Annual Report 2023
ÖBB-Holding AG

For a reliable future

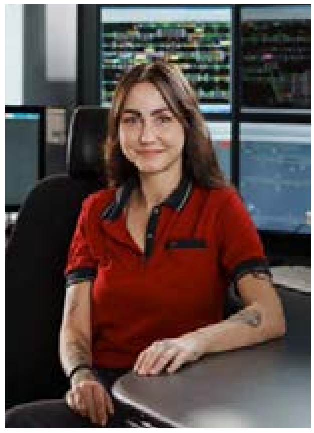
TODAY. FOR TOMORROW. FOR US.

17/01
ÖBB celebrates its 100th anniversary

The history of ÖBB began in 1923, precisely on 19 July, when the National Council passed the Federal Railways Act. To mark the start of ÖBB's anniversary year, a special Railjet will be officially "christened" and sent on its journey at the beginning of 2023. The seven-part train is adorned with 100 reasons to work for ÖBB. These come from the ÖBB team – from 100 ÖBB employees from a wide range of professions.

12/01
Together with the ÖBB team #TowardsTheFuture – 3,500 new employees wanted

ÖBB is in the midst of a major generational change, as approx. one fifth of ÖBB employees will retire by 2027. This is why the mobility and logistics service provider is looking for approx. 3,500 new employees every year.



News in brief

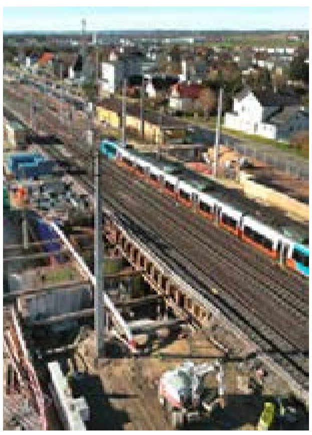
01/02 Mungos becomes ÖBB-Operative Services. It became apparent that "Mungos" is hardly known in the labour market. Mungos Sicher & Sauber, a 100% subsidiary of ÖBB-Infrastruktur AG since 2005, is therefore being renamed ÖBB-Operative Services.

02/03 Appointments to the Executive Board. Logistics expert Christoph Grasl is the new RCA Management Board Member for "Market and Sales" Ralf Mair is appointed as the new Managing Director of ÖBB-Produktion GmbH for three years.

10/03 Koralm railway: final construction phase starts. The structural work on the section between Feldkirchen and Weitendorf has been completed. The work is to proceed without interruption with the installation of modern railway technology.

13/01
Rail Cargo Group sets up subsidiary in Serbia

Serbia is the 13th country in Europe where RCG offers sustainable rail freight transport under its own traction management. Rail Cargo Carrier – Southeast d.o.o focuses on transit transport between Turkey and Central and Southeast Europe. This should strengthen RCG's market leadership position in Turkey.



16/02
4-track extension on the Western line

There is currently hardly any capacity for additional trains between Linz and Wels. ÖBB is working intensively on the four-track extension of the Marchtrenk – Wels section. This will create the conditions for a denser S-Bahn system in the Linz-Wels area, an integrated regular-interval timetable and an overall improvement in regional and express train services.

17/03
Vienna S-Bahn gets an upgrade

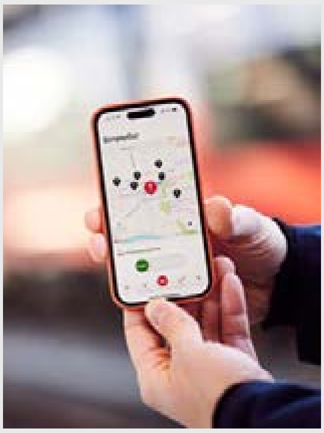
Nowhere else in Austria are passenger numbers rising as strongly as in the Eastern region. Public transport services must accordingly also be expanded and improved. The upgrade for the Vienna S-Bahn is an investment in the future of local transport networks in and around Vienna by ÖBB, the Ministry of Climate Protection and the City of Vienna.

That was 2023

YEAR IN REVIEW. The first woman on the ÖBB Holding Management Board, a major anniversary, new trains, smart apps …

05/04
SimplyGo! launched successfully

The new SimplyGo! ticket function has been available since the beginning of February 2023. The new feature is proving very popular. SimplyGo! is available in the ÖBB app. All customers with an ÖBB account have the option of activating and using the feature in the app. SimplyGo! is mainly used for short and spontaneous journeys – for example on the Vienna S-Bahn.



05/04
300 new swap bodies for Rail Cargo Group

By investing in 300 multimodal swap bodies (WAB), RCG is responding to strong customer demand and expanding its equipment portfolio. The universally loadable swap bodies close the gap between road and rail, enabling the company to offer efficient end-to-end logistics solutions.

26/04
Gaming lounge at Vienna Central Station

At the end of April, ÖBB will open the ÖBB Next Level Gaming Lounge in BahnhofCity Vienna Central Station, covering more than 300 square metres. Visitors are able to experience an extensive gaming programme on PC, PlayStation 5 and Nintendo Switch free of charge. There is also information about the exciting digitalisation jobs at ÖBB.

01/06
A green fleet for modern maintenance

The pioneering renewal of ÖBB-Infrastruktur AG's maintenance fleet continues to gather pace. The company has placed an order for 56 zero-emission high-performance maintenance vehicles – 21 Plasser MultiCrafters for the track, 29 Plasser CatenaryCrafters for the overhead line, maintenance and assembly as well as six Plasser TransportUnits worth almost EUR 250 million.

12/06
Own energy from your own energy!

As one of Austria's largest climate protection companies, ÖBB will cover 80 percent of its energy requirements itself by 2030 – with green traction power generated in its own solar, wind and hydroelectric power plants. With this in mind, Jung von Matt Donau created the energy campaign with the slogan "Own energy from own energy".

"In our anniversary year, we will not only look back on our history with pride, but above all **set the course for the next 100 years into the future."**

ANDREAS MATTHÄ, CEO ÖBB-Holding AG

» Continued inside the back cover

Key financial data

Key earnings figures pursuant to IFRS (in EUR million, rounded)

	2019*	2020	2021	2022	2023
Total income	6,945	6,724	6,986	7,398	7,806
Cost of materials and purchased services	-1,781	-1,694	-1,808	-2,038	-2,108
Personnel expenses	-2,742	-2,743	-2,751	-2,947	-3,214
Other operating expenses	-476	-439	-461	-416	-520
EBITDA	1,946	1,849	1,966	1,997	1,964
Amortisation (incl. impairment)	-1,191	-1,224	-1,337	-1,333	-1,382
EBIT	755	625	629	663	582
Financial result	-587	-566	-459	-470	-470
EBT	169	59	170	193	112
ROCE (in %)	2.8	2.2	2.1	2.1	1.7

Balance sheet key data pursuant to IFRS (in EUR million, rounded)

Balance sheet total	31,254	33,103	35,555	37,968	40,865
Non-current assets	29,967	31,656	33,720	35,948	38,515
thereof property, plant and equipment	*28,246*	*29,847*	*31,840*	*33,959*	*36,444*
Current assets	1,287	1,448	1,834	2,020	2,350
Shareholders' equity	2,645	2,768	3,244	3,524	3,213
Equity ratio (in %)	8.5	8.4	9.1	9.3	7.9
Financial liabilities	25,343	26,666	28,258	30,327	33,534
Net debt	24,963	26,318	27,418	29,402	32,603
Gross capital investment	2,700	3,353	3,688	3,920	4,504
Net Debt/EBITDA (Ratio)	12.8	14.2	14.0	14.7	16.6
Net gearing (ratio)	9.4	9.5	8.5	8.3	10.1

* Excluding outgoing business area.

Highlights 2023

78.5 mil. t

of freight were transported by the Rail Cargo Group in 2023. To do so, the RCG **is present in 18 countries,** in 13 of which it operates under its own traction management.

19

billion euros are being invested in modern and efficient railway infrastructure **on behalf of the federal government up to 2028.**

45,041

staff members were employed by ÖBB in 2023 (as at 31.12.2023), including **1,851 apprentices in training.** In addition, 191 apprentices were employed through the Allgemeine Privatstiftung für berufliche Bildung (private foundation for vocational training).

493.6 mil.

passengers used ÖBB's mobility services in 2023, of which 231.7 million travelled on local trains, 46.5 million on long-distance services and 215.4 million on the Postbus.

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COVER. The booming railway sector posed major challenges for ÖBB in the second half of 2023. This has led them to declare 2024 the Year of Quality.

Going back to the future with quality
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DIGITAL. The 2023 Annual Report is available as a PDF and videos on the topic at: **konzern.oebb.at/ar2023**

“We are declaring 2024 the ‘Year of Quality’ in order to return to ÖBB’s customary high quality even as services continue to increase!”

CFO Manuela Waldner, CEO Andreas Matthä, Board of Management ÖBB-Holding AG

ÖBB ANNUAL REPORT 2023: statement from the Board of Management

Quality takes centre stage. ÖBB is able to look back on another commercially positive financial year in 2023. Unfavourable factors such as a weaker global economy, ongoing supply chain problems at suppliers and extreme weather events have, however, posed major challenges for rail operations. In addition, ÖBB was faced with capacity bottlenecks as a result of extreme delays in the delivery of trains that had long since been ordered. The focus is now on safeguarding the customary quality and increasing the resilience of the railway system.

This year's review of the past financial year is divided into two parts. In economic terms, 2023 was quite satisfactory overall with Group EBT of EUR 112 million despite the general conditions referred to previously. In terms of quality, however, we were unable to fulfil our customers' high expectations as usual – particularly in the 2nd half of the year. Passenger transport was faced with overcrowded trains, delays and train cancellations, while freight transport was confronted with reliability problems caused by unforeseeable construction work on the international railway network. In addition, ÖBB-Infrastruktur AG had an unusually high number of incidents to deal with – caused by extreme weather events and the very heavy utilisation of the rail network.

We declare 2024 the Year of Quality!
We are declaring 2024 a "Year of Quality" with the aim of returning to ÖBB's customary high quality despite a further increase in services. Our activities range from maintaining the infrastructure, servicing our existing rolling stock and procuring new trains and locomotives to organising the timetable and route planning for passenger and goods trains. All areas relevant to rail operations need to contribute to the 2024 quality year by reviewing, evaluating and – where necessary – redesigning and digitalising processes. After all, we want to return very quickly to where we were in recent years: as a quality leader at the forefront of railway undertakings in the EU!

In 2023: a year of records in passenger transport
The travel boom that began in 2022 has continued unabated in the past year. 2023 is the most successful year in ÖBB's history, with a total of more than 490 million passengers travelling on local and long-distance services and on our buses. A more than welcome development – in terms of climate protection. While we have been used to ÖBB being able to cope with every increase in transport services without any problems and with the usual high quality regarding punctuality, safety and cleanliness, we have unfortunately not always been able to do so in the past year. There was a lack of sufficient wagons for local transport, particularly from the 4th quarter of 2023, and also for long-distance transport from

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"The investments will help to achieve the **necessary increase in capacity** on the railways – **through new routes and the digitalisation** of rail operations."

December. There were manifold reasons for this: new trains ordered had a delivery delay of over two years, which led to significantly more intensive use of existing rolling stock. Train cancellations were the result of the shorter maintenance intervals and more frequent stopovers of the existing trains in the workshop.

New day and night trains and a new ÖBB company in Germany
ÖBB is investing over six billion euros over the next few years to counteract future bottlenecks in rolling stock. In total, more than 300 new trains are on their way. We believe we are well equipped for the future as we aim to increase capacity by approx. 50 percent by 2030 in long-distance transport alone. But it is not only the rolling stock that is new. Last year, ÖBB started the acquisition of the railway undertaking Go-Ahead, which operates local transport routes in southern Germany. The transport services provided by the new subsidiary roughly correspond to those of ÖBB-Personenverkehr AG in Tyrol and Vorarlberg.

RCG holds its own despite decline in transport volumes
ÖBB's freight transport division had another difficult past year, but was still able to achieve a positive business result due to the consistent strategy of internationalisation pursued in recent years. The main reason for this was the success of the Rail Cargo Group's (RCG) foreign subsidiaries, particularly in the area of end-to-end logistics. The negative consequences of the gloomy global economy, the ongoing war in Ukraine and the renewed flare-up of the conflict in the Middle East were therefore largely offset. In contrast, the widening price gap between electricity and diesel prices – coupled with the inflation-induced increase in other fixed costs – again led to a distortion of competition in favour of road transport. The RCG is increasingly investing in an attractive overall rail logistics offering to counteract this trend: with multimodal transport solutions that offer an optimal mix of different modes of transport, digitalisation projects such as the "MIKE" logistics platform, which makes the handling of transports simpler, more transparent and more efficient, as well as further international expansion.

CEO ANDREAS MATTHÄ.
Chairman of the Board

Efficient and secure infrastructure as a guarantee of success
Austria was once again the top-ranked railway country in the EU last year, despite the problems mentioned above. The basis for this success is an efficient and safe rail infrastructure, which we have been able to maintain in Austria for many years. The planning basis for this is

the 2025+ ”Zielnetz”; the financing basis consists of the corresponding six-year framework plans. The breakthrough of the Koralm tunnel and the partial opening of the Koralm railway are just two examples of the infrastructural milestones of the past year.
At 21 billion euros, a record amount is once again available for the expansion, maintenance and digitalisation of the rail infrastructure for the period 2024 to 2029. These investments will contribute to achieving the increase in rail capacity that is so urgently needed, firstly through new routes and secondly through the digitalisation of rail operations, making it possible to increase traffic density by up to 25 percent.

CFO MANUELA WALDNER.
Member of the Board of Management

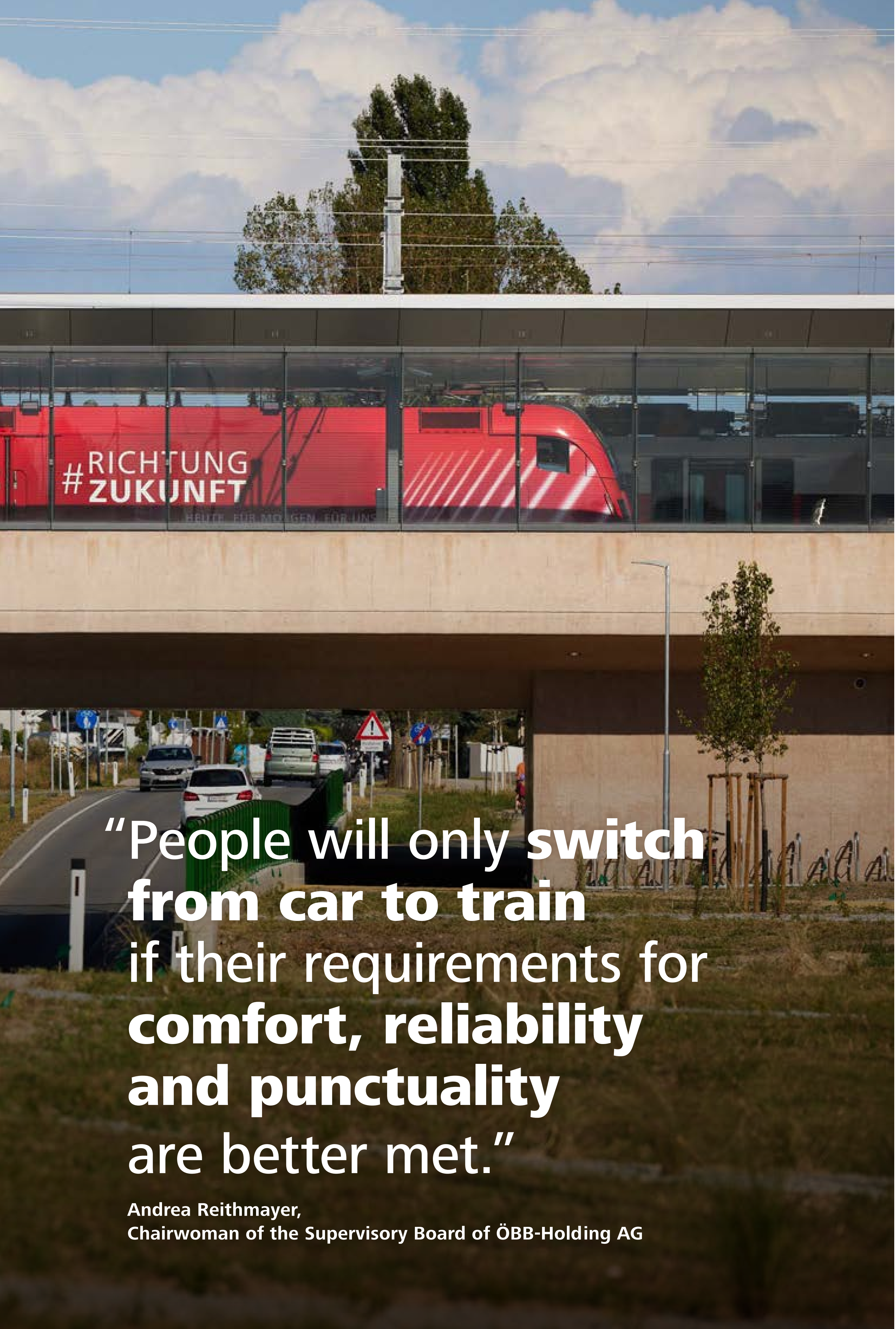
Experienced and new employees work together to secure the future of ÖBB

In the last financial year, the search for and recruitment of new employees was once again a key task for all areas of the company. The retirement wave of the “baby boomers” is bringing ÖBB into a generational change; also new employees are needed to cope with the booming utilisation of the railway sector.
The good news: confirmation that ÖBB was also an attractive employer in 2023 was provided by the impressive figure of over 5,000 new external hires in 2023.

We would like to thank all new employees for making the decision to join ÖBB! Many thanks also to the thousands of colleagues who have ensured that ÖBB has been operating successfully for years. It is their expertise and experience that not only guarantees ongoing operations, but also ensures the integration of the next generation into the company. Thank you for your commitment and your performance for ÖBB!

Ing. Mag. (FH) Andreas Matthä
Chairman of the Board of Management
ÖBB-Holding AG

Mag.[a] Manuela Waldner
Member of the Board of Management (CFO)



"People will only **switch from car to train** if their requirements for **comfort, reliability and punctuality** are better met."

Andrea Reithmayer,
Chairwoman of the Supervisory Board of ÖBB-Holding AG

Statement from the Chairwoman of the Supervisory Board

Dear reader. "Hot and cold" – this is how the 2023 financial year might be summarised. A record number of passengers in the 2nd half of the year was unfortunately offset by greater quality problems in terms of punctuality and reliability than is customary for ÖBB.

ANDREA REITHMAYER.
Chairwoman of the Supervisory Board of ÖBB-Holding AG

The high quality standards with which ÖBB has fulfilled its mission in recent years have not only made the company one of the most popular among its customers, but have also made it one of the leading railway undertakings internationally – in both passenger and freight transport. Leaving aside coronavirus-related interruptions, the number of passengers transported has fortunately risen year after year, reaching a new record in 2023. As the number of passengers increases, however, so does the demand for rolling stock, the need to expand the infrastructure and the demand for qualified personnel. ÖBB responded to these growth indicators with extensive investment and recruitment programmes, which, however, for various reasons, could not be implemented at the required speed. This led to a noticeable drop in quality, which now needs to be overcome as quickly as possible. Freight transport also faced difficult geopolitical and economic conditions. Besides all these international factors, the decline in volumes in Austria is due to the unequal conditions in competition with road transport and still characterises the situation on the domestic market today.

Difficult market and economic conditions
Extreme weather conditions, massive delays in deliveries from vehicle manufacturers and spare parts components, construction operations and strike action at neighbouring railways and a competitive labour market were the main quality-critical challenges in the 2023 financial year.
In 2023, ÖBB was once again able to recruit thousands of new employees as one of the country's largest employers. However, the labour market is highly competitive and competition is fierce. Almost every industry in Austria is affected by the massive shortage of skilled labour. ÖBB therefore not only focuses on the further development of attractive, equal and innovative jobs, but also recognised at an early stage the value and importance of training young people in various skilled trades to ensure sustainable mobility services. All these efforts are more than worthy of support so that the railway can become more resilient with committed and valued employees and meet the growth-related service requirements.
However, meeting your own quality standards is not just a question of personnel, but also of hardware and software. There is also not just one reason which led to the complications in the past financial year. In addition to the disruptions already mentioned, such as severe weather conditions in the summer and construction and strike action by neighbouring railways, delivery problems in particular led to cancellations and delays. The delivery time for new rolling stock has increased from four to six years due to geopolitical developments and supply chain problems, as well as high-capacity utilisation.

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This means that, firstly, there is a lack of new capacity needed to expand services and, secondly, the existing rolling stock needs to be utilised more intensively and beyond the planned life cycles. This in turn increases susceptibility to faults and failures and shortens the necessary maintenance intervals. More personnel are needed in turn to cope with this increased demand for repairs and services; supply bottlenecks for spare parts have further exacerbated the problem. A negative cycle that is difficult to break – at least in the short term.

Growth-driven optimisation requirement
The Board of Management is aware of and familiar with the aspiration and strong commitment of all ÖBB employees to offer "their" customers high quality and reliability. This has been proven many times over through all the uninterrupted years of crisis since 2021. It is therefore to be welcomed that the new financial year is entirely dedicated to the goal of returning to proven quality. As despite the external factors and framework conditions that have led to this difficult and unsatisfactory situation for ÖBB, there is certainly "homework" that ÖBB will have to do itself, at least in part.

Agile operating processes, digitalisation and internationalisation are a must
It will be necessary to review, adapt and better harmonise existing processes and process chains in order to meet the increased operational challenges. This requires a holistic, more agile view in the management of operational processes and the deployment of resources and capacities, which is essential for modern railway operations today and in the future.
Digitalisation plays a very important role here, and ÖBB needs to consistently drive its implementation forward. ÖBB will not be able to fulfil its own quality standards in the future without digital support. This involves digital offerings and services for customers in passenger and freight transport on the one hand, but almost even more operational processes are involved on the other. Digital Automatic Coupling is just one example of this. Drones are already able to provide faster data on the condition of a route, and in future "digital twins" will enable the automated and dynamic recording of vehicle data in order to optimise maintenance and operational control.
The focus is also on internationalisation, which is not only important for Rail Cargo, but will also play a greater role in passenger transport, among other things to gain important experience for the increasing European competition and to leverage the great potential for shifting climate-damaging flights to rail. The need for internationalisation also means strengthening the presence of the railway's representation at European level. It is therefore also necessary to make a transnational effort in freight transport in order to redress the unequal conditions between road and rail. The strikingly disparate increases in energy and fuel costs have almost led to "unfair competition" at the expense of the railways. In any case, it is surely not in the interests of the EU, nor is it in line with the climate targets that have been set, to allow the railways to fall further behind.

"The Board of Management is aware of **the aspiration and strong commitment** of all ÖBB employees **to offer 'their' customers high quality and reliability."**

Positive signals and optimism for 2024
2024 will certainly not be an easy year, even if there are positive signs. The initial easing of the situation due to the foreseeable delivery of wagon material in the spring continues to be offset by the personnel requirements that need to be addressed and the challenges associated with the expansion of the infrastructure. As pleasing as the record level of financial resources available to double

"Irrespective of external factors, that have led to this unsatisfactory situation for ÖBB, there is certainly **some 'homework' which ÖBB should be able to do itself, at least in part."**

rail capacity by 2040 sounds, the associated construction activities will remain an area of tension. The challenge here is to strike a balance between the need to realise an infrastructure project as quickly and therefore as cost-effectively as possible and the desire to get people and goods to their destination punctually and reliably, i.e. without lengthy disruptions caused by construction works.
After all, it is evident that people will only be persuaded to switch from car to rail if their requirements for comfort, reliability and punctuality are better met than with private transport. This is not only in ÖBB's interest as a mobility service provider, but it is also a responsibility for climate protection, which has been part of ÖBB's self-image for a long time, and is more important than ever.

On that note, and notwithstanding the adverse circumstances, I would like to thank all employees and the Management Board for their achievements in the 2023 financial year which has just ended. I am confident that ÖBB will master the tasks ahead and soon return to its customary quality level.

Mag.ª Andrea Reithmayer
Chairwoman of the Supervisory Board
of ÖBB-Holding AG

Shunting employee Stefan Kaubek talking to CFO Manuela Waldner and CEO Andreas Matthä about the nitty-gritty details of shunting with a brake shoe in his hand.

For a reliable future

Going back to the future with quali

RECORD OF THE CENTURY. Never before have so many people travelled by train and bus in Austria. Last year alone, ÖBB welcomed over 490 million passengers. This boom in the railway sector is, however, accompanied by a number of challenges

FOR OUR CUSTOMERS. As a mobility and logistics provider, ÖBB is the clear number one in Austria 100+ years after its founding and a leading player and innovation driver in Europe. To maintain this position, ÖBB is placing a strong focus on "Quality" in 2024.

Almost 500 million passengers in 2023 will be a record for ÖBB in the truest sense of the word. In the year of its 100th anniversary more people travelled by train and bus than ever before. Long-distance transport has played a major role in this, with ÖBB having grown by 20 percent over the past five years and is now the European leader in overnight journeys. ÖBB is also now active in freight transport in 18 countries and is number two in Europe. The enthusiasm for rail and public transport is now pushing the railways to their capacity limits, especially at weekends and on busy days such as public holidays. At the same time, customer expectations are rising. Unpunctuality, lack of space, dirty carriages or even cancellations or train evacuations meet with little understanding. Rail and bus undertakings are therefore required to literally "pick up" their passengers in such a way that they are happy to get on board again and again. This also applies to freight transport, where customers expect a reliable service and adherence to promised delivery dates.

ÖBB's aim is to fully restore the accustomed quality that has made it so successful in recent years and that points the way to sustainable and affordable mobility. The focus is particularly on the topics of "reliability", "punctuality", "cleanliness", "safety" and "service".

Reliability:
more than the sum of its parts

Reliability is a fundamental quality that unites all other aspects: punctuality, cleanliness, safety and service. Yet it takes more than their sum to unite them into a common quality – it takes >

ty

The five pillars of the ÖBB quality strategy

The ongoing boom in the railway sector has presented ÖBB with new challenges. These are now to be actively addressed in the 2024 quality year. ÖBB is focussing on five areas in the process.

Reliability
More than 45,000 employees work dependably every day to ensure that ÖBB remains the best railway in the EU. ÖBB takes on **approx. 3,500 new colleagues** each year in order to be the most reliable means of transport for its customers for today and tomorrow.

Punctuality
OBB is focusing on **more and modern trains** and **digitalisation** in passenger and freight transport on its way to becoming the most punctual railway in the EU – and is investing in the expansion and modernisation of **tracks and infrastructure.**

Safety and cleanliness
ÖBB makes every effort to ensure that passengers reach their destination safely and without harm. That means **safety on trains, in traffic and also at our railway stations. Clean trains, buses and train stations** increase the feel-good factor.

Service
ÖBB also lays claim to being the friendliest and most comfortable railway – with a large number of **new trains and significantly more seats.** Service also means clear and simple **customer information** – on site and on the smartphone.

Climate protection
ÖBB remains on course to be the **largest provider of climate-friendly mobility** and the most sustainable climate protection company in Austria. ÖBB is in this way making an important contribution to achieving climate neutrality in the mobility sector.

Quality Year 2024. Effective measures for satisfied customers

NEW RAILJETS. In service since April 2024 (top), the double-decker trains arrive in 2026

the employees of ÖBB, who work every day to ensure that ÖBB remains the best railway in the EU. In total, ÖBB employs more than 45,000 bus and rail employees as well as approx. 2,000 apprentices in 135 different professions.

ÖBB takes on around 3,500 new colleagues every year in order to be the most reliable means of transport for its customers today and in the future. This is partly due to the fact that approx. a fifth of the current workforce will be retiring in the next few years. Young people have new ideas and are generally more familiar with modern technologies. Reliability, however, is also closely linked to expertise, which is something that experienced employees have. It is therefore important that their expertise remains within the company and is passed on to the next generation of ÖBB employees.

Conversely, ÖBB also wants to be a reliable employer by offering its employees secure, meaningful and varied jobs with many benefits and opportunities for further training.

Punctuality: when every second counts
Although ÖBB is still one of the best in Europe with an overall punctuality rate of 95 percent in passenger transport, the detailed values in terms of quality, especially in long-distance transport, neither meet the demands of passengers nor our own. One of the reasons for this is the poor quality of the trains handed over by neighbouring countries.

The – very pleasing – increase in passenger numbers also presents ÖBB with challenges when it comes to maintaining stopping times at the stations. Delays are not least the result

SEMMERING BASE TUNNEL While the final metres are still being excavated, the interior work is already progressing rapidly

of a comprehensive construction programme during ongoing operations and delays in the delivery of new rolling stock, as it is not possible to provide replacement sets in the event of deviations.

Cooperation with neighbouring railways has been and is being intensified in order to be as punctual as ÖBB claims to be, for example in maintenance, and train schedules have also been adapted.

Construction activity as part of the largest investment programme in the history of ÖBB is accompanied by revised timetables, among other measures. ÖBB is keeping its passengers informed to enable them to plan their train journey even during the construction work. In addition, the intensification of traffic reduces the time available to “get on track”. The aim is therefore to optimise the scheduling and logistics of construction sites so that the infrastructure remains as available as possible. ÖBB is also working intently on doubling the capacity of the railway system by 2040. This will be achieved through the expansion of the rail infrastructure, digitalisation and the commissioning of new trains.

Simply book via SimplyGo!

New to the ÖBB app since February 2023 is the ticket function SimplyGo! Once activated, the routes travelled by train, bus, tram or underground are recognised **via GPS tracking.** The fare is not calculated until the early hours of the following day in order to determine the appropriate fare from the available ticket offers. Discounts stored are taken into account. In the first year alone, over **36,000 ÖBB customers have already activated the SimplyGo! feature in the ÖBB app.**

Cleanliness: the first impression

Clean railway stations, stops and trains are ÖBB’s calling card and are responsible for the “first impression” that is known to have a decisive effect. The more people travel, however, the dirtier buses and railway, trains and stations become. ÖBB is meeting the new requirements with needs-orientated cleaning. Among other factors, cleaning intervals are shortened when customer frequency is particularly high. The use of technical cleaning solutions is also being tested. Quality in cleanliness is also synonymous with sustainability. The aim is to use ecological products and generally reduce the use of chemicals. A project to avoid microplastics is the result of a collaboration between ÖBB-Infrastruktur and students at the University of Graz.

Cleanliness is not only an essential aspect of quality per se; cleanliness also helps to prevent accidents or the spread of diseases. And cleanliness increases the subjective feeling of safety.

Security: a comprehensive topic

The extremely important topic of “security” covers three areas: public safety, occupational and operational safety and information security. Safety is therefore a quality that ÖBB offers its customers as well as its employees. Its importance is also reflected in the fact that “Living safety” is one of ÖBB’s four corporate values.

The more people travel by train and bus, the greater the risk for passengers and employees of falling victim to criminal offences. Added to this is the increased risk of accidents as construction sites and maintenance work increase.

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NEW TRAVEL COMFORT. The interior design of the new Railjet and the new Nightjet is even better tailored to travellers' requirements

ÖBB is stepping up internal measures and working closely with the police as part of the "Together safely" programme to provide the best possible protection for its passengers and employees. Training and information in the area of occupational health and safety increase employees' safety awareness and alertness. Technical and digital solutions are also used to increase security. For example, the ETCS train control system, which requires no signalling at all on the track, is increasingly being installed on new lines.

Service: new quality hardware and software

ÖBB is constantly investing in its rolling stock in order to offer its passengers and customers the best possible service. Approx. 330 new trains and more than 100,000 modern seats will be added to the railway network over the next few years. The different requirements of travellers in long-distance, local and regional transport (space for luggage, equipment and comfort of the seats) are taken into consideration.

In future, **artificial intelligence** will support ÖBB customers with **exactly the information they need,** when they need it.

Service quality in freight transport primarily consists of making it easier for companies to access the rail system. The Rail Cargo Group focuses on multimodal transport, which combines the sustainability of rail freight transport with the flexibility of truck transport over the first and last mile, thus also reaching customers without access to a private siding.

Digitalisation also plays a key role in driving forward the sustainable transport transition and enables services that make rail freight transport even easier and more convenient for as many customers as possible.

Technical services: maintaining ongoing quality

ÖBB-Technische Services (ÖBB-Train Tech) makes an important contribution to the functioning of the hardware. It is the technical support centre for ÖBB vehicles and is responsible for the maintenance and repair of the entire fleet. The approximately 4,000 employees at ÖBB-Train Tech's 25 locations throughout Austria are also responsible for their technical development. The major challenge is to fulfil the increasing demand with as few restrictions as possible for ongoing operations. To this end, the so-called standstill maintenance, which takes place during breaks in the vehicle timetable, is to be further expanded. In this way, the number of standby vehicles is also reduced.

In addition, for new vehicle fleets, such as the new generation of Railjets and Nightjets or the new double-decker trains, the maintenance work is divided into modules so that it can be completed in a maintenance window of at least eight hours. "Condition-based maintenance", in which ÖBB-Train

ELECTRIC POWER. The new battery-powered multiple units and the next generation of buses

Tech receives data and information "live" from the vehicle or from the track in order to be prepared for existing or imminent damage, is also being stepped up. 3D printing and the in-house refurbishment of numerous vehicle components make ÖBB-Train Tech less dependent on supply chains and ensure the reliability of older vehicles.

Information: quality key to success

Customer information is at least as important as the quality of the rolling stock. The aim is to make access to public mobility services as easy as possible and to provide passengers with the information they actually need or want, depending on the situation.

In this context, one medium that plays a central role is the smartphone. The individual requirements of customers are best taken into consideration with different apps for different needs. In future, travellers who have registered for this service will be able to use geotracking to be kept even more up-to-date, needs-oriented and targeted on the move.

Equally important, however, are the information services on site in the stations, on the platforms and on the buses and trains, which are constantly being expanded and further developed. LED platform indicators provide information on whether you are standing on the right platform and whether the train is on time, departure monitors use colour indicators to show how much time is left until departure, and electronic carriage sequence indicators help you to find out which carriage will stop where. Digital information points will also be used more frequently, where all the key information about train connections and the station will be available centrally.

Current and important information is announced via loudspeakers to inform people in particular who are unable to perceive visual information well or at all. Three different gongs distinguish between standard information, general information such as construction sites and special types of information such as faults. In the future, artificial intelligence is also set to improve the quality of information so that customers receive personalised advice that helps them. <

ÖBB-Train Tech: the technical mainstay of the ÖBB fleet

ÖBB-Technische Services (ÖBB-Train Tech), with approx. 4,000 employees at 25 locations across Austria, is responsible for the **repair and maintenance of ÖBB's rolling stock.** Maintenance during breaks in the timetable, overhaul work in modules and "live" data from the vehicle or from the track as well as 3D printing and in-house reconditioning of components serve to **ensure quality as demand increases.**

FIND OUT MORE in the Management Report on pages **MR39, MR83, MR93, MR108, MR113**

Passenger traffic at an all-time high

RAILWAY BOOM. Never before have so many people travelled by train and bus as in 2023. ÖBB is investing in new vehicles and customer information to fulfil these requirements.

