event causing disruption to national rail services. According to the RCP 4.5 scenario, in the future, Denmark will experience an increased occurrence of storms and stronger wind forces, which will have a significant impact on rail services due to the risk torn-down overhead lines and fallen trees.

In the future, there will also be increased occurrences of landslides due to climate change. This is due to more frequent drought, followed by heavy precipitation, which will increase the likelihood of erosion. This will lead to an increased risk of landslides along railway lines operated by DSB.

Adaptation to the risks caused by climate change takes place in cooperation with the owners of the infrastructure used by DSB. Therefore, contingency plans are drawn up across the railway sector. Banedanmark, in collaboration with the railway companies in Denmark, has drawn up contingency plans to ensure that the traffic consequences are known and that measures can be implemented quickly in order to minimise disruption.

Special measures with independent contingency plans have been developed for the important locations Copenhagen Central Station, Copenhagen Airport (Kastrup) and the Great Belt Link. DSB participates actively in a forum of local authorities and Banedanmark, which focuses on storm surge measures around Copenhagen.

The Great Belt Link constitutes similar critical infrastructure linking eastern and western Denmark. Therefore, special climate protection efforts have been implemented using a climate protection scenario based on a 10,000-year incident, corresponding to RCP 8.5. A storm contingency plan has been drawn up that describes the decision-making process in the event of a storm, including different levels of changes to traffic and reopening of services when wind conditions allow it.

The normal level of operations is generally reduced in the event of a storm, which also affects the number of passengers on DSB's trains.

The existing and upcoming adaptations and contingency plans enable DSB, together with our key partners, to effectively address the risks and challenges posed by climate change. This ensures that we are able to continue to maintain stable and safe passenger rail transport in the future.

Circular economy

DSB is working towards the goals of reducing the waste volumes and ensuring that the largest possible proportion is recycled. DSB has set a strategic goal for 2030 of at least 90 percent waste recycling.

Pollution

As the traffic that is considered sustainable is operated by electric rolling stock, pollution is not considered relevant.

Infrastructure for rail transport, CCM 6.14, Climate change adaptation

We have carried out a climate analysis on the infrastructure owned by DSB. The greatest consequences of climate change on our own infrastructure will be similar to those for the infrastructure used by DSB.

Our climate analysis focuses on our stations and existing workshops as well as our preparation centres. The analysis includes all stations in Denmark served by DSB, but a more specific analysis has been carried out for selected stations.

The selection is based on the largest stations measured by number of passengers. The selected stations are considered relevant for the analysis, being selected so as to ensure a certain geographical spread. They have also been selected because they either are currently served by or in the future will be served by our electric rolling stock. The relevant stations are the following:

- Copenhagen Central
- Roskilde
- Odense
- Aarhus Central

As for the existing workshops and preparation centres, we have selected a few which are considered to be representative:

- Preparation Centre Kastrup
- Helgoland

As for the new workshops which are to be used for maintaining the new electric rolling stock and train coaches, the situation is slightly different. For such large builds, we are required by law to prepare comprehensive EIAs, which have been supplemented by separate climate adaptation analyses of the consequences of the location of the workshops.

In accordance with Appendix A, II, of Council Regulation (EU) 2020/852, the greatest hazards to DSB's infrastructure are chronic and acute risks related to climate changes in water, wind and soil conditions. These are identical to the ones addressed under CCM 6.1.

The analysis for CCM 6.14 has been prepared with a long-time horizon, as the assets we have

also have a long service life and should therefore be capable of withstanding future climate conditions. Scenarios RCP 4.5 and 8.5 are used in the analysis.

The above-mentioned forum on storm surge measures for Copenhagen, in which DSB participates, also includes stations and workshops.

The stations in Roskilde, Odense and Aarhus Central are considered secure, as they are all located at least 7.5 metres above normal sea level according to the Danish Elevation Model from Danish Agency for Data Supply.

With expectations of more cloudbursts and heavy rain events, DSB's expects that the municipal utilities will ensure that sewers are capable of handling precipitation and surface water from DSB's infrastructure. In connection with DSB's workshops, there are large track areas in which pools of water may occur. These areas typically consist primarily of gravel filling, which helps to make them well drained.

The separate climate adaptation analyses carried out for the three new workshops all conclude that they are capable of withstanding future climate change.

Water and marine resources

All of DSB's infrastructure is connected to the public water supply. Only the washing facilities use water for their activities, and about 90 per cent of the water used is recycled. All facilities are connected to the public sewer system. Our stations only have general wastewater from washbasins and toilets, while our workshops and preparation centres have municipal wastewater permits.

According to the WWF Risk Filter, it can be concluded that DSB does not operate in areas affected by water scarcity.

The EIAs for the construction of the new workshops contain requirements and conclusions regarding water conditions.

Circular economy

In connection with construction and civil engineering works at our stations, it is a requirement that any construction waste generated by the various projects must be reported.

The EIAs for the new workshops contain requirements and conclusions regarding construction waste.

Pollution

Noise pollution from our stations is very limited. Noise caused by the actual activity of train services is not included.

As for our workshops and preparation centres, noise must be broken down on two categories: Actual workshop activities and noise caused by the operation of rolling stock. The breakdown is due to different requirements for noise levels from the two types of activity.