NEW ERA OF TRAVEL. The first new-gener-

Modern trains, attractive offers and a clear conscience when using public transport have ensured that the number of ÖBB passengers is constantly increasing. Not even coronavirus and working from home have been able to put a lasting brake on the boom in rail and bus travel. Nevertheless, the recent growth in passenger numbers – particularly due to the introduction of the climate ticket – has exceeded all expectations.

Delays of up to two years for vehicles already ordered, but also problems with the delivery of important spare parts for the maintenance of the existing vehicle fleet and numerous weather influences, among other things, meant that ÖBB was not always able to fulfil its promise to customers in the form envisaged by its own standards last year. Sabine Stock, member of the Management Board of ÖBB-Personenverkehr AG: "The rapid increase in passenger numbers after the coronavirus years presented numerous challenges for passenger transport in 2023. Investments in the vehicle fleet will increase capacity in both long-distance and local transport. For example, the new-generation Nightjet went on track in December 2023. These and additional growth factors allow us to remain optimistic about the future."

New Nightjet, new Railjet

The new-generation Nightjet is one

RAILJET NEW GENERATION. Enclosed benches and high-quality materials increase travelling comfort

The existing city jets are currently undergoing upgrades, which are scheduled for completion by 2029.

ation Nightjets went on the rails with the timetable change in December

Digital customer information

Dialogue with the customers

Customer information is more important than ever due to increasing demand and in times of great challenges as a result of construction activities and bottlenecks in the supply of rolling stock. A central role is played by **mobile applications such as the two "classics" – the ÖBB journey planner SCOTTY for route planning and the ÖBB app,** which also offers the option of buying tickets.
These apps however possess many more features. In future, **Geotracking will enable travellers who have registered for it to be kept up to date on the move in an even more up-to-date, needs-oriented and targeted manner.**

of the highlights of the past financial year in passenger transport, as it offers a number of innovations that make travelling by train overnight even more comfortable. The sleeping car with shower facilities and WC in your own compartment represents an extra level of comfort and privacy, as do the new mini-cabins for solo travellers. The new Nightjet enables barrier-free travel in modern couchette compartments and the carriage of bicycles. The new Nightjet has been technically upgraded with free Wi-Fi, additional charging facilities for electronic devices and mobile phone-permeable windows for more stable mobile phone reception. A total of 33 new Nightjets will be commissioned over the next few years.

The first new-generation Railjets will also offer even more comfort from 2024 and are characterised above all by their accessibility. ÖBB also ordered 14 Railjet double-decker trains last year, which will significantly increase seating capacity on long-distance services from 2026.

Strong digital ÖBB brands

The **ÖBB App and SCOTTY** are the best-known public transport product brands in Austria after **S-Bahn and Railjet**. This is the result of a **representative online survey conducted by marketmind** in February 2024.

New city jets, also with rechargeable battery

The first new Desiro ML Cityjets have been in operation in Vorarlberg since the end of 2022. By 2024, a further 25 of the modern four-car trainsets will also follow in Tyrol and Salzburg. 46 new electric multiple-unit trains will be on the rails by the end of 2024. The existing Cityjets are currently undergoing upgrades, which are scheduled for completion by 2029.

Another new addition is the electric Cityjet battery-powered trains, which run on battery power on non-electrified sections of track. The first of these battery-powered multiple units are expected to be in operation on the Kamptal railway in Lower Austria from 2028. Savings of up to 1.7 million litres of diesel per year correspond to approx. 4,250 tonnes of CO_2 – the annual consumption of 600 Austrians. Besides state-of-the-art equipment and accessibility, the Cityjet battery-powered trains offer higher capacities and faster acceleration for shorter journey times.

In addition, new Cityjet Desiro-ML electric multiple-unit trains have been ordered for interregional transport, which will be used on inner-Alpine connections from 2025. Once the long-distance trainsets for these routes have been delivered, the Cityjet Desiro-ML electric multiple units will be used for local transport in Kärnten and the eastern region.

Door to door with Postbus Shuttle and wegfinder-app

Shorter journey times, more frequent services and new routes are important measures for expanding public mobility services. Österreichische Postbus AG, Austria's largest bus company, plays a key role here, providing a comprehensive, efficient and sustainable mobility service in more than 1,600 communities. The introduction of the Postbus Shuttle marks the provision of an on-demand service to cover the first and last mile. The Postbus Shuttle is now available in over 30 Austrian municipalities. <

For a reliable future

FIND OUT MORE in the Management Report on pages MR13, MR18, MR24, MR28, MR32, MR40, MR108

For sustainable freight transport

RAIL CARGO GROUP. The Rail Cargo Group remains on course to offer the economy sustainable and innovative rail logistics solutions, despite being at an increased disadvantage in competition with road transport.

MULTI-MODAL LOGISTICS. Innovative

Geopolitical influences, high energy costs and, as a result, an industrial recession in key markets led to a significant drop in demand and a noticeable decline in capacity utilisation for the Rail Cargo Group in 2023. In addition, there was a glaring disadvantage compared to the road: while the price of electricity more than tripled in 2023 compared to pre-crisis levels, the price of diesel only rose by just over 20 percent.

This particularly affected single wagonload transport (EWV) and continental intermodal transport, where rail is in direct competition with trucks. Clemens Först, CEO of the Rail Cargo Group: "In my view, we are experiencing the most difficult phase in rail freight transport since the major financial crisis in 2008. We are therefore very proud that, in addition to active crisis management, we have not only maintained the transport chains and networks, but have also invested heavily in an attractive rail logistics service."

New customers, new markets

RCG is responding to the needs of companies and is increasingly focussing on multimodal logistics solutions. One example of this is the transport for the beverage manufacturer Brau Union Österreich and the Spar retail chain. The specially developed logistics

MOBILER makes goods handling possible even without a siding and crane

Digitalisation and end-to-end logistics solutions from RCG make rail freight transport **more attractive.**

developments and customised solutions form the optimal mix of rail and road

RCG as the logistical mainstay

More freight by rail is active climate protection

RCG's ambition is to form the sustainable logistics **mainstay of the European economy** with its presence in 18 countries. 5,912 logistics professionals ensure that approx. 1,150 trains reach their destination safely every day; in 2023, this figure totalled 418,857. RCG transports 78.5 million net tonnes worldwide using efficient end-to-end logistics solutions. Moreover, **Austria is the European leader with a rail share of approx. 27 percent of total freight volumes.**

solution combines rail and road and thus offers the optimum mix. The new RCG swap bodies (WAB), also known as "curtainsider swap bodies", are used for this. These allow loading and unloading from all sides as well as from above and are suitable for all conceivable goods. This new multimodal service saves numerous tonnes of CO_2 equivalents – a big plus in terms of sustainability, as these transports were previously provided exclusively by truck. The RCG has purchased a total of 300 new WABs to meet the increasing demand.

RCG also concluded a framework agreement for 600 container wagons with the Swiss wagon hire company MFD Rail at the end of 2023. In combination with the hydraulic lifting system of the MOBILER, goods can be transferred between train and lorry completely without a crane or private siding.

RCG is closing an important gap between road and rail with these flexible and innovative technologies. This gives companies that want to use rail for their transport operations access to RCG's TransFER products with collection and delivery to the company's premises – without the need for a siding.

RCG: assessed as sustainable

Last year, the Rail Cargo Group again received a number of **acknowledgments and seals of approval for its CSR measures**.

imug | Sustainability rating: assessed as "Very good"

EcoVadis: fifth rating and "Gold" CSR status for the third time

CDP – Carbon Disclosure Project: renewed "B" rating

UIC rating: Solid "B" rating in the first UIC sustainability rating

Expansion: Full speed ahead!

Freight transport proves its strengths over long distances. Internationalisation therefore plays a major role, also in 2023: One milestone was the establishment of our own branch in Shanghai (China), which will significantly speed up the processing of transports. RCG founded its own subsidiary in Belgrade (Serbia), which means that RCG now operates in 13 countries under its own traction management – i.e. with its own staff and locomotives. There are also 16 new intermodal transports via the central corridor as an alternative to the northern corridor. Other highlights include the connection of Ukraine to the RCG network in cooperation with the Ukrainian state railway.

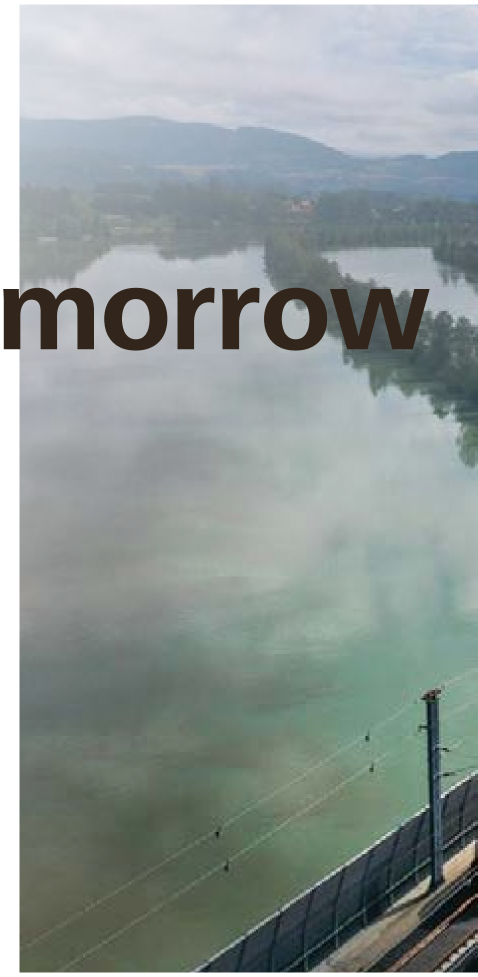
Driving digitalisation forward

Digitalisation continues to play an important role. MIKE, RCG's digital logistics platform, supports customers, partners and employees with digital services for all aspects of goods transport and makes the handling of transport – from enquiry to invoicing – simpler, more efficient and more transparent.

In 2023, RCG became the first rail logistics provider ever to be listed on Transporeon, the world's leading transport management platform. Customers use it to request, book and organise rail and intermodal transports and see RCG's sustainable alternative right next to the usual truck offer. There are also plans to retrieve real-time shipment data and calculate greenhouse gas emissions based on the new ISO standard 14083. <

FIND OUT MORE in the Management Report on pages MR14, MR19, MR24, MR29, MR32, MR42

Record investment in the railway of tomorrow



INFRASTRUCTURE. The largest railway expansion programme in the history of the Republic of Austria is making the railway fit for the future. In 2023, important milestones have already been reached.

MAKE WAY FOR RAIL. The Koralm railway

The new 2024 to 2029 framework plan provides for record investments totalling 21.1 billion euros. The funds will be used to expand and improve the rail infrastructure in order to create the conditions for the ÖBB Group's major goal: doubling the efficiency of the railway system by 2040. An important focus here is on the "digitalisation of rail", which delivers greater safety and efficiency in rail operations and therefore also makes an important contribution to the railways of tomorrow. Johann Pluy, member of the Management Board of ÖBB-Infrastruktur, comments: "An efficient rail infrastructure is crucial for achieving the climate targets in Austria. We place great reliance on digital initiatives in order to cope with the expected increase in traffic and the shift from road to rail. ETCS Level 2 and the future use of our drones are hugely important building blocks."

ÖBB is investing EUR 21.1 billion in the expansion and improvement of the rail infrastructure by 2029.

First passenger train passes through Koralm Tunnel

In June 2023, after approx. 15 years of construction, the first passenger train passed through the Koralm Tunnel, the 33-kilometre-long centrepiece of the Koralm Railway. Full commissioning is planned for 2025. The journey time between Graz and Klagenfurt will then

THROUGH THE MOUNTAIN. The last breakthrough in the Semmering Base Tunnel

successfully passed the bridge load test in 2023. Full operational commissioning is scheduled for 2025

be reduced to approx. 45 minutes at speeds of up to 230 kilometres per hour.

When the Semmering Base Tunnel is also completed in 2030, the journey time between Vienna and Graz will be less than two hours and between Klagenfurt and Vienna less than three hours. A historic breakthrough was also achieved in this project in 2023 – in the truest sense of the word. The final tunnel drive was completed on the Styrian side in September. This means that 97 percent of the tunnel has already been excavated. The tunnelling work from the Lower Austrian side should also be completed by 2025. Progress has also been made on the Brenner Base Tunnel, which at 64 kilometres will be the longest underground rail link in the world. In 2023, construction work on the “Viller Berg” and “Tunnel Silltal” tunnel sections could be completed.

Besides the major main lines, the framework plan will also modernise and electrify the regional lines in order to make switching to the railway more attractive in rural areas as well. This also includes the conversion of train stations into mobility hubs.

The Vienna S-Bahn is also being upgraded on its main line, which runs between Vienna Meidling in the south and Vienna Floridsdorf in the north of the city and is the busiest local transport route in Austria with approx. 250,000 passengers per working day. The rail infrastructure will be modernised and the ETCS Level 2 train control system implemented by 2027. This will create the technical conditions for a more frequent service of 2.5 minute intervals during rush hour.

Digitalisation of rail

ÖBB is implementing comprehensive digital initiatives that **bring greater safety and efficiency to rail operations** and make an important contribution to achieving the **aimed doubling of the railway system’s efficiency by 2040**.

Digitalisation brings train safety and drones

The digital train control system ETCS (European Train Control System) is a very good example of how digitalisation and automation can help to make public transport more attractive, more effective and efficient. The train guidance system controls the distance and speed and makes train transport even safer and more efficient. In 2023, ÖBB-Infrastruktur AG concluded a framework agreement with Siemens Mobility Austria worth 400 million euros to equip all Austrian high-performance lines and main lines with the modern ETCS Level 2.

Another example of the use of digital technologies is drones, which are suitable for various applications – for the semi-automated inspection of buildings, natural hazards or extraordinary events. In 2023, ÖBB-Infra became the first railway infrastructure company in Europe to receive authorisation to operate drones without direct visual contact.

Green electricity production further expanded

Last but not least, ÖBB is further expanding its environmentally friendly electricity production. 1.6 billion euros will be invested to increase the company’s own supply of traction current – together with partners and long-term secured electricity supplies – from 60 to 80 percent and the supply of operating facilities from 11 to 67 percent by 2030. <

Traction power from the sun

ÖBB wants to significantly increase its own electricity production from 60 to 80 percent, with the power of the sun playing an important role.

ÖBB-Infrastruktur put 24 new photovoltaic systems into operation last year alone. This brings the total number of ÖBB-owned photovoltaic systems to 92, which together **produce over 15 GWh of electricity per year,** which corresponds to the annual consumption of 3,750 households. More than **20 additional photovoltaic systems are being planned or examined for 2024.**

FIND OUT MORE in the Management Report on pages MR17, MR20, MR25, MR29, MR32, MR42, MR143

Those in the know take bus and train to go

EMPLOYEES. ÖBB employs more than 45,000 people in 135 different professions – apprentices as well as skilled workers and academics – throughout Austria and beyond.

Working for ÖBB today has nothing to do with the old image of the railwayman. Digitalisation and technological progress have changed many job profiles and activities which used to require muscle power to perform are now accomplished by mouse click. There are also new professions in the digital sector, known as green jobs, as well as professions in the service and tourism sectors.

As varied as ÖBB's 135 job profiles are, they all have one thing in common: every job is secure and crisis-proof. Rising passenger numbers and the responsibility as the largest mobility company in the country mean that ÖBB is constantly expanding its workforce. In addition, approx. a fifth of ÖBB's current workforce are due to enter retirement in the next few years. ÖBB therefore plans to take on a total of approx. 17,500 new employees by 2028 – i.e. approx. 3,500 every year throughout Austria.

ÖBB is number 4 among the most attractive employers

As the largest climate protection company in the country, ÖBB also offers meaningful work. A criterion that is becoming increasingly important for young people and those who want to contribute to a sustainable and better future.

What also characterises ÖBB as an employer is the wide range of opportunities for promotion – including for career changers – and opportunities for professional development.

This is confirmed by the 2023 Employer Study, in which ÖBB once again improved compared to 2021 and moved up to fourth place out of 48 companies surveyed in the attractiveness ranking. ÖBB is also particularly valued for the fact that it "offers jobs throughout Austria" and is "important for the Austrian economy". The attractiveness of ÖBB is above average among its customers and among younger people. ÖBB is now also one of the top 5 employers of women in the country.

More and more women moving ahead

No wonder. ÖBB not only applies the principle of "equal pay for equal performance", it also creates attractive conditions for female colleagues with special coaching and career programmes as well as a wide range of offers to improve the compatibility of work and family life.

After all, there is no job at ÖBB that a woman is not able to take on. A generational shift cannot be achieved without increasing the proportion of women. ÖBB therefore wants to increase its proportion of women to over 17 percent by 2026. The proportion of women at management level is already 19 percent – at Executive Board, Management Board and Supervisory Board level it is even a remarkable 38.5 percent. <

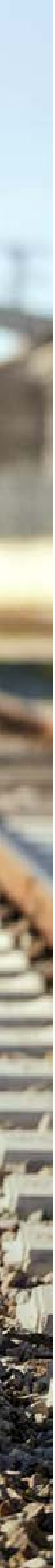
Digitalisation and technical progress have changed many **activities at ÖBB.**

"Every day I make sure that **people arrive home safely and goods get to their destination."**

SAMIRA, Train Driver, ÖBB Production

"We inspect and maintain safety systems. We have **a varied job** and it's **super to be part of a large team."**

SONJA and PHILIPP, Skilled workers in Control and Safety Technology, ÖBB-Infrastruktur



"I assist **construction projects from the initial project idea** through construction **to commissioning."**

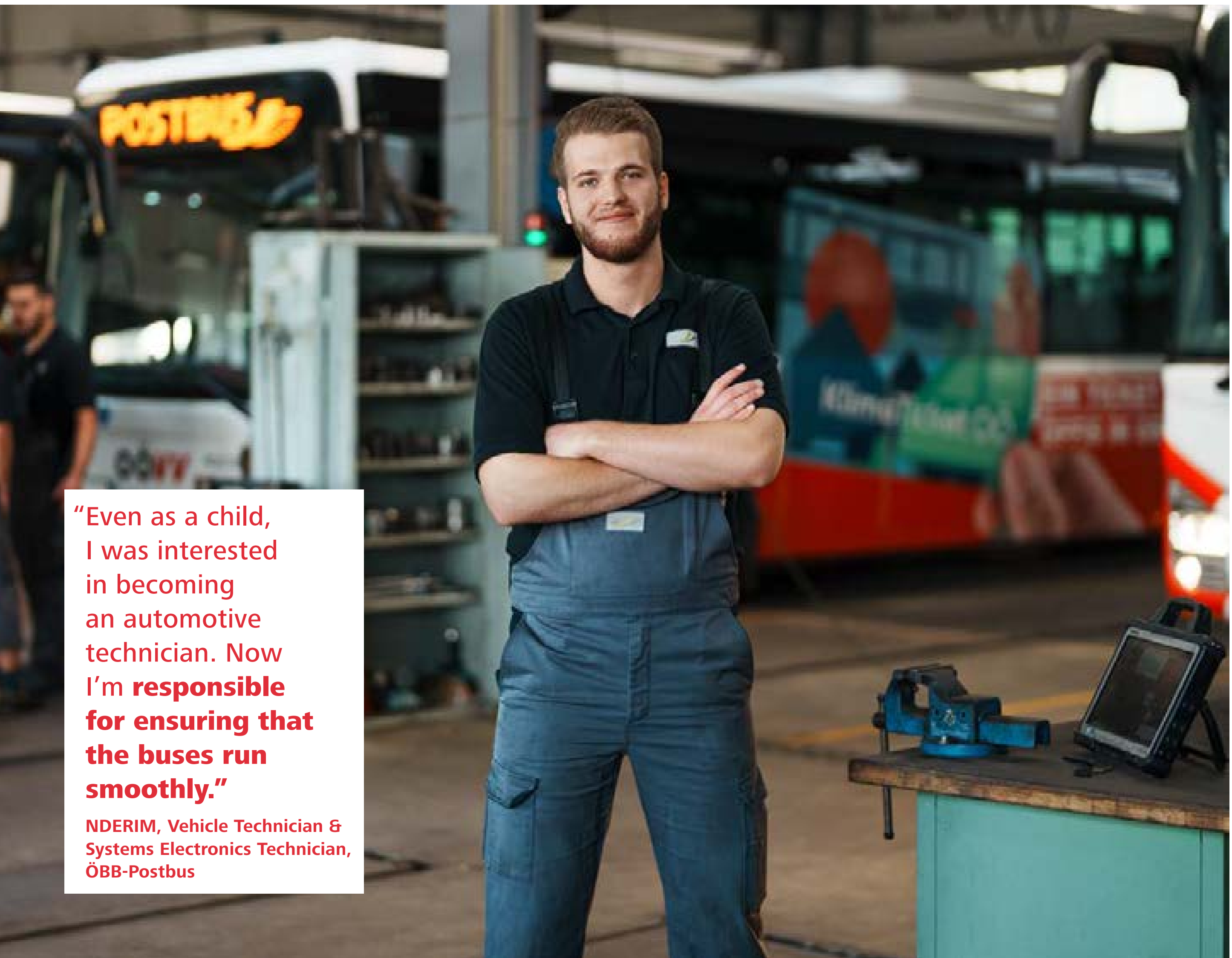
HERWIG, Project Coordinator, ÖBB-Infrastruktur

"I believe my job is important in enabling people to get from A to B as well as **ensuring the increasing use of public transport.** What's cool is **the diversity and the many people involved."**

ANNA, Postbus Driver, ÖBB-Postbus

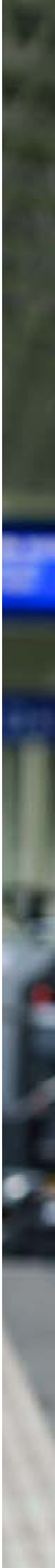
"My job gives me **a lot of responsibilty.** In effect, I decide **whether a train is ready for operational use."**

MARION, Wagon Master, ÖBB Production



"Even as a child, I was interested in becoming an automotive technician. Now I'm **responsible for ensuring that the buses run smoothly."**

NDERIM, Vehicle Technician & Systems Electronics Technician, ÖBB-Postbus



“Cleaning standards are not necessarily the same everywhere, and new challenges regularly appear. **The station should be a place, where people can feel at home;** that’s what I’m here for.”

LEO, Cleaner,
ÖBB-Operative Services

"Back to our top-quality level"

INTERVIEW. CEO Andreas Matthä and CFO Manuela Waldner on the challenges posed by the railway boom, the progress of construction work on major projects and the need to declare a year of quality.

ANDREAS MATTHÄ AND MANUELA WALDNER. The

ÖBB is confronted with a booming market. In 2023, more passengers were transported than ever before. Just how far were you expecting that to happen?
ANDREAS MATTHÄ: The boom in the railway sector first became apparent immediately after the end of the coronavirus pandemic in summer 2022. And people's desire to travel has remained unbroken ever since. The increase in passenger numbers last year was not entirely unexpected.

What has gone well? What has gone badly?
MATTHÄ: Until autumn 2023, our long-distance trains and night trains were running well and we were able to maintain our usual quality over long distances up to that point. We then had our first problems, partly due to the maintenance-related cancellation of trains, which subsequently spread to local transport due to the necessary relocation of train sets. We then experienced major difficulties, particularly in the eastern region, for which I apologised to all customers on behalf of ÖBB. We haven't lived up to our own expectations.

"We have **the second-busiest railway network in Europe,** which is why we are pushing for further expansion."
ANDREAS MATTHÄ

In general, there is increased criticism again regarding punctuality, overcrowded trains and cleaning.
MATTHÄ: Criticism from our passengers has actually increased over the past year. Over the past ten years, we have continuously raised our quality and our services to a very high level. Every decline is painful– both for us and for our customers.

And what are the reasons behind this relapse?
MATTHÄ: Our main problem was that we lacked sufficient rolling stock for the expanded service. Delays of more than two years in the delivery of the trains ordered have meant that the existing fleet is in much greater use than planned.

Is it really just the lack of train stock or are there other reasons for the loss of quality?
MATTHÄ: There is always a combination of factors when travelling by train. In addition to the lack of wagon stock, we have recently experienced frequent faults with signals, points and railway crossings, for example. We have begun to replace fault-prone components and upgrade to new technologies to prevent this from happening again. And generally speaking, we currently have the second busiest railway network in Europe, which is why we are pushing for the further expansion of the railway infrastructure.

Is that why ÖBB has declared 2024 the Year of Quality?
MATTHÄ: Yes, our aim is to return to our customary level of quality. This requires a joint effort in all areas.

Railjet rolls in – time for a talk with ÖBB-Holding AG's newly formed Board of Management

Mistakes do happen. And yet travellers often feel left alone in moments when something fails to work out as it should. Now to the topic of "Customer information". How are things going in this area and what needs to be improved?
WALDNER: This is indeed one of our weak points. Our customers are often left in the dark when something fails to go according to plan when travelling by train.

Moving away a little from the problems to the positive developments in the company. Last year, the first new Nightjet was put into operation, or as the railwaymen like to say: "fleeted in".

What are the plans? How do you want to address the challenges? How are such developments to be prevented in future and what will you tell your passengers?
MANUELA WALDNER: This is the right moment for me to join the conversation for the first time. I have been fully involved for a little over six months now and we are working together at the top of the holding company to overcome this difficult situation. As Andreas Matthä has already mentioned, the problems affect several areas of the company. Our job was and is to check all processes: from purchasing and infrastructure maintenance to servicing the rolling stock.

MATTHÄ: It is of vital importance to us that we prepare the entire company for a further increase in service expansion. After all, we want to double the capacity of the railway system by 2040. We need to orientate ÖBB as a whole entity towards this.

"We consider ourselves **well equipped for the future with a capacity increase of approx. 50 percent** by 2030 in long-distance transport alone." **MANUELA WALDNER**

MATTHÄ: The new Nightjet is absolutely state of the art in terms of equipment and quality. The inaugural trip was therefore one of the highlights of last year and one of the moments we would have liked to offer our customers more of recently.

And when may passengers expect to benefit from more new trains?
MATTHÄ: The start of the 2nd quarter finally heralded the arrival of first new Railjets for the Brenner line, after a wait lasting two years. The introduction of these Railjets means that the trains we provided to temporarily fill the gap in Brenner transport will return to the Southern or Eastern region.

WALDNER: We have currently ordered approx. 330 new trains, and they are all gradually being rolled out. We are investing a total of more than six billion euros for the new Nightjets, for new Railjets that will be travelling on the Brenner route, for new vehicles that will be used for inner-Alpine transport from 2025 and for new double-decker trains from 2026. We believe we are well equipped for the future given a capacity increase of approx. 50 percent by 2030 just in long-distance transport alone.

Let us take a step away from the train. Nothing works in Austria without buses. How is Postbus doing?
WALDNER: You are right: the expansion of the railway is a factor but without buses we will not be able to achieve the transport turnaround in Austria we mentioned earlier. There needs to

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ANDREAS MATTHÄ. "Our goal is to increase the proportion of traction current we supply ourselves from 60 to 80 percent in the coming years"

be good interaction between bus and rail if public transport is to be a success in Austria. This is a challenge for the transport associations. They have the power to improve the networking of rail and bus services with their tenders and thus motivate more people in rural regions to switch to public transport. And let us not forget: if a bus is utilised to 40 to 50 percent of its capacity, then it is significantly more eco-efficient than a private car.

The bus has long been in competition. How does that work?

WALDNER: Postbus knows the business like no other. Our greatest asset is undoubtedly our drivers, who are highly valued by our customers and consistently receive very positive feedback in surveys. However, it is also a fact that the bus market has been fully liberalised since 2013 and the tendering competition is a fierce price war. Unfortunately, tenders currently pay too little attention to the quality of the transport service, for example the networking of bus and rail connections.

"We will not be able to achieve the previously mentioned **transport turnaround in Austria without the bus."**

MANUELA WALDNER

Back to the railway: a section of the Koralm Railway went into operation with the 2023 timetable change. How is progress on this section?

MATTHÄ: The commissioning of the first section of the Koralm railway between Klagenfurt and St. Paul im Lavanttal was certainly a milestone achievement in the past year. The S-Bahn journey between the state capital and St Paul now only takes 26 minutes, half an hour shorter than before. And in another 20 minutes you arrive by train in Wolfsberg. This means that local transport clearly leaves the car behind, despite the many stops. I do believe it is fair to say that this has ushered in a new era of mobility in the south of Austria.

WALDNER: The partial completion in Kärnten is a first taste of what we may expect from the expansion of the southern line in terms of overall improvement in speed and comfort. This will create a similar suction effect as the expansion of the Westbahn line and we will experience a massive increase in passengers.

And how are the major projects Koralm, Semmering and Brenner developing?

MATTHÄ: At the Koralm railway we are more or less in a sprint to the finish. The railway technology is currently being installed with countless kilometres of cables and systems. In just under two years – at the end of 2025 to be precise – it will then also be a case of "all clear!" for long-distance transport between Graz and Klagenfurt. The journey time between the two state capitals will then be just 45 minutes. Work is also progressing

MANUELA WALDNER. "The Brenner is our most complex tunnel project. Two countries with different standards and specifications in railway technology and construction project management are involved"

on the Semmering Tunnel: on the Steiermark side, where we were able to celebrate the breakthrough last autumn, and currently approx. 97 percent of the entire tunnel section has been excavated.

WALDNER: The Brenner Pass is probably our most complex tunnelling project. Firstly, this construction project involves Austria and Italy, two countries with very different standards and specifications in railway technology and construction project management. And secondly, this is where the longest underground railway link in the world is being built. We are already talking about a "megaproject" in the truest sense of the word while at the same time making good progress with our partners in Italy and the EU. As things stand today, we will be able to put the Brenner Base Tunnel into operation as planned in 2032.

And how do things appear outside the major projects? The expansion and improvements to the branch lines are important measures to get even more people on the train and off the road.
MATTHÄ: You are completely right there. This is why the current ÖBB framework plan, which is valid until 2029, also has two main priorities. This includes, of course, the expansion of secondary and regional lines and the expansion of local transport in and around urban centres. Over the next few years, we will be investing over two billion euros in route upgrades, the modernisation of stations and stops throughout Austria and in modern customer information systems.

> "We were able to celebrate the breakthrough of the **Semmering Tunnel** in autumn, and currently approx. **97 percent of the entire tunnel section has been excavated.**"
> ANDREAS MATTHÄ

At a press conference in January, you presented the big picture for future expansion. Keyword: Target network 2040. Please provide a brief outline.
MATTHÄ: The 2040 target network could be described as the centrepiece of economically and climate-friendly mobility in Austria. After all, in order to cope with the forecast growth in traffic and at the same time achieve our climate targets, capacity will have to be massively expanded in the coming years. Only then will we be able to counteract bottlenecks in the key mobility segments.

You have also spoken about travelling from Vienna to Munich in 2 hours 30 minutes in the same way. How is that supposed to work? Will the train then really be able to compete with the aeroplane in practical terms?
MATTHÄ: That is correct. We have included a completely new project in the 2040 target network, the Innkreisbahn, which will reduce the journey time from Vienna to Munich to two and a half hours. This journey time means that many people would certainly prefer to travel from city centre to city centre by train instead of flying.

Where we have an advantage over the aeroplane is that we are powered by energy from sustainable sources. We also have an ambitious program in this area, namely to massively increase the proportion of green traction current we generate ourselves. How is this project evolving?
WALDNER: Over the past year, we have once again intensified our energy strategy. The new goal is to increase the proportion of traction current supplied by the company itself from the current 60 percent to 80 percent in the coming years. This increase in self-sufficiency is intended to make us more independent and at the same time relieve the domestic energy market and the energy grid. We will invest approx. 1.6 billion euros by 2030 to achieve this ambitious goal.

A not inconsiderable part of the investment is being channelled into the digitalisation of the railway. What might this actually envisage and what is already on track?
WALDNER: The digitalisation of all rail operations is essential for us if we want to achieve our capacity targets. The most

>

ANDREAS MATTHÄ AND

important digitalisation project at the moment is Automated Resource Planning (ARP), with which we are gradually developing Group-wide production planning into integrated, rolling planning. At the same time, major subgroup-specific digitalisation projects are of course also underway: At Infrastruktur AG, this is digitalised rail operations and at Rail Cargo, for example, the digital logistics platform "MIKE", which enables us to handle transports much more easily, transparently and efficiently. It is clear that all digitalisation measures will help us to exploit our full potential.

It is evident that the climate is changing. Is climate change affecting the operations of the company? And how is ÖBB preparing for the expected developments?
MATTHÄ: This is becoming apparent everywhere we look. Climate change has a massive impact on our infrastructure. We will need to take the changed climatic conditions into account today, both in the construction and maintenance of our routes. By way of example, you only need to mention track deformation caused by long periods of heat or the failure of technical systems due to heavy rainfall. In addition, there are "simple" requirements such as more powerful air conditioning systems in the trains, without which they can no longer be operated during the summer months in future.

In ÖBB's view, is enough being done to achieve the climate targets and where and in what respect could ÖBB still use support to make an even greater contribution?
MATTHÄ: One of, if not the most important contribution to achieving our climate targets is the expansion of the railways, as the transport sector is still one of the biggest sources of concern when it comes to CO_2 emissions. And in this respect, we in Austria are certainly setting an example with our infrastructure expansions via the framework plans. However, to ensure that we remain at the forefront in this area in the long term, the aforementioned 2040 target network is necessary. As it is only the implementation of the projects included in the plan that will enable the final breakthrough for rail transport.

"Climate change is having a massive impact on our infrastructure. It's evident wherever you look." **ANDREAS MATTHÄ**

The framework conditions for competition between rail and road are far from fair, and this is particularly true for freight transport. What is required for this and why is there still little movement in this area?
MATTHÄ: Unfortunately, freight transport is actually developing in the wrong direction. The railways are losing more and more of their transport volumes in Austria and throughout Europe. The competitive situation has become even tougher due to developments in energy prices. Diesel has remained cheap – which favours the road and the truck. The price of electricity remains high, which is an additional disadvantage for rail freight transport.

It was a tough year for the freight transport sector. Where do we stand and why is that so?
WALDNER: Unfortunately, the decline in volumes in rail freight transport is evident in all segments: most noticeably in single wagonload transport, as well as block trains and Rolling Road (RoMo). This is a clear indication that there is no balanced, fair competition between the modes of transport. This starts with the price of diesel, which has fallen back to 2019 levels, while the price of electricity is still three times higher than before COVID. However, this is also due to the nationwide toll for rail transport, while lorry traffic in large parts of Europe is not subject to any toll at all. Not to mention the costs of accidents, traffic jams and traffic controls, which are borne entirely by taxpayers on the roads – but by the railway transport undertakings on the rails. On a positive note, however: We have recently focused successfully on multimodal transport solutions in order to be able to offer our customers an optimum mix of different modes of transport. The aforementioned digital logistics platform "MIKE" has, moreover, also enabled us to significantly simplify the handling of transports, from enquiry to invoicing. Now we need to be even more successful than before on long distances – the greatest strength of rail freight transport. Our motto for further internationalisation is therefore: "Full speed ahead!"

And nearly at the end, on another topic: generational change continues its course. Having to recruit 3,500 new employees every year is no mean feat in a labour market that is not exactly easy.

MANUELA WALDNER. The Board of Management of ÖBB-Holding AG in dialogue for continuous modernisation and even more quality for customers

MATTHÄ: What I have said repeatedly in recent years still applies: We are looking for many employees! At least until the generation change is complete. Seriously though: we are currently still finding enough employees as we have a lot to offer as a company – reasonable working conditions, good and fair pay, many additional benefits from housing to leisure activities in our sports facilities and, last but not least, meaningful work in the future-oriented green jobs sector.

WALDNER: The effort we put into finding new employees is enormous, and not just for the those occupations termed as being in short supply. In addition to integrating the many new colleagues into the company, we are also increasingly faced with the problem of our employees being headhunted by other companies.

The pressure on recruitment is extremely high. Is the railway operation jeopardised if HR is unable to find enough new colleagues?
MATTHÄ: Manuela Waldner has already mentioned that there are individual areas that are on the aforementioned shortage occupation list. The list ranges from train drivers and bus drivers to train attendants and shunters, to name but a few examples. It is clear to us that we will have to keep at it even after the current wave of retirements, because we will need more employees than we currently employ due to the planned expansion of services even as technology advances.

Mrs Waldner, you have now been with ÖBB for approx. 200 days. What is it like for you as a "neo-railroader"?
WALDNER: It is fantastic and I am a passionate railroader. I previously spent many years advising companies in the rail sector and the rail industry, but now I have the opportunity to implement concepts and strategies for the future of mobility myself and help shape the railway system.

Thank you for the interview. <

"The digitalisation of all rail operations is essential if we really want **to achieve our capacity targets."** MANUELA WALDNER

Train attendant Anelia Spasova explains to CEO Andreas Matthä how trains are dispatched by radio and which buttons need to be pressed on the mobile phone for this purpose.

Corporate Governance

Corporate Governance Report*

The ÖBB Group is committed to the Federal Public Corporate Governance Code (B-PCGK) 2017 and produces an overall Group report in accordance with the Group's organisational structure. Besides a general section, this report contains four chapters: ÖBB-Holding AG, ÖBB-Infrastruktur AG, ÖBB-Personenverkehr AG and Rail Cargo Austria AG – including the listed investments in each case. The overall report is published on the ÖBB website.

Notes

– No academic titles are indicated in the comments on the members of the management and supervisory bodies. All figures specified relate to the period ending on 31.12 of the year under review.

– The capital representatives on Supervisory Boards of domestic ÖBB Group companies (with the exception of members of the management and employees of ÖBB Group companies) are entitled to remuneration to the extent and scope of their work for the respective companies. Insofar as members of the Supervisory Board are federal civil servants, their remuneration (with the exception of meeting fees) is transferred to the account of the Federal Ministry of Finance. In the year under review, this concerns Mr Herbert Kasser with regard to his roles in the supervisory bodies of ÖBB-Holding AG and ÖBB-Infrastruktur AG. In addition to that remuneration, members of a Supervisory Board are reimbursed for actual expenses incurred in connection with the exercise of their function against appropriate documentation. The employee representatives receive no Supervisory Board remuneration.

Remuneration	Attendance fee
• EUR 14,000 annual basic quota per Supervisory Board member • Chairperson: Supplement 100% • Deputy Chairperson in ÖBB-Holding AG: Supplement of 50%	• EUR 800 per member of the Supervisory Board for each meeting of the Supervisory Board, the Presiding Committee or a committee.

– Executive Management remuneration includes fixed and variable salary components. As a rule, the payment of the variable remuneration occurs in the following year, as the achievement of objectives is only determinable on completion of the annual financial statements. The variable remuneration granted to the Executive Management in 2023 for the 2022 financial year is shown accordingly. Rounding differences may occur as the rounded presentation includes figures not shown that are subject to precise internal calculation.

– The rules of procedure for the Executive Board regulate the allocation of responsibilities and the cooperation of the Executive Board. In addition, the Rules of Procedure contain reporting and information requirements for the Executive Board. The rules of procedure for the Supervisory Board contain a list of those measures that require the approval of the Supervisory Board or its committees. This also includes important business cases of the subsidiaries and second-tier subsidiaries.

* The following pages contain an excerpt from the Corporate Governance Report.
The full report is available in german language on our website at **konzern.oebb.at/cg2023**.

Gender aspects

ÖBB actively pursues gender equality. An institutionalised system of regional equal opportunities officers operates within the ÖBB Group. It is entrusted with compliance with the Equal Treatment Act and ensures equal treatment of all employees.

In 2023, the scope of application of the ÖBB Equal Treatment Policy, which has been in effect in the national ÖBB Group since 2011, was also extended to ÖBB's foreign companies with more than 100 employees. Since 2022, all ÖBB apprentices in their first year of apprenticeship have been sensitised to equal treatment and familiarised with the internal system for ensuring equal treatment within the ÖBB Group. In 2023, a qualification and training campaign for managers and team coordinators was also launched with a focus on skills development: "Equal Treatment – Rights and Duties for Managers and Team Coordinators", "Diversity & Inclusive Leadership" and "Sexual Harassment in the Workplace".

A strategic diversity goal throughout the Group is to increase the proportion of women. The Women's Career Index (FKI) was surveyed to promote this goal consistently and sustainably. An action catalogue for the sub-societies was drawn up with interviews following in-depth exploration, while preparations for implementation and monitoring were taken forward. A new indexation took place in 2023. The ÖBB Group in Germany was able to improve in all index areas and, with an overall index of 80 points, is well above average in the benchmark with other FKI-indexed companies. In addition, a variety of programmes contribute to empowerment:

An important factor of employer attractiveness is good compatibility of work and private life. This topic is also part of the ÖBB Equal Opportunities Policy. Among other aspects, it provides for specific measures to promote the reconciliation of work and private life. These include childcare throughout Austria during holidays and on national holidays, or kindergartens close to the workplace. Other measures include Nannies4ÖBB-Kids and RailMap*Vereinbarkeit Beruf und Privat, an information portal on parental leave, care and compatibility offers from ÖBB. In addition, the digital platform for care and support counselling "Alles Clara" supports ÖBB employees in caring for close relatives. In 2023, a Group-wide reconciliation strategy – with a focus on childcare in the area – was adopted and regional childcare services were expanded throughout Austria during school holidays and on public holidays.

The overall proportion of women in the ÖBB Group has increased by 1.0 percent compared to the previous year's reporting date and now stands at 16.1 percent. The proportion of apprentices rose by 0.4 percent and currently stands at 18.9 percent (excluding foundation apprentices). 45.8 percent (59.4 percent excluding employee representatives) of supervisory board mandates in German stock corporations were held by women as at the balance sheet date. There has also been a 1.1 percent increase in managerial positions to 19.1 percent from 18.0 percent in the previous year. In 2023, the proportion of women in the ÖBB Akademie training programmes was 42.0 percent.

Declaration of compliance / deviations

The B-PCGK is applied in the ÖBB Group and complied with in accordance with the explanations in this report. Where deviations from the Code rules are indicated, these result primarily from the organisational structure of the ÖBB Group and are explained accordingly.

- As regards ÖBB-Infrastruktur AG, no B-PCGK has been implemented by WS Service GmbH. This is due to the fact that the analogous application of the "governance structure" of the minority shareholder was agreed upon for WS Service GmbH.

- OBB ITALIA S.R.L. as well as individual companies within Rail Cargo Austria AG based abroad have not yet implemented the B-PCGK or the implementation is not possible at present due to the lack of a majority shareholding (no consent of the co-owner(s)).

- All Group companies have liability insurance for the management and – if established – supervisory bodies. The two-tier trigger policy is not applied (C Rule 8.3.3.1), as it hardly exists in Austria or in German-speaking countries due to the risk assessment and would therefore be difficult to implement due to the small number of providers and would lead to a strong increase in premium expenses.

- At ÖBB-Business Competence Center GmbH, ÖBB-Produktion GmbH, ÖBB-Technische Services-GmbH, Rail Cargo Logistics Austria GmbH, ČSAD AUTOBUSY České Budějovice a.s. and Rail Cargo Operator – ČSKD s.r.o., the Supervisory Board did not have an equal number of men and women as of 31.12.2023 within the meaning of C Rule 11.2.1.2.

- C Rule 11.6.6, which stipulates that a member of the supervisory body should not at the same time be a member of the shareholders' meeting, is not complied with except at ÖBB-Holding AG, as such a combination of roles is permissible under stock corporation law and represents a recognised and customary management instrument for corporate groups. In this sense, the members of the Management Board of ÖBB-Holding AG are at the same time members of the Supervisory Boards of the subsidiaries and their Management Board members are in turn members of the Supervisory Boards of their subsidiaries. As a result, the members of the Supervisory Boards are also members of the respective shareholders' meeting. The discharge is effected by the other two members of the Management Board / Executive Management or authorised signatories, ensuring that no self-discharge occurs.

External review of the report

In 2022, an external review of compliance with the provisions of the Code was conducted by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. pursuant to Rule 15.5. Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. confirmed, through the findings obtained from the activities performed, that the Corporate Governance Report 2022 complies with the provisions of the Federal Public Corporate Governance Code.

Board of Management and Supervisory Board
of ÖBB-Holding AG mp

ÖBB-Holding AG

Board of Management

Name	Year of birth	First appointment	End of term of office
Andreas Matthä	1962	24.05.2016	30.06.2026
Arnold Schiefer	1966	01.04.2019	30.06.2023
Manuela Waldner	1980	01.07.2023	30.06.2028

No external supervisory board mandates or comparable roles.

Business allocation

Andreas Matthä	Manuela Waldner
Group Strategy, Corporate Development and Organisation, Group Communications/Newsroom, Group Law and Executive Board Secretariat, Systems Engineering and Group Production, Corporate Affairs, Strategic HR Management	Group accounting, Accounting and Taxes, Group Controlling, Group Finance, Strategic Group IT Management, Strategic Group Purchasing
Compliance, Group Internal Audit	

Andreas Matthä is Chairman of the Board of Management.

Remuneration of the executive management (in TEUR)

	Fixed remuneration	Variable remuneration	Total remuneration
Andreas Matthä	519	234	752
Arnold Schiefer	482	264	745
Manuela Waldner	235	–	235

Members of the Supervisory Board

Name and function	Year of birth	First appointment / first assignment	End of term of office
Andrea Reithmayer Chairwoman	1966	28.05.2020	Ordinary Annual General Meeting 2025
Kurt Weinberger First Deputy Chairman	1961	29.06.2015	Ordinary Annual General Meeting 2025
Herbert Kasser Second Deputy Chairman	1964	16.03.2020	Ordinary Annual General Meeting 2025
Elfriede Baumann	1955	28.05.2020	Ordinary Annual General Meeting 2025
Brigitte Ederer	1956	28.05.2020	Ordinary Annual General Meeting 2025
Markus Himmelbauer	1972	28.05.2020	Ordinary Annual General Meeting 2025
Angela Köppl	1960	28.05.2020	Ordinary Annual General Meeting 2025
Cattina Leitner	1962	09.02.2018	Ordinary Annual General Meeting 2025
Roman Hebenstreit Employee representative Third Deputy Chairman	1971	01.12.2011	Assignment for an indefinite period of time
Günter Blumthaler Employee representative	1968	29.01.2014	30.01.2023
Olivia Janisch Employee representative	1976	10.04.2017	Assignment for an indefinite period of time
Andreas Martinsich Employee representative	1964	25.04.2006	Assignment for an indefinite period of time
Gerhard Siegl Employee representative	1969	31.01.2023	Assignment for an indefinite period of time

Audit Committee:
Elfriede Baumann (Chairperson)
Kurt Weinberger (Deputy Chairman)
Herbert Kasser
Andrea Reithmayer
Roman Hebenstreit (Employee representative)
Andreas Martinsich (Employee representative)

Number of meetings:
Supervisory Board (meetings and closed sessions): 8 (5 ordinary, 3 extraordinary)
Presiding Committee: 11
Audit Committee: 2

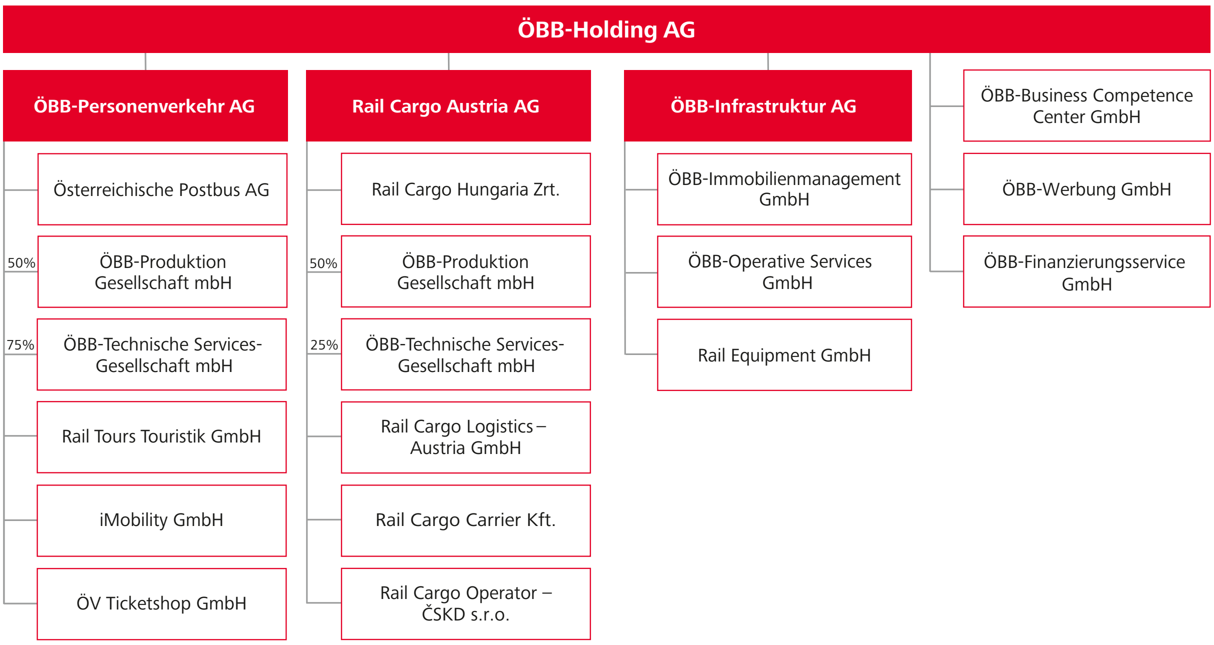
Apprentices Yvonne Haller, Snezana Kucalovic and Ali Fayzian, together with CFO Manuela Waldner, use a laptop to check the control box in the carriage of a Railjet.

Group Management Report

Group Management Report

This management report supplements the consolidated financial statements of Österreichische Bundesbahnen-Holding Aktiengesellschaft, Vienna (hereinafter referred to as "ÖBB Group"), which must be prepared pursuant to § 244 of the Austrian Commercial Code (UGB) and which are filed with the Commercial Register of the Commercial Court of Vienna under FN 247642 f. The consolidated financial statements as at 31.12.2023 were prepared pursuant to § 245a (2) UGB (Austrian Commercial Code) in compliance with the International Financial Reporting Standards ("IFRS / IAS") endorsed by the International Accounting Standards Board ("IASB"), the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC") and the interpretations of the Standards Interpretation Committee ("SIC") that wereeffective and adopted by the European Union as at 31.12.2023. In addition, a subsidiary of Österreichische Bundesbahnen-Holding Aktiengesellschaft (hereafter "ÖBB-Holding AG"), ÖBB-Infrastruktur Aktiengesellschaft (hereafter "ÖBB-Infrastruktur AG") is required to prepare subgroup financial statements in accordance with section 245 (3) UGB, as it has issued bonds that are admitted to trading on a regulated market. The subgroup financial statements of ÖBB-Infrastruktur AG are submitted to the commercial register under FN 71396 w at the Vienna Commercial Court. GRI 2-3

A. Structure and investments GRI 2-1, 2-2, 2-6



As of: Dec 31, 2023
This organisation chart contains a selection of important companies of the ÖBB Group.

The Austrian Federal Railways are organised in accordance with the Federal Railway Structure Act. Since 2005, the holding structure has been headed by ÖBB-Holding Aktiengesellschaft, which as the parent company is responsible for the strategic orientation of the Group.

The shares in the company are held 100% by the Republic of Austria. The share rights are exercised by the Federal Minister for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK).

ÖBB-Holding AG holds all shares in the three subsidiaries ÖBB-Personenverkehr AG, Rail Cargo Austria AG (RCA) and ÖBB-Infrastruktur AG. These three joint stock companies with their subsidiaries are subsequently referred to as the ÖBB-Personenverkehr subgroup, the Rail Cargo Austria subgroup and the ÖBB-Infrastruktur subgroup. ÖBB-Business Competence Center GmbH provides internal Group services (shared services), in particular in the areas of human resources, information and communication technology, purchasing and procurement, and accounting. ÖBB-Werbung GmbH is the internal service provider for marketing activities and externally responsible for the marketing of all ÖBB advertising spaces. ÖBB-Finanzierungsservice GmbH performs liquidity management between ÖBB-Holding AG and the companies in which ÖBB-Holding AG holds a direct or indirect interest and provides financing services within the ÖBB Group.

The main tasks of **ÖBB-Holding AG** are the exercise of shareholding rights and the uniform strategic orientation of the ÖBB Group. This includes the overall coordination of the creation and implementation of the corporate strategies of the companies as well as ensuring the transparency of the public funds deployed. In addition, ÖBB-Holding AG is responsible for ensuring that all measures are taken for internal staff compensation within the Group.

ÖBB-Personenverkehr subgroup is Austria's leading mobility service provider in the rail and bus markets. It is responsible for the conception and realisation of the offer. This includes the coordination of the service creation process, marketing and sales as well as the financing of passenger transport services. ÖBB-Personenverkehr AG works together with its subsidiary Österreichische Postbus Aktiengesellschaft to coordinate an optimally harmonised range of rail and bus services.

Rail Cargo Austria AG is the international freight transport subsidiary of ÖBB-Holding AG. It operates on the market together with its subsidiaries and investments under the umbrella brand Rail Cargo Group (RCG). The domestic markets are Austria and Hungary. In addition, RCG is present in 17 European countries. It operates its own traction management in 13 of them. The objective is to remain the market leader in Austria and to further expand its strong market position as No. 2 in European rail freight transport. Rail Cargo Austria AG is a specialist for rail transport with additional forwarding services. As such, it offers an environmentally friendly, reliable as well as cost-efficient transport and logistics system in combination with professional and customised services.

ÖBB-Produktion Gesellschaft mbH and ÖBB-Technische Services-Gesellschaft mbH are joint subsidiaries of ÖBB-Personenverkehr AG and Rail Cargo Austria AG and offer services in the areas of Traction and Maintenance of rail vehicles.

The **ÖBB-Infrastruktur** subgroup operates 1,031 passenger railway stations and stops in Austria as well as the railway infrastructure, which are used by companies of the ÖBB-Personenverkehr and Rail Cargo Austria subgroups as well as by non-Group railway undertakings (RUs).

The development of the subgroups and their market environment is discussed separately in further sections of this management report.

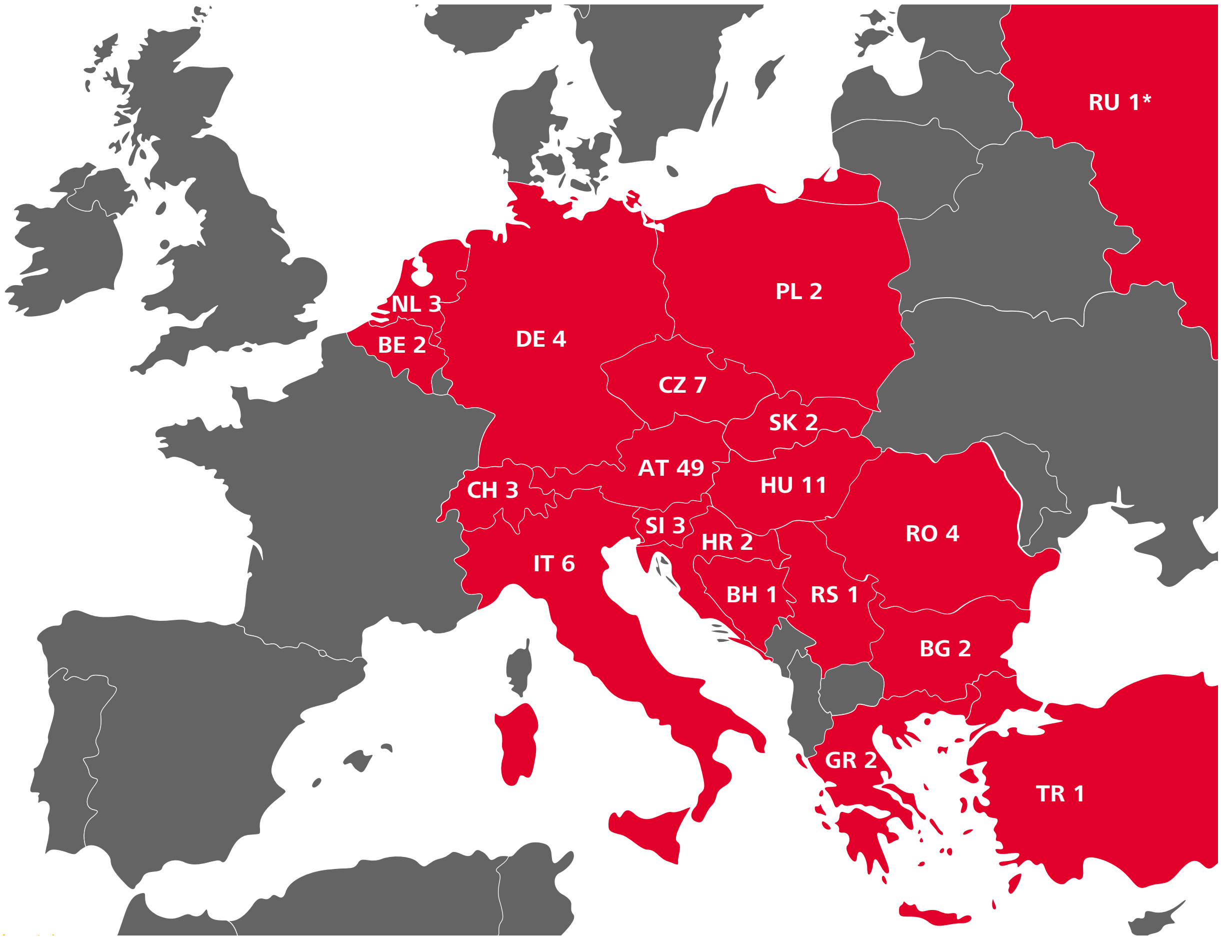
Number of investments by subgroup (as at 31.12.2023)

	Subgroup			
	ÖBB-Passenger transport	Rail Cargo Austria	ÖBB-Infrastruktur	ÖBB Group incl. others *)
Investments >50%	13	41	20	80
thereof abroad	*5*	*36*	*0*	*41*
Investments 20-50%	6	11	3	19
thereof abroad	*1*	*8*	*1*	*10*
Investments <20%	3	4	1	8
thereof abroad	*3*	*3*	*1*	*7*
Total	**22**	**56**	**24**	**107**
thereof abroad	***9***	***47***	***2***	***58***

*) Only companies where it is possible to exert a direct influence.

The overview of **investments in the notes to the consolidated financial statements** (see Note 34) lists all investments of the ÖBB Group. In the above table, only a presentation by subgroup and country is given.

Outside Austria, the ÖBB Group has shareholdings in 58 companies in 19 countries which, apart from a shareholding in China, are based in the following countries shown in red:



*) The ÖBB Group includes a subsidiary of the Rail Cargo Group based in Russia, where revenue and the size of the company have decreased due to limited business activities. The continuation of business operations is restricted in accordance with the procedure defined by the Rail Cargo Group as part of the sanctions packages, which are strictly adhered to and regularly reviewed.

B. General Conditions and Market Environment

B.1. General economic conditions

Global economic development

Economic development in 2023 was characterised by the recovery after the COVID-19 pandemic and the consequences of the war in Ukraine. The latter in particular triggered massive increases in energy, commodity and food prices in 2022 and led to high inflation rates and economic upheaval. The central banks, above all the FED and the ECB, reacted to this price increase by drastically raising interest rates until 2023 in order to cool demand and thus curb inflation.

Against this background, the global economy was surprisingly resilient in 2023 with global GDP growth of 3.0%. Growth of 2.9% is forecast for 2024. Growth rates are however still below the pre-COVID-19 average of 3.8% (2000–2019).[1]

[1] IMF.

Global economic situation (Change in % compared to the prior year)

Key figures and forecasts for global economic performance		2022	2023	2024
Gross domestic product, real	Eurozone	3.3	0.7	1.2
	USA	2.1	2.1	1.5
	China	3.0	5.0	4.2
	World trade	3.5	3.0	2.9
Global trade (goods and services), real		5.1	0.9	3.5
Value added in industrial production, real		2.4	1.4	2.4
Consumer prices	Industrialised countries	5.4	4.0	2.8
	Developing countries / Emerging markets	9.8	8.5	7.8
Crude oil price (in USD)		39.2	-16.5	-0.7
Commodity price (in USD)		7.9	-6.3	-2.7

Source: IWF, Oxford Economics.

A cornerstone of the global economy was growth in the USA, which was stronger than expected at 2.1%. A 'shutdown' of the administration, as a result of the debt ceiling being reached in the first half of 2023, was avoided. The early tightening of monetary policy compared to the eurozone led to a reduction in inflation without the USA slipping into recession. The unemployment rate remained at a very low level of 3.7% in December 2023, with the acute labour shortage, which had caused strong price pressure in 2022, easing.[2]

In contrast, the Chinese economy performed less positively last year. Following the insolvency of the Evergrande Group in August 2023, the property industry, previously one of the main drivers of growth in China, was on a downward spiral. Deflationary trends and high youth unemployment are dampening the outlook, and consumer confidence in the Chinese economy has fallen sharply. Annual growth rates of over 6.0%, which were common before the pandemic, seem unattainable in the medium term. This also has implications for the development of trade in goods with the Far East.[3]

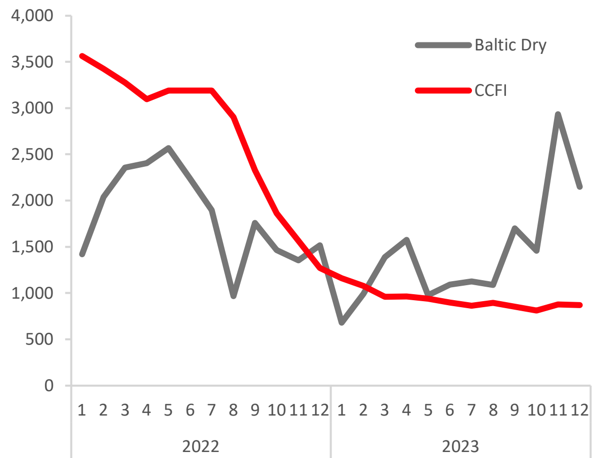
International trade in goods was largely characterised by an easing of the situation in 2023. After the turbulent years of the pandemic, maritime trade returned to normal over the course of the year. The CCFI index, which measures container freight rates to and from China, averaged 933 index points at the end of the month in 2023 – a drop of 65.4% compared to 2022. The Global Supply Chain Pressure Index (GSCPI) was below or marginally above 0 between February and the end of 2023, indicating no significant supply chain disruptions in global trade.[4] However, attacks on cargo ships in the Red Sea at the end of 2023 led to large-scale diversions and another significant increase in spot rates.[5]

Group Management Report

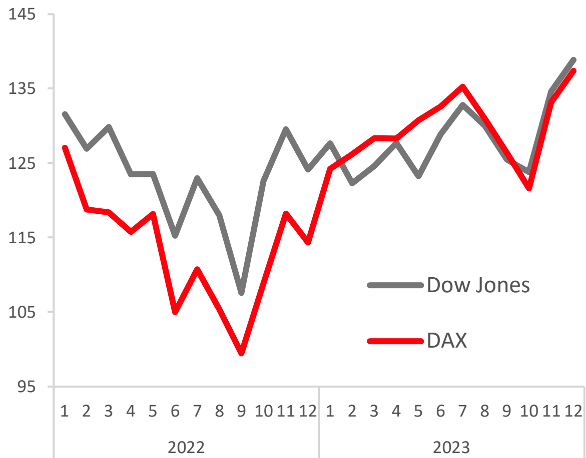
[2] FRED, J.P.Morgan.
[3] FRED, der Standard, DW.
[4] New York Fed.
[5] The Press

Development of transport prices and stock market indices

Price development for raw material and container shipments
Baltic Dry and CCFI-Indizes



DAX and Dow Jones (index 2020=100)
(index points)



Sources: investing.com, container-news, finanzen.at.

Energy market developments were turbulent in 2023. Overall, there was an easing of the situation, particularly with regard to gas prices. However, the OPEC+ cartel's commitment to reduce production volumes caused prices on the oil market to rise again significantly in the meantime. After a relatively low oil price (Brent) of between USD 70 and 80 per barrel in June 2023, prices rose to over USD 95 by the end of the third quarter of 2023. By the end of the year, however, despite the unrest in the Middle East, the price had fallen again to below USD 80 per barrel. The global price of natural gas per MMBtu (million British thermal units) ranged from just under USD 10 in summer 2023 to USD 20 at the end of 2023. Although the price was therefore significantly higher than the level before 2022, there is also a clear easing of the situation compared to the natural gas crisis year 2022 – with interim highs of up to USD 70.[6]

The financial markets were largely unaffected by the turbulent developments in the real economy. Real interest rates, as a result of the high inflation rates, remained negative despite the in part significant interest rate steps taken by the central banks. The losses of the most important share indices in the wake of the Ukraine crisis were more than recouped in 2023. Positive prospects for the global economy and interest rates as well as a booming technology sector in America led to an all-time high for the DAX and Dow Jones in December 2023.[7]

The fiscal position of many countries remains tense. Strong inflation caused significantly reduced debt ratios in many countries. Key interest rates however markedly increase debt servicing costs in the medium term. The global government debt ratio is trending towards just under 10.0% of GDP by 2025. The IMF estimates that low- and middle-income countries need to spend an average of 10.0% of their tax base on interest by 2027. Added to this are the challenges of the green transformation, which requires major investment worldwide.

The outlook for the near future is cautiously positive. The goal of a "soft landing", in which inflation falls to normal levels without the global economy slipping into recession, appears to have been achieved. Downside risks for the coming years originate primarily from China. The risk of a 2008-style financial crisis remains. Such an event would have far-reaching effects on global demand for goods. In addition, the tense geopolitical situation (war in Ukraine, China's hegemonic endeavours, trouble spots in the Middle East) has once again increased the risk of commodity price fluctuations. Should these risks not materialise, the global economy is set for growth.

[6] Tagesschau.
[7] FAZ, CBS.

European economic development

The European economy proved to be surprisingly resilient in 2023, much like the global economy. Domestic demand was rather weak due to high inflation, particularly in private consumption. However, positive impetus came from the exceptionally strong labour market and falling energy prices. As a result of the tightening of monetary policy, lending and therefore investment also declined. Overall, figures currently put economic growth in the EU at 0.6% in 2023. Growth of just over 1.0% is expected for 2024. There are signs of a reversal of the pre-COVID-19 trend. The expected growth rates in southern European countries such as Spain and Greece are higher than in Germany and Austria, for example.

Economic development in core RCG markets from 2022 to 2024 (changes compared to the previous year in % real)

	Gross domestic product			Industrial production		
	2022	2023	2024	2022	2023	2024
Austria	4.8	-0.5	0.3	6.8	-0.6	-0.3
Hungary	4.6	-1.0	2.4	6.0	-5.1	3.4
Germany	1.9	-0.2	0.1	-0.4	-0.8	0.1
Italy	3.9	0.7	0.6	0.4	-2.3	1.2
Romania	4.2	2.3	3.2	-2.0	-4.4	2.7
Czech Republic	2.4	-0.5	0.8	2.7	-0.8	0.8
Slovenia	5.7	1.7	2.0	1.2	0.0	3.4
Bulgaria	3.8	1.7	1.6	12.8	-8.6	3.2
Croatia	6.3	2.8	1.2	1.6	0.4	1.7
Slovakia	1.7	0.5	1.1	-3.8	-0.9	0.9
Poland	5.6	0.3	2.6	10.9	-2.0	0.9
Greece	5.9	2.1	1.1	2.3	1.3	1.2
Serbia	2.3	2.0	3.0	-0.8	0.3	4.5

Source: Statistik Austria, Oxford Economics, WIFO, Weltbank.

The European economy continued to face high inflation rates in 2023. The restrictive monetary policy pursued by the ECB and the other central banks in the EU is, however, bearing fruit. In the eurozone, the inflation rate (according to the HICP) fell significantly from 8.4% to 5.6%. Inflation was even higher in some European countries outside the eurozone. For example, average inflation in Hungary and Poland was still 17.2% and 11.1% respectively. Originally, high energy prices were largely responsible for inflation; however, inflation is now being driven by a broader range of goods in the basket. Core inflation (excluding energy, food, alcohol and tobacco) amounted to 5.1% in the eurozone in calendar year 2023. The ECB key interest rate was gradually increased from 2.5% at the beginning of the year to 4.5% from September 2023 in response to high inflation. The market expectation however is that the current interest rate of 4.5% is unlikely to be exceeded. As inflation cools however, lower interest rates may already be possible from mid-2024.[8]

The horror scenario of a gas shortage in winter 2022 / 23 as a result of the war in Ukraine did not materialise. A mild winter and energy-saving measures in Europe reduced gas consumption by 19% between August 2022 and January 2023 compared to the same period in the previous year. In addition, imports from other countries (such as the USA and Qatar) by sea have increased. Russia, however, remain an important source of gas in Europe in the medium term. As a result of the merit order system, the high global gas prices were reflected in electricity prices in large parts of Europe. The German electricity price for non-households in the first half of 2023 was 138.0% higher than in the first half of 2021. Although the electricity price in the second half of 2023 was significantly below the crisis level in the winter of 2022 / 23, the markets expect electricity and gas prices in Europe to remain higher in the medium term.[9]

The high energy prices and increased financing costs were also reflected in the industrial economy. Industrial production in the eurozone fell by 1.0% in 2023. Energy-intensive industries such as wood, paper and chemicals were hit particularly hard, with value added falling by 7.0% to 10.0% in real terms. The outlier among the industrial sectors is the automotive industry. It achieved 11.0% higher value added in 2023 compared to the previous year, but was still below the pre-crisis level of 2019. The industry is stumbling, particularly in Germany and Italy, Austria's two largest trading partners. German industry has performed significantly worse than the eurozone average since 2019 and was also unable to match its real pre-crisis output in 2023. In Italy, industrial output fell by 2.3% in 2023.[10]

[8] European Commission, ECB.
[9] Tagesschau, destatis, Oxford Economics.
[10] Oxford Economics, European Commission.