Any complaints about workshop noise received from neighbours or the local authority will be handled. DSB received no such complaints in 2024.

Noise pollution is one of the elements described in more detail in the EIAs for the construction of the new workshops.

Biodiversity and ecosystems

None of the selected stations are located in Natura 2000 sites. The same applies to the selected workshop and preparation centre. Our other stations are typically located in urban zones and are not considered to have a material impact on biodiversity.

The new workshops are subject to requirements in EIAs.



Management Statement

The Green Bond Report 2025 has been prepared in accordance with DSB’s Green Bond Framework, dated January 2024 and the Accounting Policies listed in this report on pages 9-11.

In our opinion, the Green Bond Report 2025, including the fund allocation and the EU Taxonomy alignment of Eligible Projects provides a true and fair view of the use of proceeds for the year ended on 31 December 2024.

Taastrup, 26 June 2025

Pernille Damm Nielsen
CFO

Independent auditor's assurance report on allocation on Green Bond proceeds

To the stakeholders of DSB

As agreed, we have performed an examination with a limited assurance, as defined by the International Standards on Assurance Engagements, on DSB’s allocation on Green Bond proceeds for 2024, specifically as presented in DSB’s Green Bond Report in the table ‘EU Taxonomy Alignment’ on page 4, column ‘2024’.

In preparing the allocation of Green Bond proceeds, DSB applied the allocation criteria as defined in DSB’s Green Bond Framework from January 2024 and the Accounting policies on pages 9-11 (‘criteria’). The allocation of Green Bond proceeds needs to be read and understood together with the criteria, which Management is solely responsible for selecting and applying. The absence of an established practice on which to derive, evaluate, and measure the allocation of Green Bond proceeds allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Green Bond Report, and accordingly, we do not express an opinion on this information.

Management's responsibilities for the sustainability statement

DSB’s Management is responsible for selecting the criteria, and for presenting the allocation of Green Bond proceeds in accordance with the criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the allocation of Green Bond proceeds, such that it is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion based on our examinations on the presentation of the allocation of Green Bond proceeds in accordance with the scope defined above. We conducted our examinations in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain limited assurance for the purposes of our conclusion.

EY Godkendt Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity,

professional competence and due care, confidentiality and professional behaviour as well as ethical requirements applicable in Denmark.

Description of procedures performed

In obtaining limited assurance over the allocation of Green Bond loan proceeds, our objective was to perform such procedures as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a conclusion with limited assurance.

The procedures performed in connection with our examination are less than those performed in connection with a reasonable assurance engagement. Consequently, the degree of assurance for our conclusion is substantially less than the assurance which would be obtained had we performed a reasonable assurance engagement.

As part of our examinations, we performed the below procedures:

- Interviewed those in charge of the allocation of Green Bond proceeds to develop an understanding of the process for the preparation of the allocation of Green Bond proceeds and for carrying out internal control procedures.
- Performed analytical review of the data and trends to identify areas of the allocation of Green Bond proceeds with a significant risk of misleading or unbalanced information or material misstatements and obtained an understanding of any explanations provided for significant variances.
- Based on inquiries we evaluated the appropriateness of the criteria used, their consistent application and related disclosures in the allocation of Green Bond loan proceeds. This

- includes the reasonableness of estimates made by management.
- Designed and performed further procedures responsive to those risks and obtained evidence that is sufficient and appropriate to provide a basis for our conclusion.
 - Obtained an understanding of the process to identify the EU taxonomy economic activities for CapEx and OpEx.
 - Evaluated compliance processes, methods, and data for covered activities, assessed minimum safeguards compliance through personnel inquiries, and conducted substantive and analytical procedures on EU taxonomy aligned proceeds.
 - Reconciled and ensured consistency between the reported EU taxonomy economic activities and the items reported in the primary financial statements (DSB Annual Report 2024) including the disclosures provided in related notes.
 - In connection with our procedures, we read the other sustainability information in DSB's Green Bond Report and, in doing so, considered whether the other sustainability information is materially inconsistent with the allocation of Green Bond proceeds or our knowledge obtained in the review or otherwise appear to be materially misstated.

In our opinion, the examinations performed provide a sufficient basis for our conclusion.

Conclusion

Based on our examinations and the evidence obtained, nothing has come to our attention that causes us to believe that the allocation of Green Bond proceeds in column '2024' in the table 'EU Taxonomy Alignment' on page 4 in the Green Bond Report for the period ended 31 December

2024 has not been prepared, in all material respects, in accordance with the criteria as set out in DSB's Green Bond Framework from January 2024 and the Accounting policies on pages 9-11 ('criteria').

Copenhagen, 26 June 2025

EY
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lars Fermann
State Authorized Public Accountant
mne 45879



Photo: EC train coaches

Contacts

For more information about DSB's Green Bonds or questions regarding this report or other sustainability related queries, please contact:

Eske Hansen
Head of Treasury & Insurance
esha@dsb.dk

Aske Mastrup Wieth-Knudsen
Head of Sustainability
awknudsen@dsb.dk

Anders Enggaard Bødker
Head of Environmental Management
aneb@dsb.dk