The economic situation in the countries of Central, Eastern and South Eastern Europe is also extremely heterogeneous. As the industrial economy cooled, countries such as the Czech Republic and Hungary slipped into recession. Touristic nations such as Greece and Croatia, on the other hand, benefited from robust travel behaviour. Countries in the RCG core markets are expected to return to consistently positive growth rates in 2024, in some cases exceeding 2.0%. Overall, the positive development in South Eastern Europe remains a ray of hope for Austria's economy.[11]

Europe's public finances are under strain – in two respects. On the expenditure side, the aid programmes in the wake of the COVID-19 pandemic and the energy price crisis were very costly, which has led to high budget deficits in recent years. High inflation has conversely led to a falling debt ratio. At approx. 89.6% of GDP, the gross debt of eurozone countries in 2023 was slightly below the previous year's figure, but still significantly higher than in 2019. The ongoing costs of servicing the debt have also spiralled due to the rise in interest rates. This severely restricts the scope for economic policy in the medium term.[12]

The medium-term outlook for the European economy is stable. The EU Commission forecast assumes that the restrictive central bank policy will not fail to have the desired effect and that the currently high inflation rates will not last. Thanks to the continued robust labour market and rising real incomes, real economic growth of over 1% is possible in the EU in 2024. The numerous global geopolitical tensions and crises are also a major risk factor here. In addition, extreme weather situations – such as the heatwave in southern Italy in July 2023 or the floods in Slovenia and southern Austria in August 2023 – also pose a growing climatic risk to economic development.[13]

Austrian economic development

The phase of rapid recovery following the pandemic-related slump of the COVID-19 years came to an abrupt end in 2023. GDP fell by 0.8% in 2023 following an increase of 4.8% in 2022. There were already signs of an economic slowdown in Austria at the end of 2022 due to high inflation rates and a weakening of the global economic and trade environment.[14] The Austrian economy however still proved to be comparatively resilient at the start of the year, however, thanks to full order books in industry and positive contributions to growth from net exports and private consumption. In the first quarter of 2023, GDP growth of 1.9% was still achieved compared to the same period of the previous year. In the second quarter of 2023, however, the trend turned clearly negative.

Key data and forecasts for the economic situation in Austria

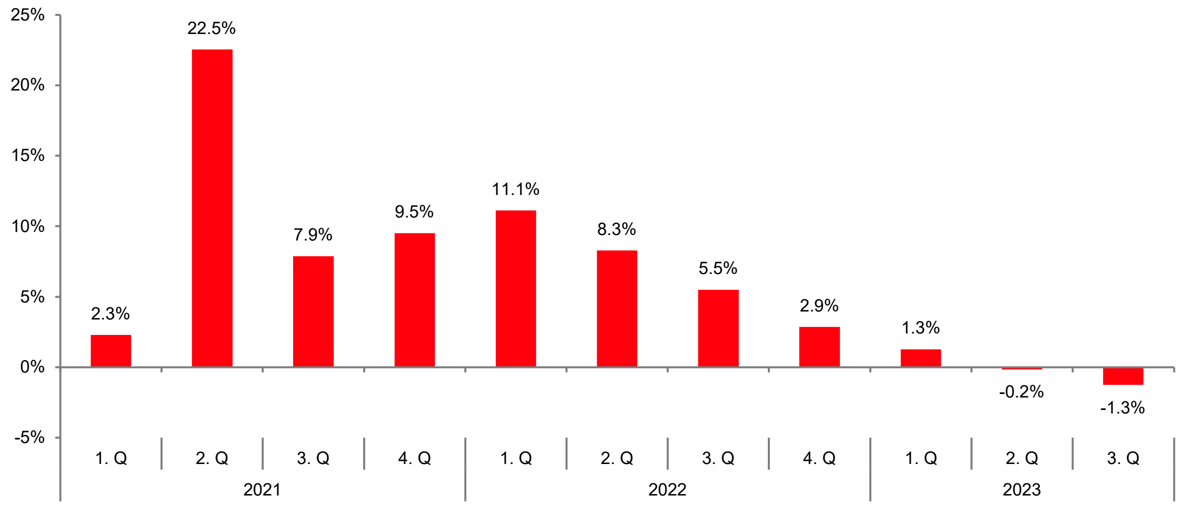
Parameter	Unit	2022	2023	2024
Gross domestic product, real	Change in %	4.8	-0.8	0.9
Industrial production	Change in %	6.8	-0.6	-0.3
Goods exports	Change in %	7.1	1.9	2.2
Goods imports	Change in %	5.1	-2.8	2.5
Gross capital investment, real	Change in %	0.1	-2.0	-1.0
Private consumer spending, real	Change in %	5.7	0.0	1.6
Inflation rate (consumer prices)	Change in %	8.6	7.8	4.0
Maastricht deficit	in % of the GDP	-3.5	-2.3	-2.4
Unemployment rate	in % of the labour force	6.3	6.4	6.4

Source: Statistik Austria, WIFO, Oxford Economics.

[11] WIIW, Oxford Economics.
[12] IMF, Handelsblatt.
[13] European Commission.
[14] OeNB.

This development was mainly due to the slump in the industrial and construction sectors. Manufacturing was in a recession from the second quarter of 2023, which further intensified towards the end of the year. One of the main reasons for this was the reduction in stockpiles of inventories that had arisen as a result of the multiple crises in the recent past. This destocking led to a slump in demand for intermediate goods and end products.[15] The knock-on effects of the energy price crisis also had a particularly severe impact on energy-intensive sectors such as the paper industry.[16] The investment climate has also deteriorated noticeably. The construction sector is particularly affected. The deterioration in the financing environment in particular had a negative impact here.[17]

Development of industrial production (excluding construction) in Austria
(Production index, labour-adjusted, quarterly change year on year in %)



Source: Statistik Austria.

Positive growth impetus came mainly from foreign trade. This applies to both exports of goods and services, the latter particularly in the tourism sector. In contrast, private consumption stagnated in 2023 as inflation remained excessive. The retail sector recorded a decline, while demand for services remained at least slightly positive.

Inflation, at an annual average of 7.9%, remained significantly higher than both the ECB target of 2.0% and the average for Eurozone countries. Core inflation (excluding energy and food) proved to be persistent, although energy prices fell year-on-year. Unemployment remained at a low level compared to previous years despite the recession. Many companies are concerned about the shortage of skilled workers and are relying on “labour hoarding”, i.e. not cutting staff due to the economic situation, despite the tight order situation.

[15] WIFO.
[16] Bank Austria.
[17] WIFO.

A return to growth is expected in 2024, driven primarily by a significant recovery in private consumption. Accordingly, wage settlements in line with rolling inflation should ensure an increase in net real wages from 2024. Industry, however, particularly the construction sector, is likely to face another year of recession. In the manufacturing area, a return to growth is not expected until the second half of 2024 at the earliest.[18]

The favourable labour market situation and the expiry of most COVID-19 aid improved the financing situation of the state budget as early as 2022. The revenue side also benefited from increased tax income due to high inflation. Conversely, the numerous measures taken by the public sector to cushion the rise in energy prices and general inflation as well as the higher financing costs due to the key interest rate trend had a dampening effect. Overall, new government debt is expected to fall in 2023 – to a level below the Maastricht upper limit of 3.0% of GDP. This deficit is expected to fall further in 2024, subject to new inflation compensation measures.[19]

Capital markets and the state budget

Since 2016, the funds required for ÖBB-Infrastruktur AG infrastructure investments have been raised on the capital market by the Austrian Federal Financing Agency (OeBFA). Financing costs are therefore determined by the interest rate level of federal bonds. The ECB's significant interest rate hikes over the last two years have not left the bond markets unscathed. In October 2023, for example, the average issue yield of Austrian government bonds for the period reached a provisional high of 3.6% with an average term of just under twelve years. In 2023 as a whole, the figure was 3.1%, more than double the average for the period in 2022. The average yields of all bonds in circulation during the period developed more or less the same. Here, too, the increase in 2023 was 3% on average for the year as a whole, which represents a percentage increase of more than 100%.[20] Yields eased slightly in the fourth quarter of 2023. They are likely to have peaked for the time being.[21] In any case, Austria's credit rating remains high and the outlook of all the major rating agencies is stable.[22]

B.2. Political and regulatory framework GRI 201-4

ÖBB continuously analyses the social, political and economic framework conditions in order to identify the developments relevant to the company. These analyses form the basis for preparing information for decision-makers inside and outside the company. As a result, statements and amendments are formulated for relevant legislative proposals in Austria and at European level. The employees responsible draw on the expertise of internal specialists as well as the know-how of external stakeholders to ensure the quality and relevance of the documents. GRI 2-29

The negative economic impact of the pandemic on the company was overcome in the past year. The consequences of the war in Ukraine, however, once again presented the Group with major challenges – in several respects. On the one hand, higher energy costs put pressure on the contribution margins of individual Group divisions. On the other hand – in stark contrast to passenger transport – rail freight transport volumes fell significantly. It was therefore necessary to find solutions for both areas that would reduce system costs and prevent economic damage to the company. Irrespective of this, ÖBB employees worked intensively to support the Ukrainian railway in maintaining supra-regional rail traffic and freight transport. Another topic – a "perennial favourite" – is climate change mitigation with its major challenges for society and the economy. ÖBB once again worked intensively in this area to substantially improve the framework conditions for a climate-friendly transport transition.

Quicker approvals for energy projects and railway expansion

A milestone for railway infrastructure and traction current projects was achieved as part of the amendment to the Environmental Impact Assessment Act (UVP-G 2023). In future, quicker, simplified and better structured authorisation procedures can be used for energy projects and railway expansion. These so-called fast track procedures end the previous suspensive effect of objections to energy expansion projects by individual complainants. This is set to significantly speed up construction processes in future. The decisive factor for ÖBB is that this exclusion of suspensive effect also applies to railway expansion projects.

[18] WIFO.
[19] BMF.
[20] OeNB.
[21] Kurier, Tagesspiegel.
[22] OeBFA.

Energy prices remain a challenge for public transport

Energy prices were once again a major challenge for all companies involved in rail transport last year. ÖBB campaigned at both national and international level last year to improve the legal framework for the expansion of renewable energy in order to move closer to the goal of self-sufficiency and in so doing increase the company's independence. Subsidies to compensate for high energy prices should also be made available to the transport sector – analogous to energy-intensive heavy industry. In November 2023, a new instrument was presented by the federal government in the form of the Energy Cost Subsidy II. It also enables large companies in the transport sector to access subsidies for the additional costs of electricity, natural gas and fuel. Both Österreichische Postbus Aktiengesellschaft and RCA have applied for corresponding subsidies for 2023.

In parallel, ÖBB presented an updated expansion programme for renewable energy. The company will therefore invest a total of approx. EUR 1.6 billion in the construction of hydropower plants, wind turbines and photovoltaics by 2030. The aim is to increase in-house production of electricity required for operations – including the supply from fixed partner power plants – to approx. 80%. In doing so, the company was not only responding to the ever-increasing demand for green electricity on the market, but also to the prospect of rising electricity requirements due to the necessary expansion of the train supply.

In another ÖBB division – Österreichische Postbus Aktiengesellschaft – the effects of CO2 pricing and the new fuel regulation had a negative impact. Postbus assumes additional costs of approx. EUR 40.0 million by 2030 due to rising diesel prices. ÖBB employees worked last year to valorise the diesel price development in the individual transport service contracts in order to counteract this additional burden on the already low-margin bus services.

Employees wanted!

ÖBB – like many other domestic companies – is looking to recruit employees. The company's needs are further intensified by a current generational change due to a wave of retirements. The focus for ÖBB at the Alpbach 2023 Forum was therefore on the labour market. In stakeholder events, a workshop and discussion events, many facets of the focus topic were examined and solutions sought. Key questions such as "What do we need to do to mobilise more women for the labour market?", "What opportunities do we need to create to keep older colleagues in work for longer?" or "How can we improve the integration of people who have immigrated to Austria?" were discussed. Naturally, Forum Alpbach was also used to recruit young talent.

The general labour shortage was also clearly noticeable at the ÖBB bus company. In the past year, the responsible employees therefore campaigned for modern working time models, the reactivation of pensioners and the inclusion of bus drivers on the shortage occupation list. In addition, a model was developed with the aim of upgrading the profession of bus driver. A new apprenticeship is to be offered and the minimum age lowered from the current 21 to 18 in future. Another success for ÖBB was that the costs for bus stop licences were reduced as part of the amendment to the Motor Vehicle Act (41st KFG amendment).

Back to the shortage occupation list: In addition to bus drivers, seven other public transport professions were added in 2024 – including shunters and train drivers. This is an important step for ÖBB, as it allows the company to access a sufficiently large labour force potential within the company in the course of the ongoing generational change.

Strong increase in demand for passenger transport – rail freight transport under pressure

There was a huge increase in demand for passenger transport last year. This has led in part to capacity bottlenecks and subsequently – unusually for ÖBB – to quality problems. This was attributable to a sharp increase in the number of travellers as well as delays in the delivery of some of the rail vehicles and replacement parts ordered. Stakeholders at federal, state and local level were kept informed in an open dialogue, and understanding was sought from the critical public.

The situation is completely different in rail freight transport, which is coming under increasing pressure not only in Austria, but throughout Europe. The reasons for this range from the aforementioned rise in energy prices to the weakening global economy, which has led to a significant decline in overall transport volumes. This mix results in an increase in factor costs in rail freight transport with overcapacity on the roads. This led to a shift in transport from rail to road last year. ÖBB has counteracted this trend by focussing on freight transport.

Freight transport days were organised in several federal states in cooperation with local stakeholders as part of a priority area. Workshops with companies highlighted the opportunities and possibilities of a general shift to rail transport and discussed the implementation of the Waste Management Act (AWG). At the same time, joint funding programmes – for example for connecting railways – were evaluated with the relevant regional authorities. ÖBB also made a point last year with a kick-off event for industrial and commercial shippers. The aim was to strengthen the customs corridor between the port of Trieste and the Logistik Center Austria Süd (LCAS) in Villach / Fürnitz after the start of pilot operations in December 2022.

ÖBB was able to secure the budget for single wagon transport aid (SWL) for Hungary for 2023 at international level. In addition, a CEF submission was prepared for the improvement of the infrastructure approx. the Zahony and Chop terminals.

Modernisation boost needed for Europe’s rail network

Both the increasing number of rail passengers throughout Europe and the binding climate targets are forcing the nation states to modernise their respective rail networks quickly. The positive medium- and long-term effects of this railway expansion are offset by the short-term restrictions – especially in cross-border traffic due to roadworks. Besides the international coordination of national construction activities, the debate on the long-term and thus reliably plannable financing of railway infrastructure also took centre stage. Austria is a role model here with its framework plans, which ensure a six-year planning and financing period for infrastructure projects. A role that the company has gladly taken on both in the European Railway Association (CER) and at bilateral meetings in direct dialogue.

Guidelines for Public Service Obligation (PSO): Compulsory tendering or continue with direct awards?

A further focus of the work at international level last year was the amendment of the PSO guidelines by the EU Commission. The European Commission (EC) pursued the goal of massively restricting the room for manoeuvre of public contracting authorities and only allowing direct awards of transport services in exceptional cases. As an attempt to counteract this approach, Austria launched an information and lobbying campaign in Austria and Brussels. ÖBB was joined in the campaign by the Chamber of Labour (AK), the Austrian Railways Association in the Austrian Federal Economic Chamber, Wiener Linien and the Association of Public Economy and Public Service (VÖWG). An alliance of European railway companies has also been forged at international level with the Community of European Railway and Infrastructure Companies (CER), trade unions and municipal companies. Stakeholders repeatedly expressed their concerns about the draft guidelines – not least by means of legal opinions. Most recently, in May 2023 – under the leadership of Austria – a total of eleven Member States issued a critical opinion to the EC.

The EC’s PSO guidelines published in the middle of the year ultimately did not provide any meaningful clarification on the PSO Regulation and are “considered to be non-binding, impractical recommendations”. Communication work on the part of ÖBB and the aforementioned alliance partners therefore continued unabated in the second half of 2023.

Additional topic management at international level

Since February 2020, ÖBB CEO Andreas Matthä has chaired the European Railway Confederation CER. At their Annual General Meeting in September 2023, the members confirmed Andreas Matthä as President of CER for a further two-year term of office (2024 to 2025). The third term of office at the head of the association took place on the unanimous recommendation of the CER Management Board and with a unanimous vote at the General Assembly. One international focus of effort in 2023 was therefore once again on managing the substantive content of the association’s work. This again included setting lobbying priorities with EU institutions and coordinating the positions of the approx. 70 European railway companies that are members of the association.

The main focus of the content-related work of the Railways Association CER was the preparation of various position papers, for example on the issues of “Ticketing”, “Train Path Planning” (TTR) and “Digital Capacity Management” as well as “Construction Site Coordination”.

At the beginning of 2023, the revision of the plans for the European transport network (TEN-T revision) was central to the employees’ activities. More than 1,800 amendments needed to be scrutinised and active lobbying undertaken for our business interests in the European Parliament. At the beginning of the year, the EC presented its 2023 work programme and – as part of the Green Deal – the long-awaited Green Freight Transport Package, which aims to significantly reduce transport emissions. The employees prepared position papers on both topics and held personal stakeholder discussions with Members of the European Parliament (MEPs) and representatives of the EC.

The Green Deal Steering Group set up within the company processed the current environmental and energy dossiers (e.g. energy, taxation, pesticide regulation) throughout 2023. There were also new dossiers on the issues of "digitalisation" and "data management". The steering group analysed the position of the European Parliament and the Council on the EU regulation on fluorinated greenhouse gases.

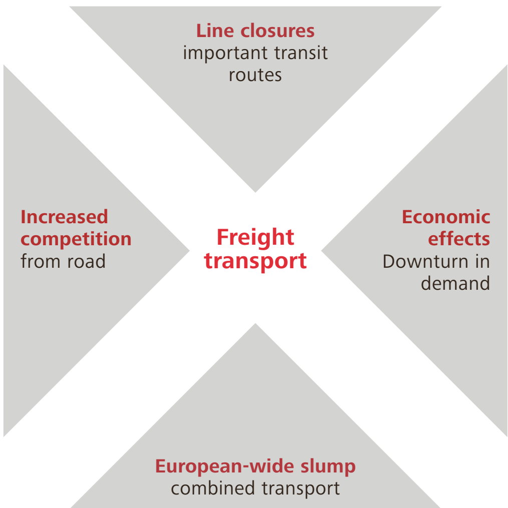
The second half of 2023 centred on the Commission's proposal for "improved international ticketing". In its key points, the welcome initiative presented, for example, the access of platforms to the sales channels of railway companies, but also made aware of a certain risk potential. In ÖBB's view, for example, there is a risk that the railway companies will lose the ability to design their own products and thus ultimately also their tariff sovereignty in the name of better service for customers. This is an issue that – as it has not yet been finalised – will continue to challenge employees for some time to come.

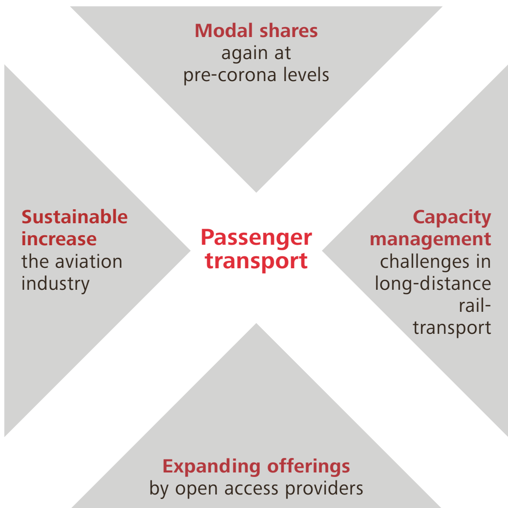
In the second half of 2023, the team also worked on the planned EU regulation on European capacity and traffic management, the EU's "Weights and Dimensions"-Directive and the consultations on the restriction of perfluorinated and polyfluorinated alkyl substances (PFAS). The proposal regarding capacity and traffic management was a Green Deal measure. The aim is to enable more efficient railway infrastructure capacity and traffic management and thus improve the quality of transport services and handle more traffic on the railway network. The centralisation in a new EU agency that was originally on the cards was averted. ÖBB's interests in train path planning are now being pursued via the TTR, the Timetabling-Redesign-for-Smart-Capacity-Management and in construction site coordination via the European Railway Association CER.

The "Weights and Dimensions" Directive in turn provides for an extension of the maximum weights and dimensions of heavy goods vehicles. In ÖBB's view, this would further intensify competition between rail and road in freight transport to the disadvantage of rail. Ongoing lobbying in Austria and Brussels is intended to prevent the possible use of gigaliners or long trucks in the future as a result of this directive.

PFAS are industrial chemicals with water, grease and dirt-repellent properties that are used throughout the entire railway system – from the air conditioning systems in vehicles to signalling systems. ÖBB has therefore advocated a cautious approach in the consultations to date in order to avoid excessive requirements for the replacement or exchange of PFAS parts and will continue to pursue this cost-efficient approach.

B.3. Market environment GRI 2-6



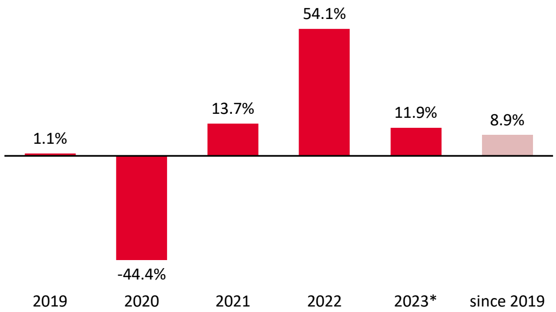


Passenger transport market environment

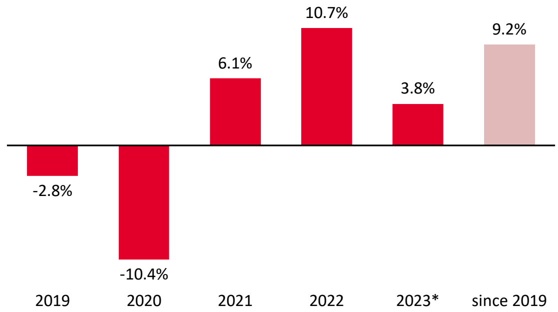
Growth in passenger transport continued in 2023. In 2023, mobility in Austria was not affected by any measures to combat the pandemic, with the exception of a temporary mask requirement on public transport in Vienna in the winter of 2022 / 2023. Pandemic-related restrictions on cross-border transport have also been lifted. Transport performance has grown accordingly on all modes of transport. The strongest growth was in domestic rail passenger transport, at just under 12%. This exceeded the pre-corona level by approx. 9%. At the same time, however, motorised private transport has also increased significantly and reached a new record level. Nevertheless, rail transport's modal share of 13% is likely to return to the 2019 level following the coronavirus-related shifts towards private transport in 2020 and 2021.[23]

Development of passenger transport performance on the rail and roads in Austria

Rail passenger traffic (annual change in %)



Motorised private traffic (annual change in %)



* preliminary estimate.
Source: European Commission, Statistik Austria, UIC, ÖBB, ASFINAG, own calculations.

The ramp-up in long-distance rail transport continued. This is likely to significantly exceed the record figure for passenger transport capacity in 2022 with a further increase of almost 12% in 2023. Initial calculations indicate that local transport also recorded growth of approx. 11%. This is however still just under 5% below the pre-COVID-19 level. It is difficult to identify the direct causes of the current rail boom, especially in long-distance transport. A number of framework conditions are, however, certainly having a favourable effect on current developments. The number of climate ticket users has increased further to approx. 272 thousand most recently[24] Tourism has also returned to pre-COVID-19 levels, particularly due to the return of foreign guests. There were, however, no significant shifts in the proportion of domestic and international overnight stays or individual countries of origin that would indicate a lasting change in travel behaviour compared to before the pandemic. Nevertheless, the number of travellers reached record levels, especially in the summer months.[25]

The railway companies have responded to this development by continuously expanding their services. Not only ÖBB, but also competitors in the open access segment have significantly increased the number of trains and connections in 2023.

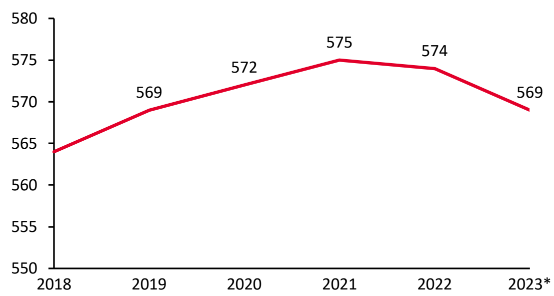
[23] European Commission, Statistics Austria, UIC, ÖBB, ASFINAG, own calculations.
[24] Orf.at.
[25] WIFO.

The recovery in rail passenger transport also continued in Austria's immediate vicinity, as a comparison of some state railways in neighbouring countries shows. DB's transport performance within Germany in the first half of 2023 was 13.1% higher than in the same period of the previous year. The Deutschlandticket introduced on 01.05.2023 has already had a positive impact here. At DB Regio, transport performance – adjusted for the effects of the one-off 9 Euro ticket – was 30% higher than in the same period of the previous year. Dampening effects such as construction sites and EVG warning strikes were clearly unable to depress the trend. SBB even recorded an increase of over 22% in passenger kilometres in the first half of the year. Although the number of general season tickets sold is still well below the 2019 level, a new record was set for special, long-distance and group travel. The first half of the year was equally positive for ČD's passenger transport, although growth was slightly lower at 5%.[26]

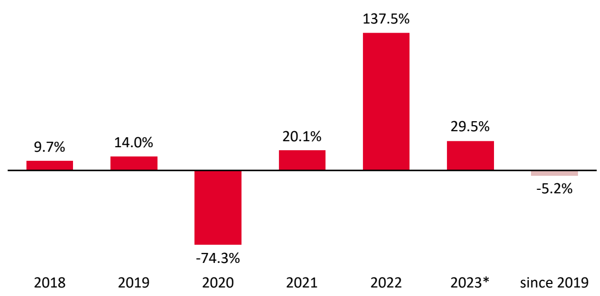
The upturn in passenger numbers in the aviation sector also continues unabated. The number of passengers arriving at or departing from Austrian airports increased by 29.5% compared to the previous year. Compared to approx. 32.0 million travellers in the record year 2019, however, this still represents a decrease of approx. 5.0%. The trend continues to point upwards, however, as evidenced by the orders received by the aircraft industry.[27]

Other key indicators for passenger transport in Austria

Degree of motorisation
(number of passenger cars per 1,000 inhabitants)



Flight passengers
(excluding transit passengers – change in %)



* preliminary estimate.
Source: Statistik Austria, own calculations.

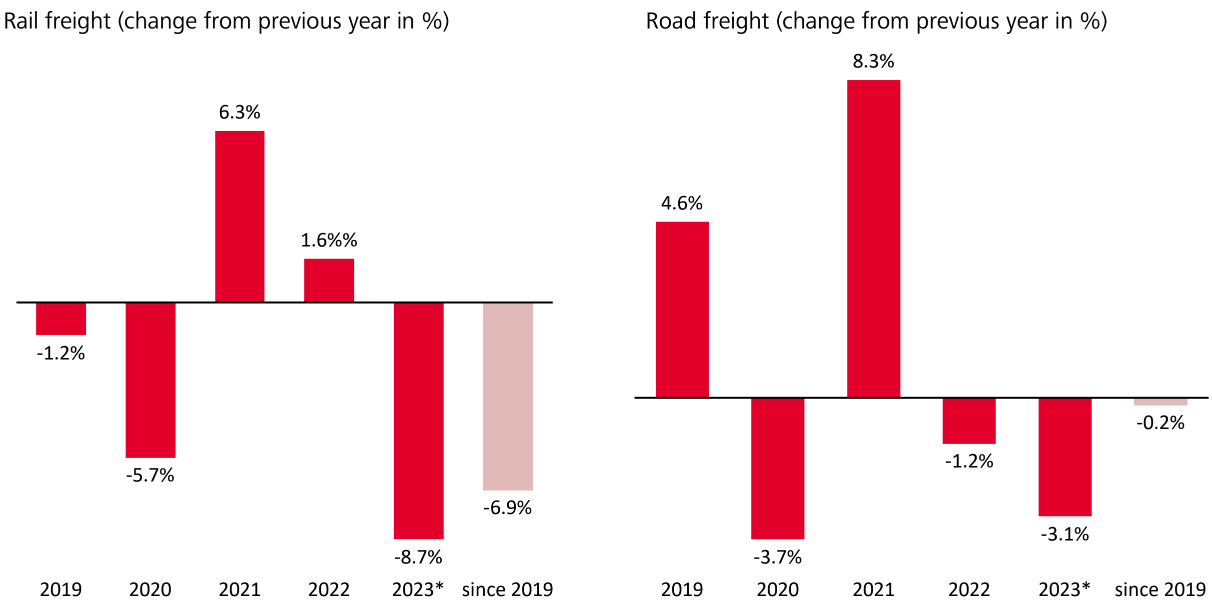
In the area of motorised private transport, too, there is still little sign of a sustainable mobility turnaround. The degree of motorisation as the number of cars per inhabitant in 2023 has again fallen slightly. This is due to the disproportionate population growth of the last two years, which is mainly due to the influx from abroad. The number of passenger cars in Austria also increased slightly in 2023, though with growth of 1.0%. The increase in new registrations was as high as approx. 11.0%. The backlog of orders due to the supply chain bottlenecks of previous years have a major impact here.

Market environment freight transport

The modal share of rail transport in Austria fell significantly again in 2023 in line with the long-term trend. It is likely to be 27.1% based on current estimates. The current result represents a new historic low following the slight improvement in the rail modal share in 2022. Rail development was still slightly positive last year, but the signs were pointing to a downturn in 2023. Transport performance in 2023 fell significantly on both rail and road, by -8.7% and -3.1% respectively, due to the economic situation.

[26] ÖBB, DB, SBB, ČD.
[27] Statistik Austria, Eurostat, own calculations, Trend.

Development of freight transport volumes on the road and railways in Austria



* preliminary estimates.
Source: Statistik Austria, ASFINAG, own calculations.

Road transport prices in Europe fell again in 2023 following the sharp rise in the previous year. The Transporeon freight rate index fell by more than 3.0% compared to the summer 2022 peak, despite continued high inflation. In 2023 as a whole, however, freight rates were still well above the pre-crisis level. The main reason for the significant decline in freight rates is the weak general economy in Europe and the resulting mismatch between available transport capacity and transport demand.[28] Even though capacities and freight rates eased, this was unable to halt the downturn in road transport performance.

Rail freight transport also had a tough time in 2023. The slump was particularly severe in the second quarter, at 10.0 % compared to the same period of the previous year. The trend in the other quarters was, however, not much better.[29] On the one hand, the weak economy dampened overall demand for transport. The cost pressure however became even greater in comparison to road transport, with traction current prices continuing to rise, while the price of diesel recovered in the meantime. The drastic increase in cancellation fees for train paths in Germany planned for 2024 is also not a beneficial measure for rail freight transport.[30]

The situation is precarious particularly in combined transport. Double-digit transport performance losses in 2022 were followed by further year-on-year declines of approx. EUR 15.0% in each of the first three quarters of 2023.[31] This was mainly due to a slowdown in the global sea container trade and thus in port hinterland traffic, an important service of combined transport. The shipping market also suffered from large free capacities and insufficient demand, particularly at the European North Sea ports.[32]

The so-called "New Silk Road" also experienced a drastic slump after years of ramp-up between Europe and Asia. The war in Ukraine has recently caused traffic flows to slowly shift from the northern route via Russia to the so-called "middle corridor" via Turkey and Azerbaijan. This route through the Caucasus has seen a clear increase in freight volumes, but it is set to remain a niche market for the foreseeable future.[33] Capacity shortages and other operational reasons result in long transit times on the central corridor compared to the route via Russia.

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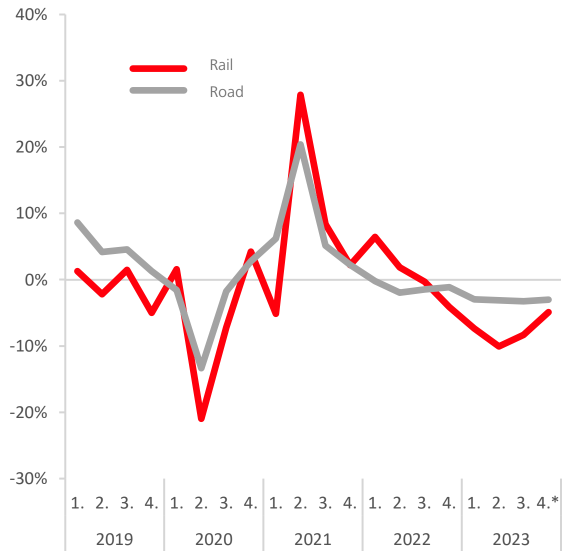
[28] Transporeon Insights, Verkehrsrundschau.
[29] Statistik Austria, ASFINAG.
[30] Rail Business.
[31] UIRR.
[32] DVZ.
[33] DVZ.

The availability of infrastructure also caused problems for rail freight transport in 2023. The railway over the Brenner Pass, which is one of the most important freight corridors for transit through Austria, was closed for three weeks in August 2023. At the same time, another central Alpine crossing was closed to rail traffic due to an accident in the Gotthard Base Tunnel. Storms and flooding in Slovenia and southern Austria in August 2023 also caused line closures for rail transport (see the "Rail infrastructure market environment" section below).

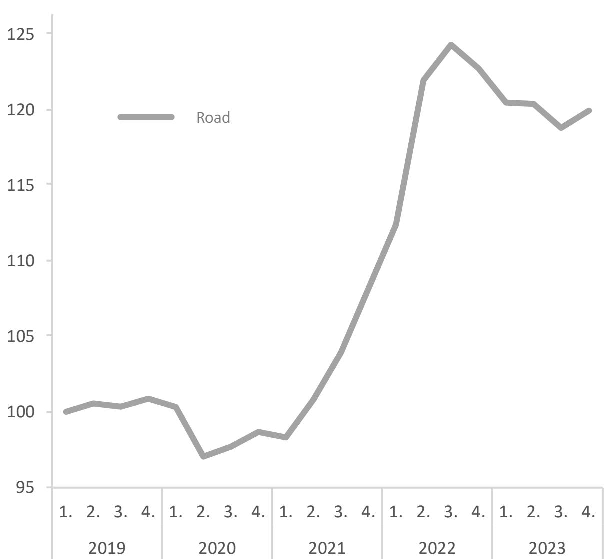
The infrastructural framework conditions remain challenging. As a result of climate change, extreme weather events are expected to become more frequent, while many central railway corridors require extensive repairs. For example, the German rail modernisation plan envisages complete closures of important main lines for several months in the coming years. The Tauern Tunnel, a central railway crossing through the Alps, will also be closed for eight months in 2024 / 2025. Such route closures are usually only partially mitigated by rail diversions and often have a lasting impact on rail freight transport.[34]

Development of freight transport performance and prices

Transport performance Rail and Road (net km, change compared with the previous year quarter in %)



Road transport prices Europe (index Q1 2019 = 100)



*preliminary estimates.
Source: Statistik Austria, ASFINAG, Transporeon Insights, own calculations.

The picture of recent years in intramodal competition remains the same. RCA's market share of productive rail freight transport performance fell by 2.6 percentage points to 60.8% in 2022. RCA remains dominant in single wagonload transport and is losing market share almost exclusively in block train transport. The market share of competitors in block train transport was at an all-time high of 56.0% in 2022.[35]

Other major players in the European rail freight market are also expected to see a decline in 2023. If we look at the half-year figures already available, however, the picture is mixed. The major state railways in Central and Eastern Europe were unable to maintain the high volumes of 2022 in the first half of 2023. The transport volume of the Czech company ČD Cargo fell by 5.0% compared to the same period of the previous year. Volumes and transport performance at Polish PKP Cargo fell by 18.0% and 13.0% respectively. DB Cargo's transport volume and performance also fell by 10.0% and 11.0% respectively. Only the freight division of the Swiss Federal Railways was able to keep its key figures stable. A strong performance abroad almost compensated for the slump in demand at home, with the bottom line being that transport performance fell by just 1.0%.[36]

[34] Tagesschau.
[35] Severe weather centre, Rail Control.
[36] DB, SBB, ČD, PKP.

Market environment

The operating performance of ÖBB-Infrastruktur AG's network has grown for another year in a row. **Overall, the increase in train kilometres was 1.3%, setting a new record.** The level of the pre-corona year 2019 has now already been exceeded by 6.0%. This is entirely due to the increase in passenger transport. The increase in train kilometres came to 3.2%. The economic slowdown in Europe and Austria was however already making itself felt in freight transport. The year-on-year decline in operating performance totalled 3.6%. This is still a decline of 3.2% compared to the 2019 level.[37]

The number and extent of various disruptions caused by special events and accidents on important infrastructure in neighbouring countries, which affected domestic rail traffic, are noteworthy this year. The so-called "German Corner" between Salzburg and Kufstein – important for Austrian east-west railway traffic – was particularly affected. In addition to the planned construction sites between February and May 2023, in August 2023 and in October 2023, there were also some unscheduled events. At the end of January 2023, a shunting locomotive burnt out at Freilassing station after a kilometre-long "ghost run". This led to massive restrictions in cross-border local transport for several days. In August 2023, a construction train caught fire in the Traunstein area. This resulted in massive restrictions on the entire German corner for several days.[38]

On 10.08.2023, a goods train derailed in the west tunnel of the Swiss Gotthard tunnel. As a consequence, it was necessary to close the line to all railway traffic for several months. The east tunnel was also impassable until the end of August 2023. The combination of this incident and the scheduled closure of the Brenner line for construction meant a massive disruption to transalpine rail traffic. On 23.08.2023, at least freight traffic could be resumed via the east tunnel. The line was opened to passenger traffic at the end of September 2023, but still only for a reduced number of trains in single-track traffic.[39]

The severe weather events in 2023 caused some serious damage to infrastructure and disruption to rail passenger and freight transport, and not just in Austria. For example, rail traffic in and across Slovenia was severely disrupted for weeks by the storms at the beginning of August 2023.[40] Nevertheless, the 3.7 km long new section of the line between Maribor and Šentilj was put into operation on 14.08.2023 as planned. This forms the approach to the Austrian state border in Spielfeld and is therefore an important part of the Baltic-Adriatic axis.[41]

An infrastructure project that is further away from a geographical perspective is the so-called "Rail Baltica". It is, however, all the more important for Europe, especially after the developments surrounding the war in Ukraine. This involves the construction of a double-track corridor in European standard gauge. It will connect the capitals of the Baltic states directly to the European rail network via Biaystok in Poland. The route in Lithuania from Kaunas to the Polish border was defined here in 2023. The project is funded by the EU Connecting Europe Facility (CEF). It is part of the Baltic-Adriatic TEN-T corridor, the final stage of which will run from Ancona in Italy – with a sea transfer across the Gulf of Finland – to Helsinki.[42]

The so-called trans-European transport networks (TEN-T) were created in 2013 with EU Regulation 1315 / 2013. This regulation comprises several transport modes and prioritises expansion activities in the European transport network by defining different network levels. The current regulation is currently being revised. The EU Commission's ambitious legislative proposal has been available since 2021. ÖBB considers the planned introduction of a new network category "extended core network" for the European transport corridors to be positive. In this context, an implementation horizon up to 2040 has been defined. The Pyhrn and Tauern routes are to be included in this category. The EU Parliament committee in charge was the Committee on Transport and Tourism. The EU institutions reached a provisional agreement on the revised regulation during the trialogue negotiations in December 2023. The final legislative text is expected to be published in April 2024.

Another important dossier at EU level deals with the improvement of capacity and traffic management at European level. This new regulation replaces Regulation 913 / 2010 on the creation of a European rail network for competitive freight transport. It also amends Directive 2012 / 34 on the creation of a single European railway area. Its focus is on improving national and European processes, among other things to create more capacity on existing railway infrastructure. The Commission proposal was published in 2023. The focus on sector initiatives such as Timetable Redesign (TTR) should be viewed favourably from an ÖBB perspective. The EU Parliament committee in charge in is the Committee on Transport and Tourism. The final text of the law is expected at the end of 2025, depending on the negotiations between the EU Commission, the EU Parliament and the EU Council.

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[37] ÖBB Infrastruktur.
[38] Tiroler Tageszeitung, BR24.
[39] Süddeutsche Zeitung, SRF.
[40] RCG.
[41] Eisenbahn Aktuell.
[42] LOK-Report.

C. Economic report and outlook

The previous year was still strongly characterised by the impact of the global COVID-19 crisis. Specific information on the statement of financial position and income statement effects is provided in the notes to the consolidated financial statements in Section 3. Please refer to the supplementary notes in the management report for an assessment of the effects of the Ukraine crisis and Middle East conflict.

C.1. Revenue development GRI 201-4, 203-1

Structure of revenues by subgroup in EUR million	2023	2022	Change	Change in %
ÖBB-Personenverkehr subgroup	3,136.3	2,727.9	408.4	15%
Rail Cargo Austria subgroup	1,907.1	1,943.0	-35.9	-2%
ÖBB-Infrastruktur subgroup	1,249.5	984.4	265.1	27%
ÖBB-Holding AG and other companies	1,663.6	1,406.9	256.7	18%
less consolidation of subgroups	-2,934.2	-2,391.0	-543.2	-23%
Group revenue acc. to Consolidated Financial Statements	**5,022.3**	**4,671.2**	**351.1**	**8%**
Other income (consolidated)	2,784.0	2,726.5	57.5	2%
Total income	**7,806.3**	**7,397.7**	**408.6**	**6%**
Total revenue per employee in thousands EUR	**175**	**168**	**7**	**4%**

With an increase in the average number of employees from 43,924 to 44,680 employees, the ratio of total income per employee[43] increased to approx. TEUR 175 previous year (py): approx. TEUR 168). The foreign share of consolidated Group sales totalled approx. EUR 1,448.3 million (py: approx. EUR 1,353.3 million), as in the previous year: approx. 29%.

Revenue development of the ÖBB-Personenverkehr subgroup

Overview	2023	2022	Change	Change in %
Revenue in EUR million	3,136.3	2,727.9	408.4	15%
of which traffic service orders of the federal government	*1,140.5*	*993.2*	*147.3*	*15%*
of which traffic service orders of the countries and communities	*357.7*	*316.8*	*40.9*	*13%*
Other income in EUR million	120.9	118.3	2.6	2%
Total income in EUR million	3,257.2	2,846.2	411.0	14%

Revenue for the financial year 2023 amounted to approx. EUR 3,136.3 Million (py: approx. EUR 2,727.9 Million). This represents an increase of 15% on the previous year. The foreign share of consolidated sales totalled approx. EUR 373.8 million (py: approx. EUR 316.1 million), as in the previous year: approx. 12%. The share of foreign sales revenue therefore increased by approx. EUR 57.7 million or 18%.

Approx. EUR 1,140.5 million py: approx. EUR 993.2 million) of the revenue results from transport service orders from the Federal Government and approx. EUR 357.7 million (py: approx. EUR 316.8 million) from transport service orders from the federal states and communities.

Passengers in EUR million	2023	2022	Change	Change in %
Long-distance railway transport	46.5	41.8	4.7	11%
Short-distance railway transport	231.7	210.7	21.0	10%
Total railway	**278.2**	**252.5**	**25.7**	**10%**
Bus	215.4	194.4	21.0	11%
Total	**493.6**	**446.9**	**46.7**	**10%**

The ÖBB-Personenverkehr subgroup recorded an increase in the number of rail travellers to approx. 278.2 million (py: approx. 252.5 million passengers), and total revenues rose by 14%. The number of travellers in the Bus division also increased to approx. 215.4 million persons (py: approx. 194.4 million). The ÖBB-Personenverkehr subgroup recorded an all-time high number of travellers with a total of approx. 493.6 million passengers (py: approx. EUR 446.9 million).

[43] Total income per employee: Total income / average number of employees (headcount)

Revenue development of the Rail Cargo Austria subgroup

Overview	2023	2022	Change	Change in %
Net tonnes transported (millions, consolidated)	78.5	88.4	-9.9	-11%
Revenue in EUR million	1,907.1	1,943.0	-35.9	-2%
thereof public services contracted by the federal government	*130.7*	*110.1*	*20.6*	*19%*
Other income in EUR million	56.0	55.8	0.2	0%
Total income in EUR million	1,963.1	1,998.8	-35.7	-2%

Total revenue in the Rail Cargo Austria subgroup recorded a decline to approx. EUR 1,963.1 million (py: approx. EUR 1,998.8 million). The foreign share of consolidated turnover is approx. EUR 951.5 million py: approx. EUR 1,023.7 million), which is approx. 50% py: 53%). The share of foreign sales revenue therefore decreased by approx. EUR 72.2 million or 7%. In the previous year, they rose by approx. EUR 61.6 million or 6%.

In total, Rail Cargo Austria's sales revenue decreased to approx. EUR 1,907.1 million (py: approx. EUR 1,943.0 million). Approx. EUR 130.7 million or 7% of revenue (py: approx. EUR 110.1 million or 6%) was accounted for by compensation from the Federal Government for the performance of public service obligations. Approx. EUR 9.9 million (py: approx. EUR 10.2 million) is attributable to Technical Services.

The key performance data for the transport business within the Rail Cargo Austria subgroup are the volume data in tonnes.

In the reporting year, the Rail Cargo Austria subgroup recorded a decline in consolidated freight transport volumes compared to the previous year from approx. 88.4 million to approx. 78.5 million tonnes. In 2019, this figure was still approx. 105.3 million tonnes.

	Conventional full-load transport		Unaccompanied combined transport		Combined road / railway transport		Total	
Net tonnes transported in mil.	2023	2022	2023	2022	2023	2022	2023	2022
Rail Cargo Austria AG excl. abroad	47.2	51.5	11.1	13.1	4.2	5.1	62.5	69.7
Rail Cargo Austria AG abroad	13.5	12.0	5.6	7.0	0.2	0.3	19.3	19.3
Rail Cargo Hungaria Zrt.	17.0	19.9	2.5	3.0	0.0	0.0	19.5	22.9
Rail Cargo Carrier – Bulgaria EOOD	0.4	0.2	0.6	0.7	0.0	0.0	1.0	0.9
Rail Cargo Carrier – Croatia d.o.o.	1.6	1.7	0.2	0.3	0.0	0.0	1.8	2.0
Rail Cargo Carrier – Czech Republic s.r.o.	3.2	2.9	0.1	0.3	0.0	0.0	3.3	3.2
Rail Cargo Carrier – Germany GmbH	2.4	2.4	1.8	2.6	0.0	0.0	4.2	5.0
Rail Cargo Carrier – Italy s.r.l.	1.6	1.4	2.3	3.0	0.3	0.3	4.2	4.7
Rail Cargo Carrier – Romania s.r.l.	0.5	0.4	0.8	0.9	0.0	0.0	1.3	1.3
Rail Cargo Carrier – Slovakia s.r.o.	0.2	0.1	0.5	0.6	0.0	0.0	0.7	0.7
Rail Cargo Carrier – Slovenia d.o.o.	2.2	2.1	0.0	0.4	0.0	0.0	2.2	2.5
Rail Cargo Carrier – Poland Sp. z.o.o.	0.6	0.5	0.1	0.1	0.0	0.0	0.7	0.6
Total not consolidated	**90.4**	**95.1**	**25.6**	**32.0**	**4.7**	**5.7**	**120.7**	**132.8**
less double / multiple counting due to cross-border transports	-29.1	-27.4	-12.6	-16.4	-0.5	-0.6	-42.2	-44.4
Total consolidated	**61.3**	**67.7**	**13.0**	**15.6**	**4.2**	**5.1**	**78.5**	**88.4**

Revenue development of the ÖBB-Infrastruktur subgroup

Overview	2023	2022	Change	Change in %
Train-kilometers in million	165.9	163.8	2.1	1%
Gross tonnage-kilometres in million	80,991.6	82,233.3	-1,241.7	-2%
Self-generated traction power from ÖBB power plants	702	520	182	35%
Traction power from overhead contact line in GWh	1.786	1.800	-14	-1%
Floor space incl. exterior spaces rented out in thousands m²	2.629	2.599	30	1%
Revenue in EUR million	1,249.5	984.4	265.1	27%
Other income in EUR million	2,542.1	2,493.9	48.2	2%
Total income in EUR million	3,791.6	3,478.3	313.3	9%

The subgroup's sales revenue was appro. EUR 1,249.5 million (py: approx. EUR 984.4 million). Revenue is mainly generated in Austria. Only sales of approx. EUR 120.4 million (py: approx. EUR 45.0 million) were generated with companies outside Austria. These mainly relate to energy supplies and the infrastructure usage charge (infrastructure usage and service charges).

Compared to the previous year, train kilometre performance rose to approx. 165.9 million train-km (py: approx. 163.8 million train-km).

Development of train-kilometers by type of transport in mil.	2023	2022	Change	Change in %
Passenger transport	117.9	114.3	3.6	3%
thereof ÖBB Group	*108.7*	*106.4*	*2.3*	*2%*
Goods transport	40.1	41.7	-1.6	-4%
thereof ÖBB Group	*25.1*	*26.7*	*-1.6*	*-6%*
Service trains and light engines	7.9	7.8	0.1	1%
thereof ÖBB Group	*5.6*	*5.5*	*0.1*	*2%*
Total	**165.9**	**163.8**	**2.1**	**1%**
thereof ÖBB Group	***139.4***	***138.6***	***0.8***	***1%***

In the financial year 2023, gross tonne kilometers (BTkm) increased by approx. 1,241.7 million BTkm. External railway undertakings accounted for approx. 22.0 billion BTkm or 27% of the total in the 2022 financial year, whereas this figure for 2023 was approx. 22.4 billion BTkm or 28% of the total.

Development of gross tonnage-kilometres by type of transport in mil.	2023	2022	Change	Change in %
Passenger transport	34,097.4	32,810.4	1,287.0	4%
thereof ÖBB Group	*31,154.9*	*30,303.7*	*851.2*	*3%*
Goods transport	45,630.1	48,248.9	-2,618.8	-5%
thereof ÖBB Group	*26,502.8*	*29,025.5*	*-2,522.7*	*-9%*
Service trains and light engines	1,264.1	1,174.0	90.1	8%
thereof ÖBB Group	*949.3*	*873.4*	*75.9*	*9%*
Total	**80,991.6**	**82,233.3**	**-1,241.7**	**-2%**
thereof ÖBB Group	***58,607.0***	***60,202.6***	***-1,595.6***	***-3%***

Revenue is also generated in the electric power and real estate sectors.

The electric power sector developed as follows:

Traction power in GWh	2023	2022	Change	Change in %
Self-generated traction power from ÖBB power plants	702	520	182	35%
Consumption of traction power from the overhead contact line	1.786	1.800	-14	-1%

In the financial year 2023, approx. 702 GWh (py: approx. 520 GWh) of traction current was produced in power plants owned by the ÖBB-Infrastruktur subgroup.

The rentable area developed as follows:

Floor space incl. rentable exterior spaces in thousand m²	2023	2022	Change	Change in %
Usage by external parties (outside the Group)	581	625	-44	-7%
Usage by ÖBB Group companies other than ÖBB-Infrastruktur AG	247	224	23	10%
Usage by ÖBB-Infrastruktur AG	598	584	14	2%
Vacant and public space	1.185	1.148	37	3%
Floor space	**2.611**	**2.581**	**30**	**1%**
Exterior spaces rented out	18	18	0	0%
Total portfolio	**2.629**	**2.599**	**30**	**1%**

As in the previous year, the floor area of buildings, including the rentable exterior areas, amounted to approx. 2.6 million m². About a quarter of this area is leased externally. The remainder is used by the ÖBB-Infrastruktur subgroup itself, rented within the group or are common areas and vacancies.

Transport services contracted / contributions from the federal government, the federal states and the communities

Transport services contracted / contributions by the federal government, federal states and the communities in EUR million	ÖBB-Personenverkehr	Rail Cargo Austria	ÖBB-Infrastruktur
Transport / public services contracted by the federal government	1,140.5	130.7	-
	(py: 993.2)	(py: 110.1)	-
Transport service orders with provinces and communities	357.7	-	
	(py: 316.8)	-	
Infrastructure operations	-	-	230.1
	-	-	(py: 407.3)
Repair and investment	-	-	1,847.1
	-	-	(py: 1,655.8)
Total	**1,498.2**	**130.7**	**2,077.2**
	(py: 1,310.1)	**(py: 110.1)**	**(py: 2,063.1)**

The ÖBB-Personenverkehr subgroup has concluded transport service orders for local and long-distance passenger transport by rail with the federal government as well as with federal states and communities. In return, the ÖBB-Personenverkehr subgroup received 2023 approx. EUR 1,140.5 million from the federal government (py: approx. EUR 993.2 million) and approx. EUR 357.7 million (py: EUR 316.8 million) from the federal states and communities.

The Rail Cargo Austria subgroup receives contributions for the provision of rail freight transport services in the production forms of single wagon transport, unaccompanied combined transport and rolling road. The basis for the contributions is the “Aid program for the provision of rail freight transport services in certain forms of production in Austria“ notified by the EU. Payments in the reporting year amounted to approx. EUR 130.7 million (py: approx. EUR 110.1 million).

The increase in federal contributions to ÖBB-Infrastruktur AG compared to the previous year is mainly due to the rise in interest rates.

ÖBB-Infrastruktur AG is implementing a construction program of great economic importance on behalf of the Republic of Austria. The federal subsidies were granted in 2023 in accordance with the valid subsidy agreement for 2022 to 2027. The federal government’s contribution to investments and maintenance totalled approx. EUR 1,847.1 million (py: approx. EUR 1,655.8 million). The increase compared to 2022 results from the implemented framework plan investments and the increased interest rate level.

In addition, the federal government provides a grant of approx. EUR 230.1 million (py: approx. EUR 407.3 million) for the operation of the infrastructure. This contribution is granted to the extent and for as long as the revenues to be generated under the respective market conditions (by users of the rail infrastructure) do not cover the expenses incurred (in the event of economical and efficient management). The elimination of the compensation for the reduction in infrastructure charges, which led to an increased subsidy in 2022, the increased capitalisation of interest on borrowed capital and the performance improvements achieved resulted in a significant reduction in the subsidy requirement in accordance with Section 42(1) BBG compared to the previous year.

C.2. Results of operations

Results of operations of the ÖBB Group

The growth of the ÖBB-Personenverkehr subgroup continued in 2023. In 2023, mobility in Austria was not affected by any measures to combat the pandemic, with the exception of a temporary mask requirement on public transport in Vienna in the winter of 2022 / 2023. Pandemic-related restrictions on cross-border transport have also been lifted. Transport performance has grown accordingly on all modes of transport. Growth in rail passenger transport in the ÖBB-Personenverkehr subgroup was approx. 10%, exceeding the pre-coronavirus level by approx. 10% and carrying over 493 million passengers for the first time in 2023. The ramp-up in long-distance rail transport continued. The record figure for passenger transport performance in 2022 in the ÖBB-Personenverkehr subgroup is likely to be significantly exceeded with a further increase of approx. 11% in 2023. Local transport in the ÖBB-Personenverkehr subgroup also recorded growth of approx. 10%, but is still just below the level of the pre-COVID-19 years.

In the 2023 financial year, the Rail Cargo Austria subgroup suffered from persistently high electricity prices and a significant slowdown in economic growth. In addition, the problems in global container transport had a negative impact on the subgroup's intermodal business segment. A positive pre-tax result was achieved despite falling short of the operating target due to resolute cost and price management, the successful performance of the rail forwarding companies and the revaluation of a subsidiary.

The earnings situation in the ÖBB-Infrastruktur subgroup is significantly better due to the discontinuation of track access charges, higher traction power prices due to the situation on the energy market and the increase in rents due to index adjustments. In contrast, the weakening property market in Austria resulted in lower sales revenue in the subgroup.

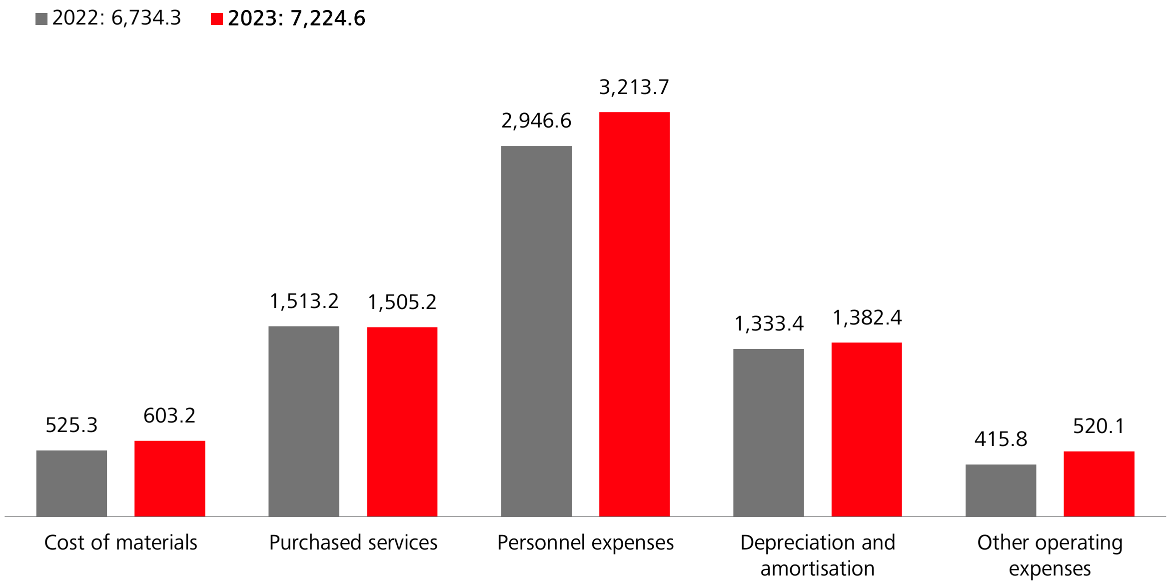
Overview	2023	2022	Change	Change in %
EBIT[44] in EUR million	581.7	663.4	-81.7	-12%
EBIT margin[45] in %	7.5%	9.0%	-1.5%	-17%
EBITDA[46] in EUR million	1,964.1	1,996.8	-32.7	-2%
EBT in EUR million	111.6	193.2	-81.6	-42%
Return on equity[47] in %	3.5%	5.5%	-2.0%	-36%
Return on assets[48] in %	1.4%	1.7%	-0.3%	-18%

With total revenues of approx. EUR 7,806.3 million (py: approx. EUR 7,397.7 million), a slight increase was recorded compared to the previous year. The ÖBB Group's EBIT fell to approx. EUR 581.7 million in the reporting year (py: approx. EUR 663.4 million); the EBIT margin was 7.5% (py: 9.0%). EBITDA fell by 2% to approx. EUR 1,964.1 million in the reporting year (py: approx. EUR 1,996.8 million). After a result of approx. EUR 193.2 million in the previous year, an EBT of approx. EUR 111.6 million is reported this year. This corresponds to a decrease of approx. EUR 81.6 million compared to the previous year. Return on equity was 3.5% (py: 5.5%), return on assets 1.4% (py: 1.7%).

[44] EBIT corresponds to operating profit (not including earnings of investments accounted for using the equity method) in the consolidated income statement.
[45] EBIT margin: EBIT / Total income.
[46] EBITDA: EBIT + depreciation and amortisation.
[47] Return on equity: EBT / Equity.
[48] Return on equity: EBT / equity

Structure of the Consolidated Income Statement in EUR million	2023	in % of total income	2022	in % of total income	Change	Change in %
Revenue	5,022.3	64%	4,671.2	63%	351.1	8%
Other own work capitalized	560.6	7%	497.7	7%	62.9	13%
Other income and increase / decrease of inventories	2,223.4	29%	2,228.8	30%	-5.4	0%
Total income	**7,806.3**	**100%**	**7,397.7**	**100%**	**408.6**	**6%**
Cost of materials	603.2	8%	525.3	7%	77.9	15%
Purchased services	1,505.2	19%	1,513.2	20%	-8.0	-1%
Personnel expenses	3,213.7	41%	2,946.6	40%	267.1	9%
Amortisation (incl. impairment)	1,382.4	18%	1,333.4	18%	49.0	4%
Other operating expenses	520.1	7%	415.8	6%	104.3	25%
Total expenses	**7,224.6**	**93%**	**6,734.3**	**91%**	**490.3**	**7%**
EBIT	**581.7**	**7%**	**663.4**	**9%**	**-81.7**	**-12%**
Financial result	-470.1	-6%	-470.2	-6%	0.1	0%
EBT	**111.6**	**1%**	**193.2**	**3%**	**-81.6**	**-42%**

Development of operating expenses in EUR million



Total expenses increased in the financial year 2023 by approx. EUR 490.3 million to approx. EUR 7,224.6 million (py: approx. EUR 6,734.3 million).

Personnel expenses remained almost constant compared to the previous year at approx. EUR 3,213.7 million (py: approx. EUR 2,946.6 million) and continue to be the largest expense category. The average personnel expenses per employee amount to approx. TEUR 72 (py: approx. TEUR 67). The personnel intensity[49] – the ratio of personnel expenses to total income – was also kept almost constant at 41% (py: 40%). More detailed information on the personnel structure and the development of the number of employees can be found in chapter E. Personnel Report.

The cost of materials increased to approx. EUR 603.2 million (py: approx. EUR 525.3 million). This item includes expenses for externally purchased traction current of approx. EUR 239.5 million (py: approx. EUR 184.0 million) and expenses for liquid fuels of approx. EUR 107.5 million (py: approx. EUR 98.8 million).

[49] Personnel intensity: Personnel expenses / total income.

At approx. EUR 1,505.2 million (py: approx. EUR 1,513.2 million), the cost of purchased services is the second largest expense category. This item mainly includes payments for vehicle rentals, transport services and infrastructure usage to third-party railways. It also includes other purchased services, which mainly consist of non-capitalisable supplies and services in connection with repairs, maintenance, cleaning and other services in the forwarding business. As in the previous year, the share of total revenues accounted for by the cost of materials and purchased services was 27%. Depreciation and amortisation expenses fell by approx. EUR 49.0 million to approx. EUR 1,382.4 million (py: approx. EUR 1,333.4 million).

A decrease was achieved in taxes and levies (-44% to approx. EUR 12.1 million). On the other hand, an increase in operating costs (36% to approx. EUR 171.1 million), expenses for information technology and office requirements (11% to approx. EUR 37.5 million), commissions (10% to 21.5 million), rental, lease, licence and leasing expenses (6% to approx. EUR 17.5 million) and miscellaneous other expenses (32% to approx. EUR 260.4 million). In total, other operating expenses increased by approx. EUR -104.3 million or -25% to approx. EUR 520.1 million (py: approx. EUR 415.8 million).

In the financial year 2023, the ÖBB Group posted a negative financial result of approx. EUR 470.1 million (py: approx. EUR 470.2 million). Interest expenses amounted to approx. EUR 527.9 million (py: approx. EUR 457.0 million).

Results of operations of the ÖBB-Personenverkehr subgroup

Overview	2023	2022	Change	Change in %
Revenue in EUR million	3,136.3	2,727.9	408.4	15%
Total income in EUR million	3,257.2	2,846.2	411.0	14%
Total expenses in EUR million	-3,118.4	-2,656.8	-461.6	17%
EBIT in EUR million	138.8	189.4	-50.6	-27%
EBIT margin in %	4.3%	6.7%	-2.4%	-36%
EBITDA in EUR million	394.8	417.8	-23.0	-6%
Financial result in EUR million	-29.7	-31.2	1.5	5%
EBT in EUR million	109.1	158.2	-49.1	-31%
Return on equity in %	6.8%	10.2%	-3.4%	-33%
Return on assets in %	2.0%	2.9%	-0.9%	-31%

In the year under review, the ÖBB-Personenverkehr subgroup recorded an increase in sales revenue of 15% to approx. EUR 3,136.3 million (py: approx. EUR 2,727.9 million).

The subgroup's personnel expenses in the financial year 2023 amounted to approx. EUR 776.8 million (py: approx. EUR 710.7 million), which corresponds to an increase of approx. EUR 66.1 million. The average personnel expenses per employee amounted to approx. TEUR 67 (py: approx. TEUR 64). Personnel expenses accounted for 24% of the total income (py: 25%). The cost of materials amounted to approx. EUR 402.5 million (py: approx. EUR 320.3 million). Among other items, it includes expenses for traction current of approx. EUR 107.8 million (py: approx. EUR 50.9 million) and for liquid fuels of approx. EUR 67.1 million (py: approx. EUR 58.5 million). Purchased services increased by 19% to approx. EUR 1,376.9 million (py: approx. EUR 1,156.2 million). This item includes fees for vehicle rentals of approx. EUR 154.0 million (py: approx. EUR 130.9 million), transport services of approx. EUR 706.6 million (py: approx. EUR 585.7 million) and infrastructure usage fees to third-party railways of approx. EUR 305.2 million (py: approx. EUR 260.2 million). The ratio of cost of materials and purchased services amounted to 55% of the total income (py: 52%).

Revenue development of the Rail Cargo Austria subgroup

Overview	2023	2022	Change	Change in %
Revenue in EUR million	1,907.1	1,943.0	-35.9	-2%
Total income in EUR million	1,963.1	1,998.8	-35.7	-2%
Total expenses in EUR million	-1,974.0	-1,964.3	-9.7	0%
EBIT in EUR million	-10.9	34.5	-45.4	>100%
EBIT margin in %	-0.6%	1.7%	-2.3%	>100%
EBITDA in EUR million	123.8	188.1	-64.3	-34%
Financial result in EUR million	23.9	-27.2	51.1	-188%
EBT in EUR million	13.0	7.3	5.7	78%
Return on equity in %	4.9%	2.9%	2.0%	69%
Return on assets in %	-0.7%	2.2%	-2.9%	>100%

The Rail Cargo Austria subgroup reported a decline in EBIT to approx. EUR -10.9 million (py: approx. EUR 34.5 million). This corresponds to a deterioration of approx. EUR 45.4 million. A decline in total income to approx. 1,963.1 million (py: approx. 1,998.8 million) resulted in an EBIT margin of -0.6% after 1.7% in the previous year. The financial result showed an increase from approx. -27.2 million in the previous year to approx. EUR 23.9 million. In this conjunction, EBT of approx. EUR 13.0 million (py: approx. EUR 7.3 million) was reported for 2023. The return on assets was -0.7% (py: 2.2%) and EBITDA was approx. EUR 123.8 million (py: approx. EUR 188.1 million).

Total expenses of the Rail Cargo Austria subgroup were approx. EUR 1,974.0 million, minimally higher than in the previous year (py: approx. EUR 1,964.3 million). The largest expense category is the cost of purchased services. In the year under review, these increased by 1% to approx. EUR 1,324.5 million (py: approx. EUR 1,316.5 million). This item includes expenses for transport services, for infrastructure usage incl. community service and staff leasing as well as rent for rail and road vehicles and other services. Personnel expenses rose in the reporting year to approx. EUR 286.6 million (py: approx. EUR 264.5 million), and average personnel expenses per employee increased from approx. TEUR 45 in the previous year to approx. TEUR 49. Personnel expenses accounted for 15% of the total income (py: 13%). As in the previous year, the total cost of materials and purchased services corresponds to 71% of total income.

Results of operations of the ÖBB-Infrastruktur subgroup

Overview	2023	2022	Change	Change in %
Revenue in EUR million	1,249.5	984.4	265.1	27%
Total income in EUR million	3,791.6	3,478.3	313.3	9%
Total expenses in EUR million	-3,358.3	-3,081.6	-276.7	-9%
EBIT in EUR million	433.3	396.7	36.6	9%
EBIT margin in %	11.4%	11.4%	0.0%	0%
EBITDA in EUR million	1,354.0	1,278.4	75.6	6%
Financial result in EUR million	-425.6	-412.4	-13.2	-3%
EBT in EUR million	7.7	-15.7	23.4	>100%
Return on equity in %	0.6%	-0.9%	1.5%	>100%

The total income of the ÖBB-Infrastruktur subgroup in the reporting year amounted to approx EUR 3,791.6 million (py: approx. EUR 3,478.3 million), of which approx. EUR 902.5 million (py: approx. EUR 650.8 million) was attributable to companies in other subgroups of the ÖBB Group. This results in a slight increase in total income of approx. EUR 313.3 million compared to the year 2022. Given an average of 18,375 employees (py: 18,299 employees), this translates into income per employee of approx. TEUR 206 (py: approx. TEUR 190).

The ÖBB-Infrastruktur subgroup achieved 2023 an EBIT of approx. 433.3 million (py: approx. 396.7 million) with an EBIT margin of 11.4% in line with the previous year.

The ÖBB-Infrastruktur subgroup achieved a negative financial result of approx. EUR 425.6 million in the reporting year (py: approx. EUR 412.4 million). EBT 2023 was approx. EUR 7.7 million (py: approx. EUR -15.7 million).

Total expenses of the subgroup increased by 9% to approx. EUR 3,358.3 million (py: approx. EUR 3,081.6 million) in2023.

The largest expense item is 2023 personnel expenses, which rose by 9% to approx. EUR 1,403.8 million. py: (approx. EUR 1,282.6 million). The average personnel expenses per employee amounted to approx. TEUR 76 (py: approx. TEUR 70). This results, like in the previous year, in personnel expenses accounting for 37% of the subgroup's total income.

The second largest expense item is depreciation and amortisation due to the operational responsibility of the subgroup. The increased investment activity in previous years caused this item to rise by 4% to approx. EUR 920.7 million in the reporting year (py: approx. EUR 881.7 million).

Cost of materials and purchased services accounted for 17% (py: 16%) of total income.

C.3. Net assets and financial position

Net assets and financial position of the ÖBB Group

Overview	Dec 31, 2023	Dec 31, 2022	Change	Change in %
Total assets in EUR million	40,864.8	37,968.0	2,896.8	8%
PP&E-to-total-assets ratio[50] in %	89%	89%	0%	0%
PP&E-to-net-worth ratio[51] in %	9%	10%	-1%	-10%
PP&E-to-net-worth ratio II[52] in %	96%	94%	2%	2%
Working capital[53] in EUR million	-514.1	-472.6	-41.5	9%
Equity ratio[54] in %	7.9%	9.3%	-1.4%	-15%
Cash-effective change of funds in EUR million	396.1	78.2	317.9	>100%

Structure of the Consolidated Statement of Financial Position in EUR million	Dec 31, 2021	Dec 31, 2022	Structure 2022	Dec 31, 2023	Structure 2023	Change from 2022 to 2023
Property, plant and equipment	31,839.7	33,959.3	90%	36,443.7	89%	2,484.4
Other non-current assets	1,880.8	1,988.4	5%	2,071.0	5%	82.6
Current assets	1,834.2	2,020.3	5%	2,350.1	6%	329.8
Total assets	**35,554.7**	**37,968.0**	**100%**	**40,864.8**	**100%**	**2,896.8**
Shareholders' equity	3,243.6	3,524.2	9%	3,212.6	8%	-311.6
Financial liabilities	28,257.7	30,326.5	80%	33,534.2	82%	3,207.7
Other liabilities	4,053.4	4,117.3	11%	4,118.0	10%	0.7

Assets

Mainly due to investments in property, plant and equipment, the ÖBB Group's total assets increased by 8% to approx. EUR 40,864.8 million in the year under review (py: approx. EUR 37,968.0 million).

The share of property, plant and equipment in total assets (property, plant and equipment ratio) was 89% as at the reporting date, as in the previous year. These assets were financed primarily by borrowing in the form of loans and bond issues.

The property, plant and equipment coverage ratio as of 31.12.2023 9% (py: 10%). Taking into account the non-current liabilities, the property, plant and equipment coverage ratio II is 96% (py: 94%).

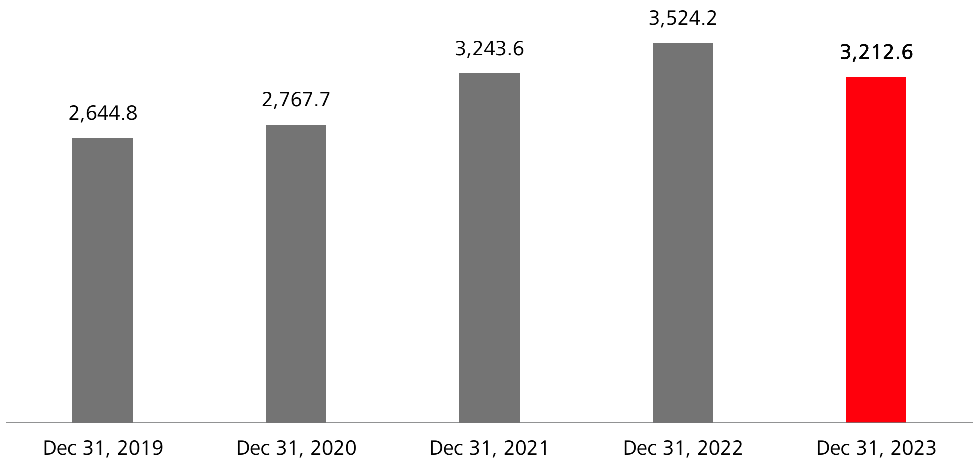
Working capital amounts to approx. EUR -514.1 million (py: approx. EUR -472.6 million).

Liabilities and shareholders' equity

As at 31.12.2023, the ÖBB Group has an equity ratio of 7.9% (py: 9.3%). On the liabilities side, the increase in total assets is mainly due to the rise in financial debt.

[50] PP&E ratio = Property, plant and equipment / total assets
[51] Property, plant and equipment coverage ratio: equity / property, plant and equipment.
[52] Property, plant and equipment coverage ratio II: (equity + non-current liabilities) / property, plant and equipment.
[53] Working Capital: Inventories (excl. realisable objects and advance payments on orders) + trade receivables – trade payables.
[54] Equity ratio: equity / Total capital.

Development of shareholdes' equity in EUR million



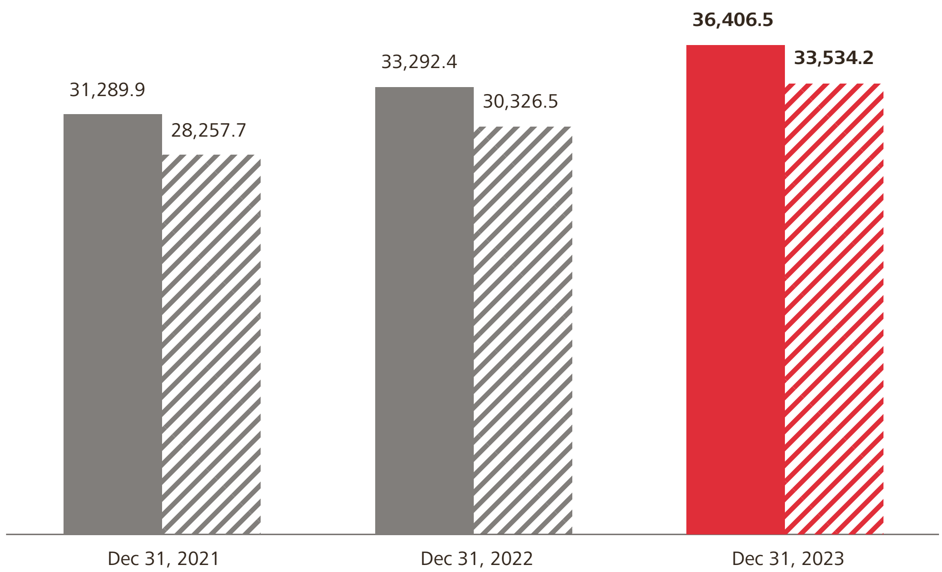
The equity of the ÖBB Group of approx. EUR 3,212.6 million (py: approx. EUR 3,524.2 million) decreased compared to the previous year as a result of non-cash effects from cash flow hedges (valuation of electricity derivatives) of EUR -322.7 million recognised directly in equity and the resulting income tax expense from deferred taxes of approx. EUR -87.1 million.

The ÖBB Group's liabilities as at 31.12.2023 amounted to approx. EUR 36,406.5 million (py: approx. EUR 33,292.4 million). Until 2015, the ÖBB Group's debt financing was provided, among other methods, through its own bond issues on the capital market. These bonds are recognised by ÖBB-Infrastruktur AG in the amount of approx. EUR 7,884.6 million (py: approx. EUR 8,883.3 million).

Since 2017, the ÖBB Group has been raising the necessary financing primarily through loans from the Republic of Austria. These are handled by the Austrian Federal Financing Agency (OeBFA) instead of through its own bond issues on the capital market. The ÖBB Group belongs to the general government sector according to EURstat-criteria. All existing bonds of ÖBB-Infrastruktur AG and their guarantees by the Republic of Austria remain unaffected by this expansion of ÖBB-Infrastruktur AG financing instruments.

The financial liabilities of the ÖBB Group include all liabilities from bonds as well as liabilities to banks and Eurofima (Europäische Gesellschaft für die Finanzierung von Eisenbahnmaterial AG). In total, financial liabilities increased by 11% or approx. EUR 3,207.7 million in the reporting year to approx. 33,534.2 million (py: approx. 30,326.5 million).

Liabilities in EUR million
thereof **Financial liabilities** in EUR million



The maturities of the liabilities are shown in the following table:

Terms of the liabilities in EUR million	Total	thereof current	in %	thereof non-current	in %
Financial liabilities	33,534.2	2,331.7	7%	31,202.5	93%
Trade payables	1,614.4	1,614.4	100%	0.0	0%
Other liabilities	1,257.9	1,232.5	98%	25.4	2%

Please refer to Note 26 in the notes to the consolidated financial statements for explanations of significant provisions.

Notes to the Consolidated Statement of Cash Flow

Free cash flow[55] decreased in the reporting year to approx. EUR -2,636.8 million (py: apprx. EUR -1,755.0 million). The cash change in fund resources moved from approx. EUR 78.2 million to approx. EUR 396.1 million.

Abstract from the Group Cash Flow Statement in EUR million	Dec 31, 2023	Dec 31, 2022	Change
Cash flow from operating activities	1,165.7	1,322.9	-157.2
Cash flow from investing activities	-3,802.5	-3,077.9	-724.6
Free cash flow	-2,636.8	-1,755.0	-881.8
Cash flow from financing activities	3,032.9	1,833.2	1,199.7
Cash-effective change of funds	396.1	78.2	317.9

A detailed presentation of the consolidated cash flow statement can be found in the notes to the consolidated financial statements.

Net assets and financial position of the ÖBB-Personenverkehr subgroup

Overview	Dec 31, 2023	Dec 31, 2022	Change	Change in %
Total assets in EUR million	6,808.6	6,476.4	332.2	5%
PP&E-to-total-assets ratio in %	66%	62%	4%	6%
PP&E-to-net-worth ratio in %	36%	38%	-2%	-5%
PP&E-to-net-worth ratio II in %	115%	118%	-3%	-3%
Equity ratio in %	24%	24%	0%	0%

Structure of the Consolidated Statement of Financial Position in EUR million	Dec 31, 2021	Dec 31, 2022	Structure 2022	Dec 31, 2023	Structure 2023	Change from 2022 to 2023
Non-current assets	4,345.7	4,571.5	71%	5,000.7	73%	429.2
Current assets	1,027.0	1,904.9	29%	1,807.9	27%	-97.0
Total assets	**5,372.7**	**6,476.4**	**100%**	**6,808.6**	**100%**	**332.2**
Shareholders' equity	1,361.6	1,543.8	24%	1,604.1	24%	60.3
Non-current liabilities	2,604.9	3,184.9	49%	3,543.1	52%	358.2
Current liabilities	1,406.2	1,747.7	27%	1,661.4	24%	-86.3

The statement of financial position total of the ÖBB Personenverkehr subgroup increased by approx. EUR 332.2 million to approx. EUR 6,808.6 million in the reporting year (py: approx. EUR 6,476.4 million). The share of property, plant and equipment in total assets (PP&E ratio) amounted to 66% at the statement of financial position reporting date (py: 62%). The property, plant and equipment coverage ratio at this time was 36% (py: 38%), the property, plant and equipment coverage ratio II was 115% (py: 118%). Working capital amounted to approx. EUR 302.6 million (py: approx. EUR 407.7 million). After an increase in equity of approx. EUR 60.3 million to approx. EUR 1,604.1 million (py: approx. EUR 1,543.8 million), the equity ratio was 24%, as in the previous year.

The liabilities of the ÖBB Personenverkehr subgroup rose by a total of 5% to approx. EUR4,408.6 million (py: approx. EUR 4,213.9 million). Financial liabilities increased by approx. EUR 34.3 million or 1% to approx. EUR 3,471.1 million in the reporting year (py: approx. EUR 3,436.8 million).

[55] Cash flow from operating activities + cash flow from investing activities

Net assets and financial position of the Rail Cargo Austria subgroup

Overview	Dec 31, 2023	Dec 31, 2022	Change	Change in %
Total assets in EUR million	1,579.6	1,586.4	-6.8	0%
PP&E-to-total-assets ratio in %	35%	35%	0%	0%
PP&E-to-net-worth ratio in %	47%	46%	1%	2%
Equity ratio in %	17%	16%	1%	6%

Structure of the Consolidated Statement of Financial Position in EUR million	Dec 31, 2021	Dec 31, 2022	Structure 2022	Dec 31, 2023	Structure 2023	Change from 2022 to 2023
Non-current assets	1,042.6	996.3	63%	1,054.8	67%	58.5
Current assets	593.2	590.1	37%	524.8	33%	-65.3
Total assets	**1,635.8**	**1,586.4**	**100%**	**1,579.6**	**100%**	**-6.8**
Shareholders' equity	258.8	256.1	16%	262.6	17%	6.5
Non-current liabilities	830.1	740.8	47%	603.1	38%	-137.7
Current liabilities	546.9	589.5	37%	713.9	45%	124.4

The subgroup's total assets decreased by approx. EUR 6.8 million to approx. EUR 1,579.6 million (py: approx. EUR 1,586.4 million). The share of property, plant and equipment in total assets property, plant and equipment ratio) was 35% as at the statement of financial position reporting date, as in the previous year. The PP&E-to-net-worth ratio was 47% (py: 46%). Working capital amounted to approx. EUR 92.2 million (py: approx. EUR 75.8 million). After a decrease in equity of approx. EUR -6.5 million to approx. EUR 262.6 million (py: approx. EUR 256.1 million), the equity ratio was as per 31.12 17%, as in the previous year (py: 16%).

The subgroup's liabilities fell by a total of approx. EUR 19.3 million or 2% to approx. EUR 1,244.9 million (py: approx. EUR 1,264.2 million). Financial liabilities decreased to approx. EUR 957.4 million (py: approx. EUR 967.2 million).

Net assets and financial position of the ÖBB-Infrastruktur subgroup

Overview	Dec 31, 2023	Dec 31, 2022	Change	Change in %
Total assets in EUR million	32,778.2	31,033.7	1,744.5	6%
PP&E-to-total-assets ratio in %	92%	91%	1%	1%
PP&E-to-net-worth ratio in %	4%	6%	-2%	-33%
PP&E-to-net-worth ratio II in %	95%	92%	3%	3%
Equity ratio in %	4%	6%	-2%	-33%

Structure of the Consolidated Statement of Financial Position in EUR million	Dec 31, 2021	Dec 31, 2022	Structure 2022	Dec 31, 2023	Structure 2023	Change from 2022 to 2023
Non-current assets	27,894.0	29,959.4	97%	31,983.5	98%	2,024.1
Current assets	1,007.8	1,074.3	3%	794.7	2%	-279.6
Total assets	**28,901.8**	**31,033.7**	**100%**	**32,778.2**	**100%**	**1,744.5**
Shareholders' equity	1,737.3	1,793.8	6%	1,362.7	4%	-431.1
Non-current liabilities	22,362.3	24,105.3	78%	27,276.2	83%	3,170.9
Current liabilities	4,802.2	5,134.6	16%	4,139.3	13%	-995.3

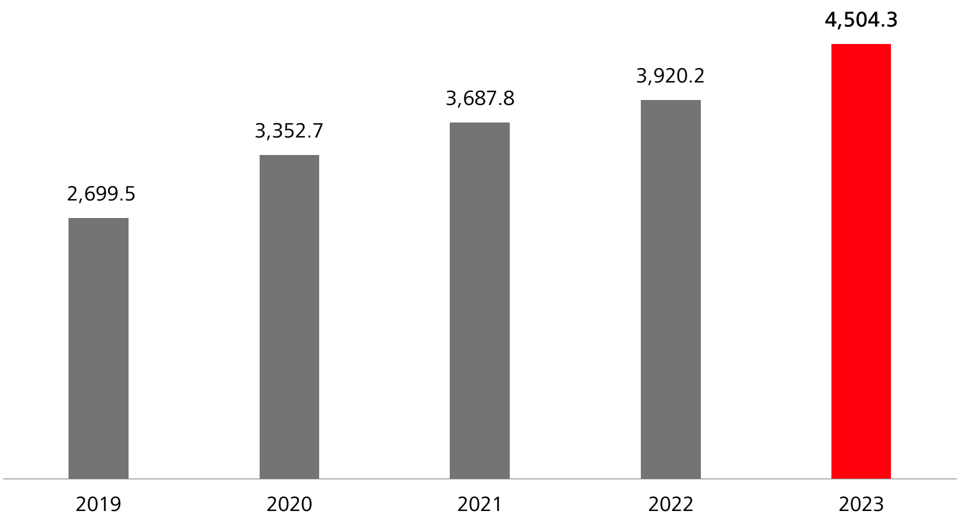
The total assets of the ÖBB-Infrastruktur subgroup increased by 6% to approx. EUR 32,778.2 million as at 31.12.2023 (py: approx. EUR 31,033.7 million). The ratio of property, plant and equipment to total assets is 92% (py: 91%). The property, plant and equipment coverage ratio as of the statement of financial position date is 4% (py: 6%). Taking into account the non-current liabilities, the property, plant and equipment coverage ratio II is 95% (py: 92%). Working capital was approx. EUR -868.0 million (py: approx. EUR -895.5 million). After a decline in equity of approx. EUR 431.1 million to approx. EUR 1,362.7 million (py: approx. EUR 1,793.8 million), the equity ratio as of 31.12. was 4% (py: 6%).

The liabilities of the ÖBB-Infrastruktur subgroup increased by a total of 7% to approx. EUR 30,967.7 million in the reporting year py: (approx. EUR 28,816.7 million). After an increase in financial liabilities by 9% to approx. EUR 29,153.1 million (py: approx. EUR 26,703.3 million), 94% (py: 93%) of all liabilities fall into this category.

C.4. Capital expenditure and financing measures GRI 203-1

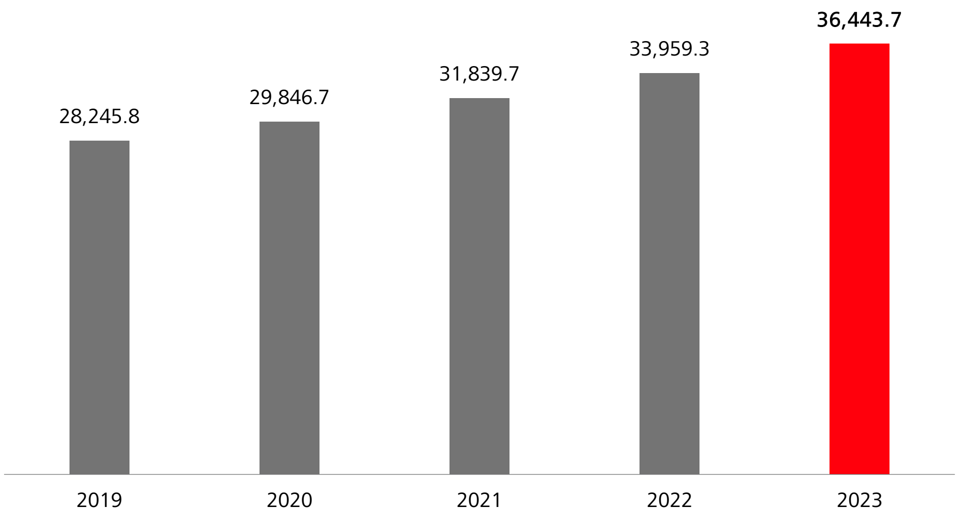
Overview	2023	2022	Change	Change in %
Capital expenditure in EUR million	4,504.3	3,920.2	584.1	15%
Capital expenditure ratio of total income[56] in %	54%	50%	4%	8%
Capital expenditure ratio of carrying amounts[57] in %	12%	11%	1%	9%

Capital expenditure in EUR million



In the reporting year, the ÖBB Group effected investments in property, plant and equipment and in intangible assets with a total volume of approx. EUR 4,504.3 million (py: approx. EUR 3,920.2 million). They are defined as additions to fixed assets at acquisition cost. The aforementioned value was determined taking into account investments in the context of company acquisitions and corresponds to an investment ratio of 54% (py: 50%) of total income or 12% (py: 11%) measured against the carrying amounts as at 01.01. The calculation is made from the gross investments before deduction of the investment grants.

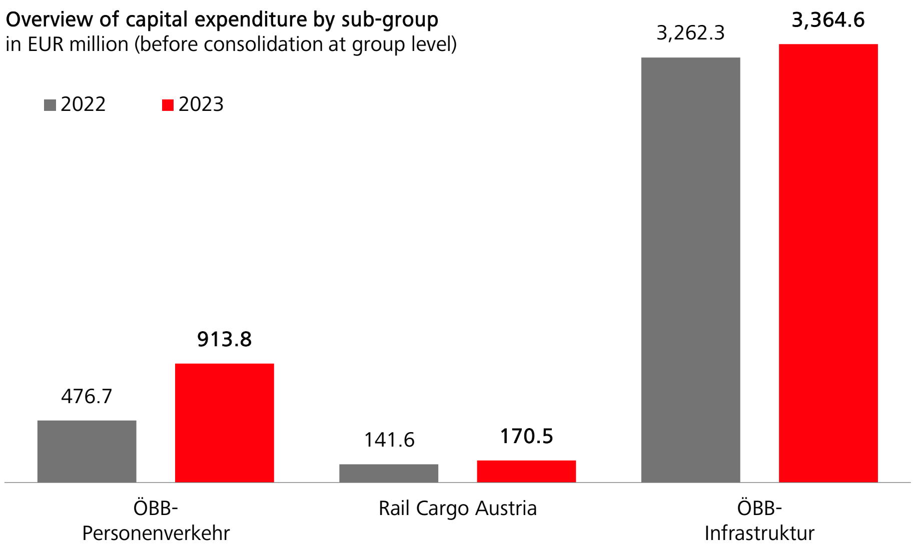
Tangible assets in EUR million



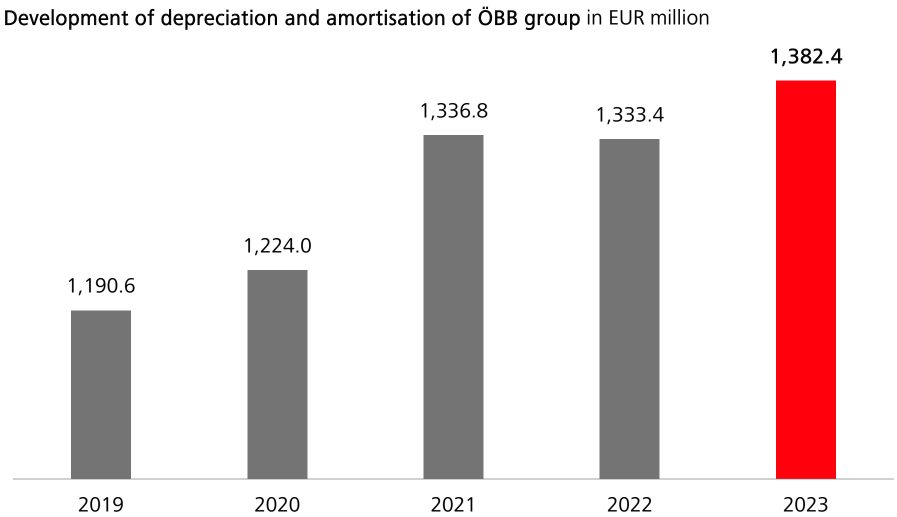
[56] Investment in property, plant and equipment as a percentage of total income: Investments in property, plant and equipment / total income.

[57] Property, plant and equipment investment ratio of carrying amounts: Investments in property, plant and equipment / carrying amount of property, plant and equipment as at 01.01.

Of the investments of approx. EUR 4,504.3 million (py: approx. EUR 3,920.2 million), the main volume of investment and financing measures, at approx. EUR 3,364.6 million (py: approx. EUR 3,262.3 million), is accounted for by the ÖBB-Infrastruktur subgroup. The tangible fixed assets of this subgroup with their carrying amounts of approx. EUR 30,294.8 million (py: approx. EUR 28,303.7 million) amount to approx. 83% of the total tangible fixed assets of the ÖBB Group, as in the previous year. This in turn amounts to a total of approx. EUR 36,443.7 million (py: approx. EUR 33,959.3 million).



Depreciation and amortisation expenses rose by approx. EUR 49.0 million to approx. EUR 1,382.4 million (py: approx. EUR 1,333.4 million).



Investments of the ÖBB Personenverkehr subgroup

Overview	2023	2022	Change	Change in %
Capital expenditure in EUR million	913.8	476.7	437.1	92%
Capital expenditure ratio of total income in %	28%	16%	12%	75%
Capital expenditure ratio of carrying amounts in %	22%	12%	10%	83%

In the reporting year, investments in intangible assets and property, plant and equipment in the ÖBB Passenger Transport subgroup amounted to approx. EUR 913.8 million (py: approx. EUR 476.7 million). This represents a capital expenditure ratio of 28% (py: 16%) of total income or 22% (py: 12%) of the carrying amounts as of 01.01.

Capital expenditure	Amount in EUR million
Short-distance traffic investments	464.0
Long-distance traffic investments	337.9
Workshop performance	75.0
Other investments	24.8
Property, plant and equipment	**901.7**
Intangible assets	**12.1**
Total capital expenditure	**913.8**

Capital expenditure of the Rail Cargo Austria subgroup

Overview	2023	2022	Change	Change in %
Capital expenditure in EUR million	170.5	141.6	28.9	20%
Capital expenditure ratio of total income in %	8%	7%	1%	14%
Capital expenditure ratio of carrying amounts in %	26%	24%	2%	8%

In the year under review, the Rail Cargo Austria subgroup made investments in intangible assets and property, plant and equipment amounting to approx. EUR 170.5 million (py: approx. EUR 141.6 million). This volume represents a capital expenditure ratio of 8% (py: 7%) of total income or 26% (py: 24%) of the carrying amounts as of 01.01.

Capital expenditure	Amount in EUR million
Rolling stock	134.2
Other property, plant and equipment	13.6
Property, plant and equipment	**147.8**
Intangible assets	**22.7**
Total	**170.5**

Capital expenditure of the ÖBB-Infrastruktur subgroup

Overview	2023	2022	Change	Change in %
Capital expenditure in EUR million	3,364.6	3,262.3	102.3	3%
Capital expenditure ratio of total income in %	82%	88%	-6%	-7%
Capital expenditure ratio of carrying amounts in %	11%	12%	-1%	-8%

In total, the ÖBB Infrastructure subgroup invested approx. EUR 3,364.6 million in the reporting year (py: approx. EUR 3,262.3 million). This results in an investment ratio of 82% (py: 88%) of total income and 11% (py: 12%) of the carrying amounts as at 01.01.

As in the previous year, the ÖBB-Infrastruktur subgroup accounts for approx. 83% of the ÖBB Group's total property, plant and equipment with a carrying amount of approx. EUR 30,294.8 million (py: approx. EUR 28,303.7 million).

Focus of capital expenditure 2023

ÖBB-Infrastruktur AG continued to work intensively on implementing the largest construction program of all time in 2023. The investment sum of approx. EUR 19.0 billion secured in the 2023 to 2028 framework plan enables ÖBB-Infrastruktur AG to implement numerous new construction and modernisation projects as well as maintenance work over the next six years on behalf of the Federal Ministry for Climate Action.

The expansion and quality assurance of the rail network are the prerequisites for enabling more trains to run on the rail network overall. This means higher capacities as well as better and faster connections for rail travellers.

Major ÖBB projects such as the Semmering Base Tunnel, the Koralm Railway and the Brenner Base Tunnel are continuing as planned. In addition, the focus is on the expansion of local transport in urban centres. In terms of climate change mitigation, it is also important to ÖBB to make regional railways more attractive and to push ahead with a corresponding electrification programme. Part of the investment will flow into digitalisation with a view to the future.

The railway is also being made fit for freight transport. Programs for the construction of so-called freight train-length passing tracks have the greatest possible effect, as the joint use of the same routes by freight and passenger traffic is handled more efficiently. The support measures for connecting railways and a wave of modernisation for shunting yards also anchor the current freight transport offensive in the framework plan.

Another focus is on the expansion of renewable energies. The construction of further "mini substations" is a new addition to the framework plan. They make it possible for the electricity produced sustainably in ÖBB's own wind and solar power plants to be fed into the traction current grid.

The modernisation of stations and stops is also being further advanced. The aim is to make access to the railway as easy as possible. The conversion of railway stations and stops to create barrier-free access is an important component of the framework plan.

Vienna metropolitan area

Rail travel is experiencing a real renaissance. Nowhere else in Austria is the number of travellers increasing as much as in the eastern region. Public transport services also need to be expanded and improved in order to keep up with this growth.

The S-Bahn Vienna upgrade will see ÖBB-Infrastruktur AG modernise the rail infrastructure on the Vienna main line between Vienna Meidling and Vienna Floridsdorf from October 2023. This involves renovating the building and supporting structures and digitising the train control system for greater reliability in the overall system. Platforms were also extended to 220 metres from Unterretzbach to Payerbach-Reichenau. This allows longer trains to run in future, offering more seats and therefore more comfort for rail travellers.

An additional important piece of the inner-city public transport puzzle is the improvement of the rail link between Hütteldorf and Meidling. In future, the S80 should then operate in a 15-minute tact between Hütteldorf and Wien Aspern Nord. The EIA process will be continued in 2024.

In 2023, ÖBB-Infrastruktur AG also worked intensively on the expansion of the Pottendorf line. This measure is intended to further improve the situation for commuters from the south, as approx. 40% of all commuters come from this direction. The double-track expansion of the approx 50-kilometer Pottendorf line between Vienna Meidling and Wiener Neustadt represents an important measure for increasing capacity on the southern line. The aim is to have four tracks together with the southern railway between Vienna and Wiener Neustadt. The expansion will create conditions for a better service for thousands of commuters south of Vienna, both in long-distance and local transport. The continuous double track between Vienna and Wiener Neustadt was completed at the end of 2023. The Ebreichsdorf railway station was also opened.

The four-track extension of the southern line between Vienna Meidling and Mödling, including the construction of two new stops, will make the mobility offer for the south of Vienna and the district of Mödling even more attractive. Together with the Pottendorf line, six efficient tracks will then be available in the south of Vienna when the project is completed. Planning for in this regard continued in 2023.

The north benefits from the expansion of the northern railway. The newly constructed subway in Deutsch-Wagram on the L6 provincial road was opened to traffic in 2023. The associated railway crossing was abandoned. Since 2023, the stop in Helmahof, a district of Deutsch-Wagram, has also been shining in new splendour. The S-Bahn stop on the line between Vienna Süßenbrunn and Gänserndorf was renovated for this purpose. A total of approx. 66 km of track will be modernised during ongoing operations. In the course of this, 17 railway stations and stops along the route will also be made more attractive and adapted to make them barrier-free. The Park&Ride and Bike&Ride services are also to be expanded. In addition, numerous railway crossings will be eliminated, which will allow for higher train speeds.

The electrification of the Marchegg Eastern Railway has been completed since the 2022 / 2023 timetable change. The modernisation of the Kamptalbahn, Traisentalbahn, Erlauftalbahn or Mattersburger Bahn was also prepared during the reporting period. Planning also began for the expansion of the Franz Josef railway. The first milestones were the modernised stations in Hadersdorf am Kamp, Langenlois and Horn, which went into operation with the timetable change in December 2023. This was the first step towards making the Kamptal railway more attractive, with more to follow.

The "Airport Link" project represents an attractive connection between eastern Austria and the airport and the city of Vienna. The new connection means shorter journey times for commuters and relieves congestion on the heavily used urban transit routes. In 2023, planning has further advanced.

The Western Line success story continues

About one third of all trains run on the western line. The growth of freight and passenger traffic is forecast to continue. The expansion between Linz and Wels and the expansion between Salzburg and Köstendorf is necessary to meet the high demand for more trains and better connections on these routes.

In the reporting period, construction work continued on the expansion of the western line between Marchtrenk and Wels and on the western side of Linz's main railway station. In future, four tracks instead of the present two will ensure higher capacities on the heavily used western line. This will then offer better local transport services with a denser S-Bahn service and a regular scheduled timetable between Linz and Wels. The same applies to long-distance and freight transport. The Marchtrenk station is being modernised. Construction preparations are underway for the expansion of the section between Linz and Marchtrenk. Construction is scheduled to start in 2024. Planning is underway for the extension of the section between Linz West shunting yard and Linz signal bridge (incl. Linz Franckviertel local transport hub).

Construction of the Seekirchen Süd stop began in 2023. The four-track extension of the western line will run between Köstendorf and Salzburg in two single-tube tunnels. The EIA planning and in-depth planning continued in parallel in 2023 as a result. Regular, intensive discussions were also held with stakeholders (e.g. in the form of institutionalised dialogue forums).

Southern Railway on the last stretch

The tunnelling projects and line extensions are progressing step by step. The major construction projects on the southern line will make it possible for passengers to travel between Vienna and Graz in less than two hours and between Graz and Klagenfurt in 45 minutes.

The tunnelling work on the Semmering Base Tunnel project of the century is on the home straight. More than 97% of the two 27.3 km long tubes have now been excavated. There are still approx. 600 metres to be completed. The tunnel is being built with a total of 14 drivages. Ten have already been completed, including all in the Fröschnitzgraben and the Grautschenhof section. Once the tunnel tubes have been excavated, the concrete inner shell in the tunnel will be completely finished. More than 25 kilometres of this shell have already been constructed (out of a total of approx. 55 kilometres in two tubes). Then the final phase of construction begins. The technical railway tunnel equipment is installed before the trains travel through the mountain. In this phase, tracks, cables and technical installations are built into the mountain. The first trains will travel through the Semmering Base Tunnel in 2030. Meanwhile, the 130 km long Koralm railway is already entering its final phase. In 2023, the entire Koralm Tunnel was equipped with rails and a large part of the route was fitted with railway technology. The new railway station in western Steiermarkt is also taking shape. Kärnten has gone even further: the entire Kärntner Koralm railway between Klagenfurt and St. Paul im Lavanttal will be completed and put into operation for local transport by the end of 2023. It is the largest partial commissioning on the new southern line to date and also marks the start of the sprint to the finish line for this project of the century. The complete commissioning between Graz and Klagenfurt – including the Koralm Tunnel – is planned for the end of 2025.

Stations and other investments

In 2023, the following stations were improved and modernised:
- Ebreichsdorf station
- Hadersdorf am Kamp station
- Baumgartenberg station
- Helmahof stop
- Süßenbrunn station
- St. Paul im Lavanttal station
- Wiederndorf-Aich stop
- Kühnsdorf Klopeiner See stop
- Kremsmünster station
- Wiener Neustadt Civitas Nova stop
- Freistadt station
- Summerau station
- Steinkogel stop
- Pinsdorf stop
- Mitterweißenbach stop
- Schwarzach / St. Veit station
- Ebreichsdorf station
- Completion Vienna Neustadt parkdeck

Brenner axis

ÖBB's planning and preparatory work for the expansion of the Brenner railway axis at the northern approach to the Brenner Base Tunnel is being systematically continued. Exploratory work is underway to prepare the environmental impact statement for the project section near the state border between Kufstein and Schaftenau. When planning the border tunnel to Germany, the technical standards need to be defined together with colleagues from DB in such a way that both countries are able to approve the project.

The detailed approval planning for the Schaftenau – Radfeld junction project was publicly negotiated in autumn 2023. In the long term, the project will serve to relieve congestion at the Wörgl railway junction and will be fully effective towards the end of this decade. The 2.6-kilometre-long Angath roughwork tunnel was already excavated in summer 2023. The gallery serves to support planning through detailed rock exploration. In the coming years, it will facilitate construction logistics during the main work and will later be equipped as a rescue tunnel.

In the coming years, it will facilitate construction logistics during the main work and will later be equipped as a rescue tunnel. These are effective in the short term to further increase capacity on the existing route. There are plans for further passing tracks in the Schwaz railway station area. In 2023, ÖBB undertook preliminary work for completion in the second half of the 20s.

The railway expansion in the Tyrolean lowlands serves to increase the performance of the northern access route to the Brenner Base Tunnel. In a few years, trains will travel safely, quickly and comfortably between Innsbruck and Franzensfeste in South Tyrol on the tunnel route. It is therefore essential to direct rail traffic from the population and economic centres of Europe to the tunnel. The railways in Austria, Italy and Germany are implementing this with the expansion of the Munich – Verona railway axis as part of the European Scandinavia-Mediterranean core network corridor.

The Brenner Base Tunnel

In 2023, the construction work of the shell structures for the Brenner Base Tunnel was continued by Galleria di Base del Brennero – Brenner Base Tunnel BBT SE. 159 km of the entire 230 km tunnel system have already been excavated. Of these, 62 km are railway tunnels, 55 km are exploratory tunnels and approx. 42 km are other tunnels.

Concrete and backfilling work was carried out on the 200 m long and approx. 9 m high retaining wall in the "H21 Sillschlucht" construction area. The tracks that will connect the Brenner Base Tunnel with Innsbruck railway station in the future run through this area. Concrete work for the "Silltal" tunnel is in progress. Work is also being carried out on the two railway bridges over the Sill. The steel supporting structures and the floor slabs for the railway tracks have already been completed. A 55 metre long span bridge for pedestrians over the Sill was also constructed. A total of 75% of the construction lot has been completed.

The tunnel boring machines for driving southwards from the Ahrental valley began in May and June 2023 in the "H41 Sillschlucht-Pfons" construction section. The official commissioning ceremony for the two TBMs (tunnel boring machines) took place at the end of June 2023. The dividing wall in the east and west connecting tunnels and the carriageway floor in the side corridors (safety corridor) were constructed. The construction site facilities were also supplemented by conveyor belt systems from underground to the Ahrental landfill and the Padastertal landfill. A temporary production hall was erected for the manufacture of segments (precast concrete parts for the inner shell). A new bridge was built over the A13 motorway to handle construction site traffic. The work on this construction lot is now 15% complete.

In the "H52 Hochstegen" construction lot, the so-called "Hochstegen fault zone" was completely penetrated during the excavation of the exploratory tunnel and the injection and sealing measures were carried out there. An approx. 9 km long conveyor belt was installed in the exploratory tunnel in a northerly direction up to the "H41 Sillschlucht-Pfons" construction lot. This ensures the underground transport of the excavated material from construction lot H41 to the landfill in Padastertal. An auxiliary support point was set up in the area of the raised walkway zone from the exploratory tunnel to the main tunnel tubes and the St. Jodok transfer point. The work on the construction lot is 75% complete.

The contract for the "H53 Pfons-Brenner" construction lot was awarded on 04.04.2023. This contract was awarded for the tunnelling work on the last remaining construction lot of the Brenner Base Tunnel. The contractual start of construction began on 04.05.2023. This also initiated the ordering process for the two tunnel boring machines for this construction lot. The TBMs are expected to start the drivage northwards in autumn 2024.

Work on both construction sites on Italian territory is well advanced. In the "H61 Mauls 2-3" construction lot, the "Virginia" tunnel boring machine reached its destination at the Brenner Pass in March. The TBM in a main tunnel has successfully completed tunnelling for the first time by reaching the construction lot limit. The second TBM "Flavia" has reached a fault zone. Activities to overcome the fault zone are in progress. The structures for the "H71 Eisack undercrossing" construction lot were completed and work began on dismantling the construction site and renaturalisation.

The tendering process for the planning services for the railway equipment for the Brenner Base Tunnel is ongoing as at the statement of financial position date – planning work is expected to commence in the course of 2024 (depending on the conclusion of the tendering process).

Presentation of the entire framework plan and other investment projects

Project		Capital expenditure 2023 in EUR million	Projected or effected commissioning / completion
Modification and new construction of stations	Station Bad Erlach	6.0	2023
	Station Baumgartenberg	3.2	2023
	Station Fritzens-Wattens	3.6	2025
	Station Gramatneusiedl	35.1	2024
	Station Hadersdorf am Kamp	6.9	2023
	Station Klaus in Vorarlberg	3.5	2025
	Station Leobendorf-Burg Kreuzenstein	0.4	2023
	Station Messendorf / Station Raaba	4.7	2026
	Station Micheldorf	2.3	2025
	Station Mürzzuschlag	5.0	2024
	Station Pinsdorf	9.3	2023
	Station Redl-Zipf	3.5	2024
	Station Schwarzach/St. Veit	5.4	2023
	Station Steinkogl	3.5	2023
	Station Telfs-Pfaffenhofen	7.9	2023
	Station Thal	0.5	2023
	Station Traun	0.6	2023
	Station Tullnerbach-Pressbaum	30.4	2024
	Station Unter Purkersdorf	2.7	2022
	Villach Central Station	2.9	2026
	Station Wiener Neustadt Civitas Nova	2.4	2025
	Station Wartberg im Mürztal	27.1	2024
	Vienna Franz-Josefs-Station	5.7	2023
Parking garages	Wiener Neustadt; construction of parking garage 3	12.3	2023
Greater Vienna	Inzersdorf; construction terminal (Cargo Center Vienna)[1]	1.6	2016 / 2026
	Expansion Marchegger branch[2]	43.9	2018 / 2024 / 2035
	Vienna Meidling – junction Altmannsdorf; two track expansion	22.2	2023
	Vienna metropolitan area; quality assurance local transport	78.3	2030
	Vienna Hütteldorf – Vienna Meidling; connecting railway	9.8	from 2029
	Vienna Meidling – Mödling; four track expansion	7.5	2034
Western line	Attnang-Puchheim – Salzburg Central Station; expansion of existing line[3]	13.3	2029
	Linz – Wels; four track expansion	98.0	2031
	Linz Kleinmünchen (a) – Linz Central Station four track expansion	1.3	2033
	Vienna International Airport – Bruck a.d. Leitha; construction of connecting line	6.3	2033
	Neumarkt-Köstendorf – Salzburg; new line	14.5	2042
Southern line	Vienna Blumental – Wampersdorf; two track expansion of the Pottendorf line[4]	61.0	2023
	Wampersdorf – Wiener Neustadt; beautification of line	25.7	2024
	Graz – Klagenfurt; Koralm railway (projects under contract) incl. airport branch	488.0	2025
	Gloggnitz – Mürzzuschlag; new line (Semmering base tunnel)	376.6	2030
	Bruck a.d. Mur – Graz; station conversation	1.8	2030
	Süßenbrunn – Bernhardsthal; expansion existing line[5]	49.4	2032
Pyhrn-Schober route	Linz Central Station – Summerau; beautification[6]	13.4	2023
	Bischofshofen – Selzthal; beautification Ennstal	3.0	2028
	Linz – Selzthal; selective two track expansion and station conversation	4.1	2031
Tauern route	Golling-Abtenau – Sulzau; line improvement area Pass Lueg	1.8	2022
	Maishofen-Saalbach – Leogang; ski world championship 2025	2.9	2024
Brenner route	Brenner Base Tunnel	205.9	2032
	State border near Kufstein – Radfeld junction; Brenner North Approach	35.0	2037

Arlberg route	Arlberg line; measures for timetable stability	10.7	2031
	Bregenz – Bludenz; expansion of local transport (Rine valley concept)	12.7	2031
Programs	Noise protection	6.4	
	Park & ride	9.8	
	Line electrifications	25.5	
	Regional rail network concept; line upgrades	87.8	
	Safety and operation management systems	305.0	
	Measures for customer satisfaction (mobile communications, data networks, wireless network)	0.7	
Reinvestments in the railway network		**664.5**	
Others (incl. intangible assets)		**491.3**	
Total master plan and other investment projects		**3,364.6**	

1) Commissioning of the service tracks, KLV and WLV facility took place in 2016. Phase 2 will be implemented by 2026.
[2] Commissioning of the Vienna section took place in 2018 (Erzherzog-Karl-Straße – Vienna Aspern). The full expansion in the Stadlau to Marchegg area will be commissioned by 2024 and in the Marchegg to state border area by 2035.
[3] Commissioning of the station conversion Neumarkt am Wallersee and Steindorf bei Straßwalchen already completed.
[4] Commissioning of the Hennersdorf – Münchendorf section took place in 2019. The expansion in the Ebreichsdorf section was completed in 2023.
[5]Commissioning of the Wien Süßenbrunn station conversion took place in 2023.
[6] Commissioning of the Freistadt and Summerau station conversions took place in 2023.

C.5. Corporate strategy GRI 2-22

Market environment

The 2023 financial year was characterised by a rising number of travellers, accompanied by high inflation rates and economic upheaval.

Economy in crisis

The recovery from the pandemic was then followed in 2023 by the consequences of the war in Ukraine and massive increases in prices and inflation rates. This led to drastic interest rate hikes and a noticeable downturn in economic performance in European countries as well. The global economy looks set to feel the consequences of geopolitical tensions – between Russia and the West and between China and the USA – and the conflict in the Middle East for years to come. The resulting and increasing uncertainties are likely to have a dampening effect on globalisation and the global economy. The turnaround in interest rates will also put government budgets under increasing pressure to consolidate.

At the same time, many countries are investing in the technological development and infrastructural expansion of the railway. Increased demand combined with a lack of resources, resulting supply bottlenecks and price increases as well as difficult supplier situations could have a dampening effect on the further development of necessary enabler technologies – particularly in the areas of digitalisation, automation and electrification in industry and transport.

Sales volumes in rail freight transport have been stagnating or declining since 2020 due to COVID-19 and since 2022 due to the war in Ukraine and the weakened economy.

Extreme weather events on the rise

However, 2023 was also characterised by a large number of extreme weather events. The resulting consequential damage caused by landslides, embankment slides, overflowing torrents, floods, etc. has resulted in significant additional costs and quality losses. Investments and initiatives to minimise risk will also be required to an increasing extent in the coming years in order to create an infrastructure that is more resistant to extreme weather events.

Public transport is the trend

At the same time, public transport is experiencing a boom and is on a trend. This is also reflected in the passenger numbers on public transport. Demand recovered quickly and significantly following the lifting of the coronavirus measures and the introduction of the climate ticket. An enormous increase in the number of travellers on local, long-distance and night-time services is also expected in the coming years.

Capacity and quality

Increasing system capacity and efficiency are therefore key elements in sustainably overcoming the crises and utilising the opportunities arising from the boom in sustainable mobility. The prerequisite for this is an increase in productivity by increasing system efficiency as well as the cost-effectiveness of the system and the products.

Mobility as the mainstay of the economy

Austria needs a reliable guarantor of mobility. The coronavirus crisis also revealed this and impressively demonstrated its importance as the backbone of the economy. However, not only the economy but also the climate is heavily dependent on a functioning public transport system. Digitalisation also shows how quickly products and services can and must change in order to meet the growing needs of customers. Recognising and “tackling” these changes in good time requires a detailed view into the future.

Challenges persist in the ÖBB Group in 2024

Quality and reliability of public transport

All elements of the transport system are a basic prerequisite for the value creation processes of the economy and for people’s participation in essential and desired activities and quality of life. The most important quality of the transport system is to be available to road users and industrial companies at all times with the expected quality. The reliability of the transport system needs to be a fundamental objective of mobility providers and the management of all subsystems involved.

The industry’s increasing dependence on technology means that the risk of cyber attacks on railway systems is growing. New technologies, especially digitalisation, therefore not only offer opportunities, but also pose risks to the reliability of the public transport system.

Capacity as a central challenge

Infrastructure, rolling stock and staff all need to be ready for the demands of the future. Problems such as the pandemic, the war in Europe, but also inflation and the energy crisis as well as the generation change have not made it easier to ensure the balance between personnel, quality and costs. Public transport thrives on a functioning infrastructure and appropriate infrastructure management. This is certainly the case in Austria, though in the interface with neighbouring countries and especially with eastern parts of Europe, this remains a challenge. Price increases in the energy and construction sectors as well as supply bottlenecks affect existing projects.

Economy, efficiency and competitiveness as a prerequisite for the shift to rail

Economy, efficiency and competitiveness are important levers for a shift towards public transport. Firstly, there is a need to look at supply levers, i.e. which additional services promote a modal shift from the point of view of infrastructure and railway companies. On the other hand, the productivity and profitability of rail-based forms of production also need to be increased so that more attractively priced rail transport can be offered on the market.

Sustainability as an engine for growth

The topic of “climate change” continues to be a great opportunity for the ÖBB Group to position itself as a nationwide logistics and mobility service provider with sustainable services. Particularly the complete coverage of the first and last mile will become a central issue in order to bring more travellers into public transport and more tonnes from road to rail. Actively driving ahead with the issue of sustainability is the prerequisite for realising this success factor in the future.

The switch to alternative drive systems is an important cornerstone for the energy transition in the transport sector. The technological and economic implications of a changeover need to be taken into account.

Increased inter- and intramodal competition

Increased inter- and intramodal competition – also in the domestic market – needs to be expected. “Europe will come to Austria.” New technologies and new legislation are fundamentally changing the market. The integrated ÖBB Group has great potential to further develop the mobility market as a system and to compete against new players.

The labour market is a major challenge

The effects of generation change and the resulting shortage of staff are becoming more and more noticeable. Job profiles change and so do the necessary skills. The situation on the labour market will continue to worsen. Above all, the shortage of skilled workers is a major challenge for the operational business. ÖBB’s positioning as an attractive employer remains an essential success factor. Further details are provided in chapter G. Sustainability report.

Passenger transport: ÖBB as a holistic, sustainable mobility service provider

As the clear number one mobility provider in Austria, ÖBB stands for quality from Austria. ÖBB, with its comprehensive mobility services for all customers, is the central pillar of public transport in Austria and acts as a strong player in Europe:
- ÖBB puts its customers at the centre and guarantees a reliable and high-quality mobility service, regardless of whether the services are provided locally, regionally, nationally or internationally.
- Mobility is not just confined to the railway station. ÖBB takes a holistic approach to mobility from door to door and ensures the easiest possible access to all means of public transport for all customers. Innovative solutions for the first and last mile play a key role here.
- Sustainability is not just a buzzword at ÖBB, but an essential feature of the services offered. As one of the largest climate change mitigation companies in Austria, ÖBB makes a decisive contribution to achieving climate protection targets.
- ÖBB is a central leading company, strengthens Austria as a business location and actively plays its role in social development.
- As an Austrian group in international markets, ÖBB is a sought-after employer domestic and abroad.

The strategy of the Passenger Transport subgroup identifies four business areas and is focussed on these:

1. Business line: Competitive railway company

Reliability and high quality leadership are the cornerstones of success. A modern fleet of vehicles will also continue to offer a high level of travelling comfort on public rail transport in the future. The consistent increase in cost efficiency ensures competitiveness as a basic prerequisite for a comprehensive range of transport services on the railways in proprietary and public service networks. As an international quality carrier, it offers an attractive cross-border day and night service together with international co-operation partners.

2. Business line: Competitive bus company

Österreichische Postbus Aktiengesellschaft is the go-to partner for sustainable regional mobility on Austria’s roads and beyond. It is a competent and trustworthy partner for municipalities and associations, offering a high level of service and quality and efficient use of resources. In addition to handling scheduled services, Österreichische Postbus Aktiengesellschaft supports the organisation of major events, offers tourism regions an essential mobility component in the form of ski bus services and is responsible for handling rail replacement services. The on-demand Postbus shuttle from Österreichische Postbus Aktiengesellschaft complements the existing public transport system by offering a nationwide mobility service.

3. Business line:Integrated mobility

Currently, the main competition for public transport is motorised private transport – both for short and long distances. Offers that make private car ownership redundant are needed to motivate people to use public transport in the long term. Mobility is therefore to be considered as a whole and as an integrated mobility service. It is ÖBB’s job to organise customer mobility from the first to the last mile. ÖBB works with municipalities, regions, cities and companies to develop and implement concepts for intermodal mobility. The aim is to be in a position to meet the needsof all customers along the entire mobility chain, whether bus, shuttle, train, e-car sharing, bike or e-scooter.

4. Business line: Tour operators

ÖBB enables travel agencies and end customers to book easily via Rail Tours using dynamic travel modules in Austria and Europe. Rail travel as a sustainable and environmentally friendly travel option is always part of the offer. In addition, it offers the option of being combined with hotel accommodation and/or additional tourist offers. Thanks to the option of customising combinations of travel modules, all components of the trip offer individual customer solutions.

Growth

Rail travel is in vogue and this is also reflected in the number of travellers. In 2023, ÖBB set a new record with approx. 493.6 million passengers. Demand recovered quickly and significantly after the end of the coronavirus measures and with the introduction of the climate ticket. ÖBB also expects an enormous increase in the number of travellers on local, long-distance and night services in the coming years.

There is a need to handle this massive growth effectively and at the same time offer a high level of travelling comfort on public rail transport. ÖBB is therefore investing heavily in the modernisation of existing trains and the expansion of the ÖBB fleet with new vehicles. The largest vehicle fleet procurement offensive in history lays the foundation for future success. The first visible sign of this procurement offensive was the first new-generation Nightjets in Europe at the timetable change in December 2023. This has also significantly improved the night train service.

Preparations for liberalisation are a key challenge in passenger transport. In this regard, strategies are being developed to prepare ÖBB for changing market conditions. It is not only within Austria however that activities are being taken towards market liberalisation. ÖBB entered the German local rail passenger transport market with the acquisition of Go-Ahead Verkehrsgesellschaft Deutschland GmbH on 01.02.2024.

ÖBB is also increasingly focussing on being perceived as a holistic mobility provider. ÖBB is increasingly organising other means of transport in addition to bus and rail from a single source to enable door-to-door mobility. Particularly in suburban and rural areas, it is important to organise journeys to and from the larger mobility hubs. For example, ÖBB currently offers rental cars, rental scooters, rental bikes and shuttle services – also via the central routing and booking platform "wegfinder". These services are intended to make car ownership obsolete, especially in (sub)urban and rural areas.

Profitability

ÖBB is currently facing massive cost increases. High inflation rates and the associated indexation have a noticeable impact on all areas. Massive price increases for fuel and energy are having a negative impact on the corresponding cost items. The valorisation of wages and salaries also leads to significantly higher expenses in this area. Likewise, the prices of planned and ordered new vehicles are affected by the price increases due to material price indexation. At the same time, interest rate adjustments on the market lead to changed conditions when taking out debt financing and to higher interest charges.

ÖBB focuses on measures to optimise cost structures and to streamline and digitalise processes in order to maintain and strengthen profitability, with lean management methods being a key instrument. Ziel ist es, Ineffizienz zu vermeiden und somit die Optimierung des Ressourceneinsatzes kontinuierlich zu steigern.

Operational excellence

Reliability and high quality leadership are the cornerstones of success. As a mobility service provider, ÖBB develops offers services along the entire customer journey from a single source and ensures that these offers address customer needs. It remains crucial for ÖBB to take targeted measures across the Group to increase customer satisfaction, loyalty among existing customers and the acquisition of new customers.

The most important satisfaction criteria – such as the services provided by employees (personal advice at the counter / assistance during the journey), safety, cleanliness and information in general – continue to show good to very good scores in the annual customer satisfaction survey. It is nevertheless essential that the organisation continues to focus strongly on customer needs.

Strong team

Employees are the company's most important resource. This is the only way ÖBB is in a position to guarantee high-quality services. Both in direct contact with customers and behind the scenes: the ÖBB team ensures a sustainable mobility offering. ÖBB is constantly working on measures to increase employee satisfaction and fill vacant positions with suitable applicants in order to secure this team in the long term.

Development of freight transport characterised by many influencing factors

ÖBB is the preferred partner of the customers.

The Rail Cargo Group continues to be able to position itself profitably on the European market as a service provider for end-to-end rail logistics. The ongoing expansion of easy access to the rail system ("Cargo 1492") implemented by a convincing RCG team is the basis for a positive résumé in the acquisition of new customers – despite constant geopolitical and economic challenges.

Production and volume trends

Political influences, above all the Ukraine crisis, continue to cloud European economic development to a large extent. The negative economic development in Europe and the effects of the crisis on the energy sector are not a favourable starting point for rail freight transport as a whole. The Paper, Wood and Chemicals segments have also been hit hard due to industrial factors. Production cutbacks, reduced demand and noticeable savings in the customer sector remain the major challenges. There is also no sign of a decline in the tight situation in steel production and the associated transport sectors. Products that are in direct competition with HGVs (especially single wagonload transport and intermodal) have been particularly negatively affected – and there has also been a shift towards road transport. This shift in transport flows is further favoured by traffic restrictions on the railways – both nationally and internationally – such as roadworks.

The Rail Cargo Group can also report successes in 2023 despite difficult conditions. New customers were won over to the Rail Cargo Group's products despite a drop in volumes. Additional logistics flows and new customers were increasingly gained through the expansion of multimodal transport – supported in particular by the purchase of appropriate equipment. One of the aspects successfully demonstrated here is how innovative project work and successful regulatory measures – such as the New Waste Management Act – are able to make a targeted and consistent transition to a new segment. A division that successfully demonstrates ÖBB's and therefore the Rail Cargo Group's contribution to improving the green footprint. The focus is entirely on climate neutrality. Shifting freight transport to energy-efficient modes of transport such as rail is and will remain one of the most important strategic goals of the entire Group.

Cost factor development owing to the economic crisis

In freight transport, too, both massive cost increases for energy, personnel and materials and the changed conditions on the capital market are placing a heavy burden on economic development. The significant cost factor increases are only partially offset by the introduction of an energy price floater. The massively rising production costs need to be counteracted by means of appropriate pricing.

Infrastructure: Investing in the future for an attractive and efficient railway system

Rail is the solution for the mobility turnaround.

The railway is facing an opportunity of the century. ÖBB has never had such good conditions, as society is increasingly focussing on sustainable mobility and politicians are investing in railway infrastructure. The Mobility Masterplan of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) paints a clear picture of the important role that transport will play on the road to climate neutrality by 2040.

The investment program of the current ÖBB framework plan will create the infrastructural prerequisites for the transport requirements of the future. The current work on the 2040 target network is also identifying the key expansion projects for the future – the 2030 to 2040 horizon. New digital technologies are also opening up completely new possibilities. Expectations are also higher than ever, as the railway is seen as the solution for climate-friendly mobility.

ÖBB-Infrastruktur AG is currently one of Europe's leading infrastructure operators. That should stay. The aim is to create more track capacity, more clean traction current and greater handling capacity at the terminals in Austria. The #INFRA.Mobilitätswende (mobility turnaround) program of ÖBB-Infrastruktur AG set the targets in 2021 for the period up to 2030. The most important goal, however, is to ensure safe, punctual and affordable train journeys while at the same time increasing train path capacity.

ÖBB-Infrastruktur AG therefore continues to consistently focus on sustainable investment in the railway infrastructure in order to ensure a modern and efficient rail network. ÖBB plays a central role as a key player in the mobility transition. This is because the railway infrastructure forms the backbone for the sustainable transport of goods and passengers and makes a significant contribution to improving the quality of life and competitiveness in Austria.

Optimising capacities further

An increase in train capacity is essential to meet the growing demand for rail transport. Ensuring safety and punctuality is always our top priority. In view of the current challenges such as rising energy prices and bottlenecks in the supply of materials, a high level of commitment and total dedication are required. The primary goal is to continue offering customers affordable, reliable and environmentally friendly mobility in the future. The continuous increase in productivity and efficiency helps ÖBB to keep operating costs stable in the long term.

Developing new strengths with new technologies

The expansion measures alone will not be sufficient to achieve the goal of doubling the capacity of the railway system by 2040. Digitalisation is needed to design the increases in train paths and to be able to handle them with a qualitatively appealing performance. The first step is the digitalisation of rail operations. This means that every aspect of the train journey itself is digitised. In this way, it can be organised more efficiently to make better use of the available resources. Digital processes will be used in many areas in the future. This begins with timetable creation and continues with digital train preparation and provision through to the digitalisation of operational processes. This includes, for example, the automatic transmission of timetables with daily updated restrictions such as closures, speed restrictions, obstructions on the line, etc. Digital processes will also enable adaptive train routing with systemic conflict detection and resolution, energy optimisation and real-time information from the traction units.

The other improvements are manifold, for example, ride comfort can be further enhanced by optimising the braking and acceleration of the trains. The possibilities in the area of customer information are also diverse: from intelligent passenger guidance at the station to make it easier to find your way approx. and reach the right train without stress, to individualised digital travel information in real time. In summary, digitalisation enables the necessary capacity increases so that even more people are able and want to use the railway in the future.

Driving the energy transition further forward

ÖBB-Infrastruktur AG takes climate protection and climate change very seriously. It considers itself to be a committed climate protector and wants to increase its level of self-sufficiency for traction current from the current 60% to 80%. This is to be achieved exclusively using renewable energies. Energy requirements are already covered on a large scale by hydroelectric and solar power.

A prototype system with approx. three MW was realised to investigate the suitability of wind power as a traction power supply. The construction of the world's first 16.7 Hz wind turbine in Höflein is ÖBB's first experience with wind power for traction power supply. The experience gained will be incorporated into further wind power projects. The energy generated by the wind turbine can be fed directly into the railway's own grid. This means that existing renewable energy resources are utilised directly where they are consumed. This reduces the load on the grid, and losses due to transformation and transport are avoided.

ÖBB-Infrastruktur AG is not only concerned with active climate change mitigation, but also with the existing and future challenges posed by climate change and how they affect the railway infrastructure ecosystem. Sustainability and climate robustness needs to be developed further in this area. Firstly, to minimise the impact on the environment caused by structural measures in railway operations, and secondly, to protect the infrastructure itself from environmental influences. The railway in its entirety is to become more climate-resistant, more robust and also optimised in this respect.

C.6. Other important events and outlook

Trend.Radar

ÖBB needs to know the content of the trends that move the business and the industries or could influence them in the future. Should this knowledge be lacking, we automatically lack the basis for professional management. The discovery, analysis and evaluation of trends can therefore not be outsourced, but must take place within the Group. The motto is: Invest today in the future of tomorrow.

Every day, companies make decisions that have a major impact on their economic success. All of these decisions are based on assumptions about how markets, society and technologies, as well as other factors, are expected to develop.

Trend management has established itself as an essential building block for understanding and actively shaping future developments.

The objectives of the Trend.radar at ÖBB are based on the core values "identification of growth potential" and "development of competitive advantages".

Analysing trends offers many opportunities to understand the market and its dynamics and to make future developments transparent and comprehensible. This results in advantages such as knowledge of the key future fields of action, setting the course for future topics at an early stage, strengthening competitiveness, positioning as a future-oriented company with strategic foresight, etc.

Implementation and further development of the strategy – the annual strategy review process

The Group-wide strategy review established at ÖBB in its standardised form and procedure offers an efficient and replicable annual cycle and allows a high degree of consistency in implementation. At the same time, the strategy review process ensures that the key strategic issues are taken into account in budget and medium-term planning.

Consistent implementation of the strategy requires a clear orientation of the organisation, a structured approach to describing and sharpening the objectives and, on the other hand, the involvement of the organisation.

ÖBB's strategic orientation and strategic goals were confirmed in the last review process – despite some serious changes in the market environment. Increasing capacity, optimising operating costs, decarbonising the mobility system and the basic values of punctuality and safety all need to remain the focus of strategy implementation in order to further increase competitiveness.

The market environment for operationalising the strategy has become tougher since the strategy was endorsed. The significant price and cost increases in the areas of energy, materials, labour, interest rates, etc. are particularly noteworthy. This includes volatile energy markets and the synchronous expansion of renewable energies in Europe, the disruptions and bottlenecks in strategically relevant supply chains (construction, digitalisation, vehicles) and the serious changes in the labour market.

Corresponding countermeasures were implemented in the respective sub-strategies to ensure that the targets were achieved.

The strategic KPIs (KPI = Key Performance Indicator) established in the Group serve to further operationalise the Group, market and functional strategies and to continuously track their achievement. These KPIs support the Group companies in the specific descriptions of the objectives and link the impact of the relevant initiatives (projects, programmes, etc.) on strategy implementation. This reinforces the direction of day-to-day work in its alignment with strategy.

Earnings outlook

Budget- and medium-term planning are based on the strategic Group goals. Specific initiatives and measures – supported by the Nordstern program – map the path to achieving the Group's strategic goals in the medium-term planning cycle for the next six years.

In doing so, ÖBB is guided by standards of customer centricity, competitiveness, operational excellence and innovative strength in its products and services. With these aspects in mind, ÖBB set itself the goal of remaining the clear number one inAustria as amobility and logistics providerand ofbeing one of the major players in Europe. Inaddition, a significant contribution is being made by the ÖBB in the implementation of the prescribed energy and climate objectives in Austria, as set out in 2018 in #mission2030.

As in the previous year, the planning for the 2024 budget and the medium-term plan for 2025 to 2029 is characterised by the effects and consequences of the geopolitical crises and the resulting inflationary environment. A decade of moderate economic growth against a backdrop of low interest and inflation rates in the context of relative economic and geopolitical security has led to a lasting change in these framework conditions. Even in this economic environment, the ÖBB Group is standing by its long-term goals of expanding and improving its mobility and logistics services as well as its railway infrastructure in terms of efficiency, safety and punctuality. The volume of the associated current and future investment projects in conjunction with the higher interest assumptions compared to the previous year's planning means a further increase in the degree of tension in the operating results.

The budgeted EBT of the ÖBB Group for 2024 amounts to approx. EUR 142.7 million and is therefore at the level of the previous year's medium-term planning for 2024.

Development of EBT in EUR million	2022	2023	Budget 2024	Medium-Term Planning 2029
ÖBB-Personenverkehr subgroup	158.2	109.1	126.8	399.3
Rail Cargo Austria subgroup	7.3	13.0	3.3	121.3
ÖBB-Infrastruktur subgroup	-15.7	7.7	6.4	11.0
ÖBB Group	193.2	111.6	142.7	542.0

D. Real estate management

ÖBB is one of the largest property owners in Austria with approx. 23,000 properties. ÖBB-Immobilienmanagement Gesellschaft mbH is a wholly owned subsidiary of ÖBB-Infrastruktur AG. It acts as a comprehensive real estate service provider primarily within the ÖBB Group.

The ÖBB-Immobilienmanagement Gesellschaft mbH develops and disposes of non-operating properties and manages a comprehensive portfolio over its entire life cycle. This includes approx. 3,595 buildings and 1,031 passenger stations and stops. The range of services includes commercial and technical property management. This also includes responsibility for all building construction facilities of the ÖBB Group, including railway stations. Their area of responsibility also includes the creation of quality standards and testing systems relevant to building construction. Approx. 800 employees throughout Austria ensure the professional and efficient handling of the comprehensive service portfolio.

In the 2023 financial year, the ÖBB Infrastructure subgroup generated earnings contributions proceeds less carrying amounts and provisions) of approx. EUR 20.5 million (py: approx. EUR 72.7 million) from the sale of real estate.

E. Personnel Report

The ÖBB Group is one of the largest employers in Austria and that with a wide range of job profiles. As per 31.12.2023, there were 43,190 (py: 42,603) active employees (excluding apprentices) throughout the Group. This is a slight increase in the number of personnel compared to the previous year. The ÖBB Group is also one of the largest training institutions in Austria. At the end of the year 2023 there were 1,851 (py: 1,766) apprentices in training. In addition, 191 (py: 212) apprentices were trained via the General Private Foundation for Vocational Training in the reporting year. The average age of employees in Austria (excluding apprentices) was approx. 44.4 (py: approx. 44.9). The proportion of women (including apprentices) was approx. 16.1% (py: approx. 15.1%).

The employee structure in the ÖBB Group GRI 2-7

Number of employees (headcount)	Dec 31, 2023	Dec 31, 2022	Change Reporting date	Change in %	Average 2023	Average 2022
Employees	17.453	16.168	1.285	8%	16.927	15.559
Workers	12.262	11.383	879	8%	11.897	11.003
Tenured employees	13.475	15.052	-1.577	-10%	14.237	15.768
Total (excl. apprentices)	**43.190**	**42.603**	**587**	**1%**	**43.061**	**42.330**
Apprentices *)	1.851	1.766	85	5%	1.619	1.594
Total (incl. apprentices)	**45.041**	**44.369**	**672**	**2%**	**44.680**	**43.924**
thereof abroad	*4.589*	*4.611*	*-22*	*0%*	*4.601*	*4.517*

*) In addition, 191 apprentices were employed in the 2023 financial year via the General Private Foundation for Vocational Training. GRI 2-8

Number of employees (FTE)	Dec 31, 2023	Dec 31, 2022	Change Reporting date	Change in %	Average 2023	Average 2022
Employees	16,961.3	15,737.9	1,223.4	8%	16,456.8	15,158.5
Workers	*12,071.3*	*11,228.9*	*842.4*	*8%*	*11,720.8*	*10,855.1*
Tenured employees	13,055.1	14,623.7	-1,568.6	-11%	13,812.3	15,333.2
Total (excl. apprentices)	**42,087.7**	**41,590.5**	**497.2**	**1%**	**41,989.9**	**41,346.8**
Apprentices *)	1,851.0	1,766.0	85.0	5%	1,618.7	1,593.9
Total (incl. apprentices)	**43,938.7**	**43,356.5**	**582.2**	**1%**	**43,608.6**	**42,940.7**
thereof abroad	*4,550.0*	*4,580.6*	*-30.6*	*-1%*	*4,562.6*	*4,487.2*

*) In addition, 191 apprentices were employed in the 2023 financial year via the General Private Foundation for Vocational Training. GRI 2-8

Tenured employees are ÖBB employees who are subject to the "General Contractual Conditions for Employment Contracts with Austrian Federal Railways" (AVB). They joined before 01.01.1995 and may not be dismissed on the basis of the provisions of the AVB. In the sense used here, the term is also understood to include the former postal workers at the Postbus. This category of employees will shrink over the next few years due to an impending wave of retirements.

* especially ÖBB-Business Competence Center GmbH, ÖBB-Produktion Gesellschaft mbH

The division with the highest personnel intensity as at 31.12.2023 was the ÖBB-Infrastruktur subgroup. This group accounted for 41% of all employees, including apprentices.

Strategic direction

Strategic HR Management, together with the HR management of all ÖBB Group companies, sees itself as a strategic sparring partner for managers and supporters in the design and implementation of the corporate strategy. HR is also the point of contact for employees during their employee journey in our company. HR's work ensures that the right employees are available in the ÖBB Group at the right time, in the right place and with the right qualifications. Strategic HR Management, together with all sub-companies, therefore makes a significant contribution to the internal and external perception of the ÖBB Group, both among employees and potential applicants. Our task and goal is to position ourselves as an attractive employer that lives and promotes diversity. HR is preparing for future challenges along the four strategic thrusts of "Efficient and modern HR management", "Learning and development", "Culture and diversity" and "Strong employer brand". It is developing the ÖBB Group into a top employer and a benchmark for future-orientated HR.

"Efficient and modern HR management" is aimed at standardised, efficient processes with clearly defined responsibilities, including a Group-wide, holistic HR IT system landscape. "Learning and development" focusses on the targeted and sustainable development of employees with state-of-the-art learning concepts and innovative methods and systems. "Culture and Diversity involves using diversity expertise to solve challenges. This means safeguarding and strengthening our employees' ability to work and their health as well as promoting an open, appreciative and solution-orientated culture of cooperation. "Strong employer brand" includes the design of attractive and modern working and employment conditions (part-time, job sharing, home office, etc.) along the life phases involved. In contrast, "strong employer brand" means positioning ourselves as an employer with a wide range of development opportunities, jobs with purpose and a reliable and secure environment, as well as room for diversity.

HR Organisation

The "HR 2025" programme provided the impetus for a multi-year transformation process. The main objective was to realign ÖBB HR in conformity with the business partner model. The Group-wide bundling of HR services was successfully completed in 2023 after intensive work on content, processes and organisation. The work was conducted in the specialist areas of recruiting and employer branding, personnel development, culture and leadership, employability and health, inclusion and diversity as well as standards and labour law.

HR-IT-Transformation (HR-IT-T)

In 2023, the HR-IT-Transformation (HR-IT-T) programme was initiated as a multi-year project to drive forward the path to modern, fast HR management with efficient processes and digital solutions.

A complete reorganisation of HR IT solutions for talent management will implement forward-looking, system-supported HR capabilities (end-to-end solutions). Topics such as "sourcing", "modern forms of learning" and "succession planning" were brought into the Group and end-to-end workflows were set up along the entire employee lifecycle. This enables paper-based work to be replaced, processes to be accelerated, a consistent database to be made available and a fully integrated HR IT system landscape to be provided.

The transformation is a key lever for efficient HR management thanks to the orientation towards industry standards, the streamlining of HR processes and the focus on state-of-the-art solutions, and provides a major contribution to positioning the company as an attractive employer on the labour market.

In January 2023, the new service design for occupational health management was launched – as an in-house consultant for the areas of "fitness for work" and "health". This was preceded by the bundling of the topic in ÖBB-Business Center GmbH from June 2022. This was accompanied by the establishment of regional health advisors throughout Austria as part of a one-face-to-customer principle. This means that all ÖBB Group managers in Austria have a direct contact person for these issues. The aim of this measure is to support managers in promoting and ensuring the health and fitness for work of their employees as part of their duty of care. The focus here is on relationship-oriented measures to harmonise people, technology and organisation, particularly in a dynamic working environment. Specialist advice is provided by a multi-professional team from the fields of occupational medicine, psychology, ergonomics, health promotion and data science. The measures taken and the successes achieved are localised in active portfolio management.

HR-European-and-Labour-Relations

In 2023, a new two-year work programme was concluded in the Railway Sectoral Social Dialogue. This was concluded between the Community of European Railway and Infrastructure Companies (CER) for the employers and the European Transport Workers' Federation (ETF) for the employees. The focus includes the further development and implementation of activities relating to the joint declaration on increasing the proportion of women, Women in Rail, and the "Train Driver Directive".

STAFFER provides the framework for a Europe-wide "Blueprint". STAFFER is a project within the EU funding of "Sector Skill Alliances" 2020. At approx. EUR 4.0 million, it is one of the largest qualification alliance projects funded by the European Commission. It comprises of 31 full partners and 14 associated partners from 13 countries. The fundamental aim of the project is to develop and validate appropriate education and training pathways and curricula for the whole railway sector. This is to effectively increase employability and career opportunities in the sector. The starting point for this is the identification of current and future qualification and competence needs. Accordingly, Europe-wide mobility programs and work-based internships for students, trainees and employees are implemented. The project was launched on 01.11.2020 and has a duration of 48 months (until 31.10.2024). Currently, the task is to derive suitable measures from the evaluations as well as to create specific teaching and training programs in cooperation with the identified occupational profiles.

Equality/Diversity Management in the ÖBB Group

An institutionalised system of regional equal opportunities officers operates within the ÖBB Group. It is responsible for compliance with the Equal Treatment Act, is the point of contact and ensures equal treatment for all employees. GRI 2-26

In 2023, the scope of application of the ÖBB Equal Treatment Policy, which has been in effect in the national ÖBB Group since 2011, was also extended to ÖBB's foreign companies with more than 100 employees. Since 2022, all ÖBB apprentices in their first year of apprenticeship have been sensitised to equal treatment and familiarised with the internal system for ensuring equal treatment within the ÖBB Group. In addition, workshops with external expert systems such as "StoP" and "White Ribbon" have been held for ÖBB apprentices since 2023. Cooperation with the youth representatives was intensified. In 2023, a qualification and training campaign for managers and team coordinators was also launched with a focus on skills development: "Equal Treatment – Rights and Duties for Managers and Team Coordinators", "Diversity & Inclusive Leadership" and "Sexual Harassment in the Workplace".

Companies that promote diversity are attractive employers. Companies that promote diversity bring a wide range of skills to their teams, which also benefits customers, in this case travellers. Our own ÖBB diversity strategy, which applies to the entire Group, was endorsed in 2023 in order to achieve these goals both within the Group and on the market. The ÖBB Group has received several awards for its consistent work on diversity: the "Meritus Award" in 2017, the "Divörsity Award" in 2019, the "equalitA" seal of quality in 2020, the "SHEconomy Minerva Award" for the cross-mentoring programme in 2021 and the "Diversity Leader" award in 2022 (Financial Times). In 2023, the ÖBB Group improved from 447th to 116th place in the Europe-wide benchmark as a diversity leader and took third place in Austria behind Dynatrace Austria GmbH and Erste Bank Group.

Increasing diversity

A strategic diversity goal throughout the Group is to increase the proportion of women. The Women's Career Index (FKI) was surveyed to promote this goal consistently and sustainably. An action catalogue for the sub-societies was drawn up with interviews following in-depth exploration. Preparations for implementation and monitoring were taken forward as the next step. A new indexation took place in 2023. The ÖBB Group in Germany was able to improve in all index areas and, with an overall index of 80 points, is well above average in the benchmark with other FKi-indexed companies.

In addition, a variety of programmes contribute to empowerment: These include various cooperation and training programmes (including with AMS, ÖIF and various NPOs) or qualification offers (e.g. online training: "Strengthen your appearance! Appearance and negotiating skills in MAG"). Existing programmes for career development in digitalised form, as well as coaching for women, the cross-industry cross-mentoring programme and ÖBB networking events also serve this purpose.

Other flagship projects: "SHE goes DIGITAL", cooperation with the Austrian Integration Fund (project: "Compass – 100 women, 100 opportunities") and the "You are our potential" campaign

SHE goes DIGITAL: ÖBB is also doing its part to make digital professions more attractive for girls and women. Fear of contact is reduced and it is shown that digitalisation has already arrived and is omnipresent in all our professional fields (whether in operational or administrative areas). In 2022, the "SHE goes DIGITAL" project invited young women, women returning to work and women aged 50+ to discover the opportunities offered by digitalisation. They explored the corporate world of ÖBB and gained a practical insight into the extensive field of digitalisation. The project was initiated by Doris Schmidauer, Marlies Lenglachner and Dorothee Ritz. Many companies – such as A1, ASFINAG, Coca Cola and BRZ – are taking part in this initiative. In 2023, preparations were made for the "SHE goes DIGITAL 2024" event.

Cooperation with ÖIF: ÖBB also cooperates with the Austrian Integration Fund as part of the "Kompass – Career Paths for Immigrant Women" project in order to familiarise immigrant women with the wide range of career paths and job opportunities. The project provided relevant insights into the wide range of job opportunities within the ÖBB Group and shared information. The positive collaboration was continued in 2023.

“You are our potential“ is an internal awareness-raising initiative to increase the visibility of employees with visible and invisible disabilities and chronic illnesses, as well as raising awareness among managers and employees. The aim of this initiative is to facilitate participation and break down barriers. The campaign also aims to increase the proportion of employees with disabilities (degree of disability of ≥ 50%) from 2.7% (ÖBB domestic) to 4.0% as set out in the ÖBB Diversity Charter 2026. The campaign also aims to increase employee satisfaction. The aim is to make it easier to talk openly about disabilities and chronic illnesses and to create a barrier-free working environment. Communication takes place via news articles, postings on Viva Engage, screens and events. A new network for employees with disabilities was also established as part of the campaign. The new Diversity Council, which comprises of employees in the regions, ensures knowledge sharing across the organisation.

The overall percentage of women in the ÖBB Group increased by 1.0% compared to the previous year’s reporting date and now stands at 16.1%. The percentage share of apprentices increased by 0.4% and is currently 18.9% (excl. foundation apprentices). 45.8% (59.4% excluding employee representatives) of the Supervisory Board mandates for the joint stock corporations were held by women, as of the reporting date. There has also been a 1.1% increase in managerial positions to 19.1% from 18.0% in the previous year. Women accounted for 42.0% of participants at the ÖBB academy training programs in 2023.

An important factor of employer attractiveness is good compatibility of work and private life. This topic is also part of the ÖBB Equal Opportunities Policy. Among other aspects, it provides for specific measures to promote the reconciliation of work and private life. These include childcare throughout Austria during holidays and on national holidays, or kindergartens close to the workplace. Other measures include Nannies4ÖBB-Kids and the RailMap*Reconciliation of work and private life, an information portal on maternity leave, care and ÖBB’s reconciliation offers. In addition, the digital platform for care and support counselling “Alles Clara“ supports ÖBB employees in caring for close relatives. In 2023, a Group-wide work-life balance strategy – with a focus on childcare in the area – was endorsed. The regional childcare services offered throughout Austria were also expanded during the holidays and on public holidays.

Employees with Disabilities Program (Disability Management)

Another strategic goal is to continually increase the number of employees with special needs. The implementation of disability management at ÖBB-Holding AG marks a fundamental step towards the successful implementation of the “Employees with Disabilities“ program. This is accompanied by disability awareness training for managers and employees as well as training on accessible communication. The ÖBB Group’s team currently includes 662 employees with health-related disabilities whose degree of disability is over 50%. A specialist in disability management and accessibility at the workplace as well as the group’s disability liaison officers are available to provide personal support. Practical knowledge transfer has taken place since 2022 via webinars on topics such as accessible recruiting, inclusion management and accessible communication. The e-learning programme “Disability Management“ ensures a minimum level of qualification for managers and employees. In addition, further qualification offers were added to the ÖBB training catalogue in 2023.

The further steps set out in the Charter for Inclusion have been implemented. The Action Plan 2026 was presented on 03.12.2021 and with it the implementation of measures to increase the proportion of employees with disabilities in the Group’s domestic operations was fixed. The basic measures include the “Inclusive Workplace” checklist for evaluating barrier-free and diversity-sensitive workplaces as well as the cooperation with the myability-jobbörse. These measures should help to ensure that as many people with a facilitated disability as possible apply for suitable jobs. In 2022 / 2023, inspections were conducted in selected railway bistros and at the Lassallestrasse site, digitally recorded and measures to improve accessibility in the workplace were derived. Also in 2023, a cooperation was entered into with specialists in order to recruit people in the neurodivergent spectrum for the ÖBB Group and to provide them with good support during the familiarisation period. In addition, another cooperation partner was found with “NEBA” (Netzwerk Berufliche Assistenz) in order to recruit people with disabilities for ÖBB and obtain advice in this area.

Intercultural competencies

ÖBB is facing a generation change in the company and Austria, like other countries, is in the midst of a socio-demographic population trend. In this context, tapping the potential of the labour force with a multicultural background is a key challenge and economic goal. This applies equally to the composition of the workforce and to the handling of the mobility market. Improvements to our intercultural fitness are being addressed at various different levels. This includes training on the topic of intercultural collaboration, cooperation with organisations such as Volkshilfe and the Austrian Integration Fund, as well as internal discussion events on cultural diversity within the Group. The apprenticeship training of unaccompanied refugee youths with asylum status is also particularly noteworthy. This initiative has already been promoted since 2012 with the Lobby.16 association and since 2016 also with the support of the AMP. The focus is also placed on female young people with asylum status.

A workshop on "Anti-racism and civil courage" was also organised with the youth representatives to address intercultural skills as part of the International Day against Racism. The aim was to show the youth councils and apprentices how they are able to take a stand against racism.

Active Community-Building

Employees and travellers from different cultures are a great enrichment for ÖBB. The discussion among the travellers and with the personnel of the ÖBB are the motivation to start the program "Safe & Respectful – Together on the Road". This programme aims to engage with gatekeepers in the individual communities and promote dialogue. In 2023, the focus was on „Black Community".

More than 3,700 colleagues from 95 countries working in the ÖBB Group are involved – and the trend is on the rise. This diversity of cultures and languages should be actively utilised. The language learning exchange makes it possible to find language learning partners and organise a free language exchange (tandem) with them in their free time.

Performance Management – Leadership Competence

More than ever, leadership behaviour and management culture are decisive parameters for further developing ÖBB and ensuring joint success. Leadership work at ÖBB is guided by ÖBB's values, but above all by ÖBB's leadership principles. These guidelines for leadership provide clear direction, ensuring consistent and harmonious practices across the Group. In the following section, we would like to explain the most important tools and measures for securing and strengthening leadership skills.

Leadership work is measured using a leadership assessment in the form of 360° leadership feedback. Most recently in 2021, all participating managers received feedback on their own leadership behaviour using this tool. The feedback was drawn up from an all-round view and summarised in the form of a results report. Each manager was offered a coaching session or an interpretation of the results with a coach.

Development conferences were held in all organisational units and reporting levels in 2022 following the 360° management feedback. The first ÖBB-wide top development conference took place on 07.03.2023. The participants in this Top development conference were CEO Andreas Matthä, Head of Strategic HR Management Martina Hacker and the HR Board members and HR managers of the subgroup companies. Each subgroup company presented those managers who had been identified as outstanding talents, strong talents with potential or future talents in the assessments.

The objectives of the TOP development conference were
- Group-wide transparency about outstanding management talent
- Highlighting talent at ÖBB in the form of a talent pool
- Promotion of individuals through targeted HR development measures (potential analysis, coaching, job rotation)

The overall evaluation from the leadership assessments and the needs assessment in all subgroup companies formed the basis for the design of a comprehensive leadership development programme for ÖBB. The ÖBB Business Competence Centre invited tenders for 26 management training topics in the second half of the year. The programme includes suitable training opportunities in equal measure for both experienced and new managers. The general aim is for participants to gain more confidence, develop their leadership behaviour and be able to cope with the challenges of the new world of work. The programme is scheduled to launch in 2024.

The leadership impulses launched in autumn 2022 were continued in 2023 and continue to be an essential cornerstone of ÖBB's management development due to the very positive feedback.

All offers are conducted throughout the Group and on an inter-company basis.

This initiative makes a joint contribution to management culture and development, as expanding and ensuring the effectiveness of managers are more decisive parameters for joint success than ever before.

The introduction of a comprehensive performance management system is planned as part of the “HR-IT Transformation” programme. It is designed to cascade company goals, track goal status and progress, digitally support employee meetings and collect feedback. In addition, the introduction of a system for structured succession planning and for the visualisation and promotion of talent is planned.

IT integration is preceded by the development of a process landscape for succession planning, talent management and performance management, which is a key part of the project.

Another milestone in 2023 was the Group-wide ÖBB employee survey, which is conducted on average every two years in cooperation with IFES. The employee survey provides the Executive Management and company management with valuable feedback on the employees’ identification with the company, job satisfaction and the effects of workloads. It is therefore an indispensable element for improving the quality of leadership and employee loyalty and ultimately an important element in the success of the company.

All employees and apprentices in the ÖBB Group were invited to take part in the survey conducted between 02. and 22.10.2023. 63% accepted the invitation in 2023 – more than ever before.

The answers to the questions are summarised in three important topics:

Identification

ÖBB wants to position itself as an attractive employer – one that people enjoy working for and with whose values, actions and behaviour all employees identify.

Job satisfaction

There is no successful company without satisfied employees. As before, the primary objective is to achieve a long-term and sustainable increase in job satisfaction and to eliminate weaknesses through targeted improvement measures.

Working capacity

Our goal is to positively influence the health and fitness for work, as well as the performance and productivity of our employeesin thedaily work process. This requires measuring the extent to which resources and stresses affect employees’ ability to work.

The results from the respective areas support ÖBB in developing measures to improve results or maintain them at a high level.

Personnel development and generation change in the ÖBB Group

The topics of personnel development and generational change also represent an important building block for the ÖBB Group in preparation for the future. Further information is available in the Sustainability Report in sections G.15 Generational change and G.17 Training and development.

F. Opportunity and Risk Report

The opportunity and risk management procedure applies to all relevant business processes and key financial indicators in the main Group companies, and therefore is considered to be an important instrument of corporate governance. The objective is to promptly identify and proactively manage opportunities and risks through appropriate measures. The objective is to protect existing and future success and growth potential. All identified opportunities and risks are subject to ongoing quantitative assessment, particularly with regard to their potential impact and probability of occurrence. This is based on updated valuations, empirical values or newly acquired findings.

The ÖBB Group defines opportunities and risks generally as events or developments that might cause a positive or negative deviation of results from the assumptions made during planning. As a consequence, a review of the opportunity and risk portfolio is reviewed in synchronisation with the planning processes in each case.

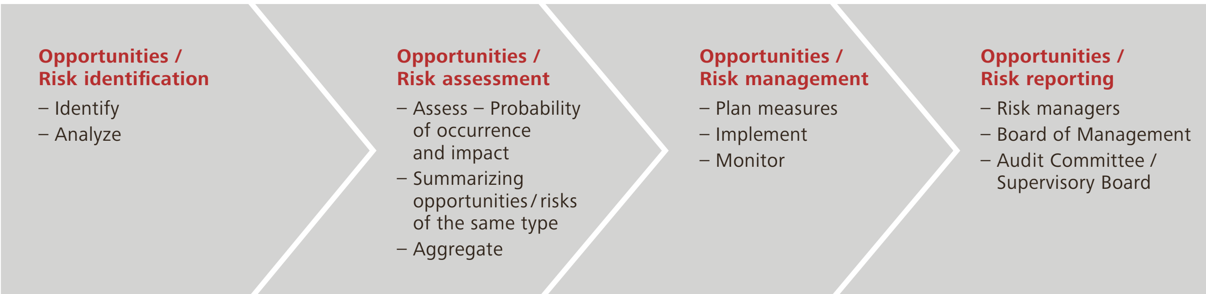
This ensures that the Supervisory Board and Audit Committee of ÖBB-Holding AG and of the Group companies are provided with detailed information regarding the current opportunity and risk situation. The primary objective of the risk policy is to ensure the unrestricted safeguarding of the company's activities. Accordingly, risks are only taken if their dimensions are assessable and are accompanied by an expected increase in earnings and company value.

Ukraine crisis

In view of the geopolitical developments in Ukraine, the ÖBB Group paid increased attention to possible influencing factors due to the existing conflict during the reporting period as part of the regular risk inventory. Group-wide (technical, personnel and procedural) measures to prevent sanctions violations were implemented and monitored. The Supervisory Board was informed about risks and the measures introduced as part of risk reporting.

The uncertainties and effects of this situation that are relevant for ÖBB are able to be assigned to the existing risk categories analogous to the general risk inventory.

Opportunity and risk management process



This process is supported by risk management software. In 2023, the software used was reviewed for functionality and state-of-the-art capabilities in an extensive market survey and subsequently updated to the latest technical standard.

Individual risks and opportunities are assessed not only by the technical experts but also in the Group-wide opportunity and risk platform. Reports are then prepared for the management bodies that show the most important risks and the corresponding countermeasures or opportunities. On this basis, the Supervisory Boards and the appointed audit committees of ÖBB-Holding AG and the Group companies are provided with comprehensive information on the current opportunity and risk situation.

The most important opportunities and risks for the year 2024, none of which pose a threat to the company's continued existence, are distributed among the individual opportunity and risk areas as follows:

Strategy

The potential consequences of future pandemics are taken into account across the Group as risks with regard to a possible deterioration in earnings and liquidity. The experience and knowledge gained from dealing with the Covid-19 pandemic will have an impact.

The "Nordstern" programme is still being implemented and – building on previous years – is a key factor in the secure future orientation of the ÖBB Group. This transformation programme was developed with the involvement of all Group companies. It is intended to prepare the company for significant challenges and risks in the coming years, which are expected to result in particular from intensified competitive pressure and technological change. Defined measures for implementing the concept are taken into account in budget and medium-term planning. Regular monitoring of the strategic measures is performed.

Increased attention is also being paid to the topics of "knowledge transfer" and "succession management", with the generational change simultaneously acting as an opportunity to successfully position the organisation for the future.

Operating business

Regular inspections of assets are undertaken as measures to reduce the risk of a drop in revenue and additional expenditure due to quality problems with assets – for example rolling stock and locomotives. Reporting systems are being optimised, maintenance services are being extended to additional providers and counteractive emergency systems improved. The risk of terrorist attacks and acts of sabotage is minimised through targeted measures and instructions (behavioural recommendations) as well as through close cooperation and coordination with the Federal Ministry of the Interior. Existing emergency and contingency plans are regularly evaluated and reviewed as part of appropriate exercises. These statements also apply to the Group-wide risk of a possible blackout. In the event of a general grid failure, appropriate measures have been worked out and mapped in an evaluated form in risk management. Risks from force majeure and natural hazards are countered with established systems and programs. For example, a natural hazard management system has been implemented (incl. weather information system, flood information system, natural hazard information map). The risk of non-implementation or partial implementation of planned measures to increase productivity is monitored and minimised through ongoing monitoring of the measures.

Sales and distribution

Risks are posed both by uncertainties relating to economic developments and the resulting lower numbers of travellers and transport volumes, as well as by increasing competition. Procurement risks that materialise in procurement due to price increases have an impact on sales due to a lack of compensation on the customer side. Price and volume risks in the portfolio take this development into account. Observation and analysis of customer behaviour, targeted adjustment of the offer and corresponding negotiations with regard to service compensation contribute to the reduction. Both the expansion of the company's portfolio as well as corresponding new offerings increase the chances of acquiring new markets and customers or further exploiting the market potential of existing customer groups. Risks arising from dependence on individual major customers are countered by increasing customer loyalty and monitoring the market situation of customers.

Personnel, management and organisation

A pandemic virus that causes contagion among staff may – analogous to the COVID-19 situation – lead to resource bottlenecks. The behavioural and organisational measures already developed and preventive health measures may have a risk-reducing effect.

There is a risk in the personnel area that the non-implementation or partial implementation of planned measures such as efficiency improvements, appropriate recruiting and sufficient knowledge transfer that additional personnel expenses are generated. Comprehensive monitoring has the effect of minimising risk.

Uncertainties regarding the development of inflation led to increased risks in relation to planned salary valorisations in the reporting year, as salary agreements may deviate from the plan each year. Various compensatory measures are being developed to counter this risk. This enables an according reaction should this risk materialise and thus keep the impact on results to a minimum.

Law and liability

The "Code of Conduct" contains the ethical principles and general principles that guide the Group's business activity. This code mitigates, among other things, the risk of costs arising from penalties for violations of antitrust regulations.

The existing compliance team works primarily in this risk area as a key part of the early risk detection and monitoring system. This ultimately serves to avoid risks and as such prevent damage. Changes in legislation and regulations can lead to increased system costs, for example, due to new technical or organisational requirements. This applies both at national and international level. Accordingly, developments are carefully monitored and examined for possible effects in order to be able to react at an early stage.

The Association Liability Act stipulates that a company can be held liable and punished for criminal offences committed by its employees or decision-makers. This risk needs to be addressed. The legal risk management system of the Group addresses this risk by identifying offences under criminal law. Furthermore, in the areas of negligence, the environment and corruption, for example, the current status is assessed and measures are taken to avoid risks. Preventive measures have also been taken with the introduction of control and reporting systems, as well as with the issuing of general behavioural instructions through the "Code of Conduct". Appropriate training and the creation of clear areas of responsibility also serve to minimise risk.

Risks and opportunities arising from ongoing proceedings are mapped in opportunity and risk management and minimised through appropriate support from the responsible legal departments.

Purchasing and procurement

On the purchasing side, there are risks that – in addition to other procurement risks – arise directly or indirectly as a result of the Ukraine crisis in the form of price increases for energy, raw materials and components. The observation and analysis of the markets and the selective procurement and distribution decisions derived from this, in combination with appropriate contractual arrangements, make a reduction in the risk situation possible. The price issue can be accompanied by delivery delays that make operations more difficult. These risks are mitigated through intensive contacts with suppliers and service providers.

Data processing

System failures have the potential to cause additional costs and loss of sales for the operating divisions, as well as legal consequences. A large number of measures are implemented on an ongoing basis to minimise this risk and ensure that business activities are conducted in the interests of customers. In addition to availability, the focus is also on ensuring the other protection goals of information security: confidentiality and integrity. In 2023, a comprehensive information security strategy with clearly defined focal points and principles was endorsed. Intensive and comprehensive work is now underway to implement these measures, supported by a structured management system. This takes place both in regular operations and as part of programmes and projects. For example, a project to develop comprehensive, targeted and appropriate awareness measures is being finalised. An overarching project was also launched to prepare for the new legal situation with regard to NIS-2. The strong public response to generative artificial intelligence (AI) caused this topic to be addressed within ÖBB. As a result of this, awareness measures regarding the use of generative AI were implemented and the establishment of corresponding governance was begun, based on the available draft of the European Union's AI regulation. This is based on the existing draft of the European Union's AI Regulation. The aforementioned measures and initiatives show part of the broad spectrum in which strategic and operational measures are implemented and information security is systematically managed.

Subsidiaries and investments

Subsidiaries and shareholdings are considered within this risk area. There is a risk here that budgeted figures will not be achieved and that fixed assets will have to be written down in the course of impairment tests or that impairment losses will have to be recognised on shareholdings. To mitigate risks, developments are monitored and analysed on an ongoing basis as part of the controlling process allowing countermeasures to be taken in good time.

RCG maintains a company in Russia (ooo "Rail Cargo Logistics – RUS"). There is a limited continuation of business operations in terms of the RCG's defined approach under the sanctions regime. The Russian business of ooo "Rail Cargo Logistics – RUS" is of only minor importance to the Group's performance.

Risks related to financial instruments

Original financial instruments

The ÖBB Group holdings of original financial instruments are shown in the statement of financial position. These are receivables and liabilities from financing activities, trade receivables and payables as well as financial assets and securities. Detailed information is available in the corresponding notes to the consolidated financial statements.

Derivative financial instruments

ÖBB Group employs derivative financial instruments to hedge against risks associated with currencies, interest rate changes and raw material prices. Furthermore, a derivative exists to offset mismatches from payment flows arising from former CBL transactions. Derivative financial instruments are concluded only with reference to a hedged item. Derivative financial instruments are measured in accordance with the applicable accounting standards.

The derivatives used in the ÖBB Group are non-structured standard hedging transactions (forward exchange transactions and commodity swaps) with a nominal value of approx. EUR 466.7 million (py: approx. EUR 468.2 million).

In 2023, commodity swaps were concluded for the delivery years 2024 and 2025 with a nominal value of approx. EUR 26.6 million.

In 2023, currency swaps with a nominal value of approx. EUR 4.8 million were concluded.

Risk definition and risk management with respect to financial instruments

ÖBB-Holding AG conducts financial transactions in the name and for the account of Group companies – on their behalf and only with their consent. Exceptions are the hedging instruments of commodities ÖBB-Holding AG has created a risk-orientated control environment. It includes, among other elements, policies and procedures for the assessment of risks as well as approval, reporting and monitoring of financial instruments. Top priority in all financial activities is to safeguard the assets of the Group companies. All of this is the task of the Group Finance department. A key part of its activities is the identification, assessment and limitation of financial risks. Risk limitation does not mean absolute elimination of financial risks. Risk limitation means the reasonable and transparent control of quantifiable risk centres within a specific framework for activities that need to be agreed with the respective Group companies. A Group directive prohibits the issue or holding of derivative financial instruments for speculative purposes. In addition, Group guidelines define the authorised financial transactions. The most important financial risks are described in more detail below.

Liquidity risk

The primary aim of ÖBB Group in financial terms is to secure the necessary liquidity. Liquidity risk is the risk that a company may have difficulties in meeting its financial obligations arising from its contractual commitments. These may be settled by payment or delivery of another financial asset. A consistent safeguarding of the liquidity of all Group companies is one of the main tasks of the Group Finance department of the ÖBB Group. This task is accomplished through liquidity planning, the agreement of sufficient credit lines and the adequate diversification of lenders.

Interest rate risk

Risks from changes in market interest rates can influence the ÖBB Group’s financial result due to the existing structure of the statement of financial position. It is therefore important to limit the influence of possible market interest rate fluctuations on the development of results, while coordinating the level with the Group companies.

Derivative financial instruments for managing interest rate risks are transacted on the basis of portfolio analyses and recommendations by Group Finance, and of corresponding decisions by Group companies. No new derivatives were used from 2019 to mid-2022. This is due to the fact that the majority of the financial assets and financial liabilities are at fixed interest rates. In mid-2022, three fixed interest rate swaps with a nominal value of approx. EUR 196.0 million were concluded as part of variable financing. Please refer to item 29.2.a. of the notes to the consolidated financial statements for more information on cross-border leasing contracts.

Currency risk

ÖBB Group companies are not exposed to any material currency risks. Most finance agreements are denominated in Euro. Only one company in the Czech Republic raised a very small proportion of its financing in local currency.

There are no relevant currency risks from terminated cross-border leasing transactions. The contractual liabilities in foreign currencies are offset by corresponding investments and receivables in the same amount with matching volumes and maturities.

Derivative instruments that are suitable for the management of exchange rate risks (currency swaps) are concluded based on portfolio analyses and recommendations by the Group Finance department and on corresponding decisions of the Group companies.

Credit risk

Credit risk describes the potential for losses due to non-fulfilment of financial obligations by business partners. The risks relate primarily to money market transactions, trade receivables, investments and positive present value commodity derivatives. Counterparty risk management is subject to limits that are assigned individually for each financial partner and checked daily for compliance.

Counterparty risks exist outside the original transactions with ÖBB financial partners and in connection with terminated cross-border leasing transactions. For cross-border leasing transactions, security deposits, payment undertaking agreements and swaps were concluded with financial partners. They serve to pay leasing instalments during and the purchase price at the end of the term. Cross-border leasing management is concerned with the management, processing, risk management and economic termination of existing cross-border leasing transactions. The aim of cross-border leasing management is specifically to monitor all rights and obligations arising from the transactions. This includes ensuring contractual settlement, avoiding risks and guaranteeing the profitability of the entire portfolio.

Since 2020, all guarantees received from commercial banks have been included in the weekly limit distribution, and since the 4th quarter 2022, ESG ratings according to Sustainalytics have also been included.

Commodity risk

Electricity

ÖBB-Infrastruktur AG operates its own hydropower plants. It assumes the technical, commercial and legal responsibility for power installations and equipment and includes the energy efficiency competence center for energy procurement at ÖBB. Energy facilities are power plants, frequency shapers, substations as well as main supply facilities and control centres. Risk management in the energy area is provided by ÖBB-Infrastruktur AG.

Approx. two thirds of the required traction current and all the electricity to supply the operating facilities (stations, etc.) are procured from the electricity market. The ÖBB-Infrastruktur subgroup is therefore strongly affected by electricity price volatility. The risk management strategy therefore provides for price hedging.

It is especially relevant for the ÖBB-Infrastruktur subgroup that the prices are already hedged and fixed in advance. Price hedging takes place by concluding forwards and futures for the planned purchase quantities of traction current, loss energy and operating equipment as well as for emission certificates. In addition to price hedging, hedging also serves to increase planning security, which is necessary as a basis for price calculation. Further information are available in Note 29.4. to the consolidated financial statements.

Diesel

Corresponding diesel volumes are applied in principle at two companies in the ÖBB Group: Österreichische Postbus Aktiengesellschaft and ÖBB-Produktion Gesellschaft mbH.

Österreichische Postbus Aktiengesellschaft is the market leader in regional public road transport. The strategic Group purchasing department concludes framework agreements with several suppliers on the basis of information provided by the Österreichische Postbus Aktiengesellschaft in order to procure the required quantities of diesel. The term of the framework agreements is usually nine to twelve months. Fuel purchases are made on the basis of the conditions set down in the contracts plus a transport logistics premium as defined in the contract. The transport premium may vary depending on the point of delivery. This surcharge is fixed contractually in each case.

There is also the option for Österreichische Postbus Aktiengesellschaft to arrange for external fuel supply. There are framework agreements for fuel cards with various providers for this purpose. The conditions are regulated in the respective contract between the providers and Österreichische Postbus Aktiengesellschaft. The discounts vary depending on the supplier.

The raw material diesel represents a financial risk for Österreichische Postbus Aktiengesellschaft and thus also for the ÖBB Group due to the fluctuations in diesel prices. Price fluctuations have an impact on the cost of materials and thus on the result of Österreichische Postbus Aktiengesellschaft and subsequently on that of the ÖBB Group.

In light of the possible procurement strategies and for risk diversification, diesel price hedging was approved and implemented for up to a maximum of 24,563 metric tonnes of diesel for the 2024 delivery year and 12,173 metric tonnes of diesel for the 2025 delivery year. The aforementioned 24,563 metric tonnes correspond to 70% of the annual fuel requirements for 2024. The aforementioned 12,173 metric tonnes correspond to 35% of the annual fuel requirements for 2025.

ÖBB-Produktion Gesellschaft mbH provides its services mainly for its ÖBB Group parent companies ÖBB-Personenverkehr AG and Rail Cargo Austria AG. The strategic group purchasing department concludes framework agreements with several suppliers in order to procure the required quantities of diesel on the basis of information provided by ÖBB-Produktion Gesellschaft mbH. The term of the framework agreements is usually nine to twelve months. Fuel purchases are made on the basis of the conditions set down in the contracts plus a transport logistics premium as defined in the contract. The transport premium may vary depending on the point of delivery. This surcharge is fixed contractually in each case.

Diesel as a raw material represents a financial risk for ÖBB-Produktion Gesellschaft mbH and as such for the ÖBB Group due to the fluctuating diesel prices. The price fluctuations have an impact on the cost of materials and thus on the result of ÖBB-Produktion Gesellschaft mbH and the ÖBB Group.

In light of the possible procurement strategies and for risk diversification, diesel price hedging was approved for up to a maximum of 15,647 metric tonnes of diesel for the 2024 delivery year and 7,303 metric tonnes of diesel was approved and implemented for the 2025 delivery year. The aforementioned 15,647 metric tonnes correspond to 60% of the annual fuel requirements for 2024. The aforementioned 7,303 metric tonnes correspond to 30% of the annual fuel requirements for 2025.

The aim of the hedging policy pursued is to stabilise the cost of materials and to achieve a reduction in earnings and cash flow volatility for Österreichische Postbus Aktiengesellschaft and ÖBB-Produktion Gesellschaft mbH and thus for the ÖBB Group for the budget period. The benchmark for the success of hedging activities for the raw material “diesel” is the respective budget rate and not to achieve the highest possible compensation of the purchase price at the monthly level.

Derivative financial instruments are used exclusively for hedging purposes. That means they are only used in connection with corresponding underlying transactions from the original business activity and if the derivative financial instruments have a risk profile that is opposite to the hedging transaction with the highest possible correlation. Measures of a speculative nature are not permitted.

Internal control system

The members of the Boards of Management and managing directors of the Group companies acknowledge and embrace their responsibility to establish an appropriate internal control system (ICS). A Group-wide minimum standard has been formulated for the ICS, which is implemented in the subgroups.

Projects for the further development of the internal control system in the ÖBB Group are set up at intervals with external support as part of a continuous improvement process. The planned measures are examined for appropriateness in terms of legal requirements. Subsequently, further steps are to be taken to develop the requisite content aspects.

The ICS comprises the following elements: Identification, analysis, evaluation, management, effectiveness monitoring, documentation and communication of ICS-relevant processes, risks and controls as well as the monitoring of these activities.

Scope of control

The ICS in the ÖBB Group is an essential component of company-wide risk management. It contributes to the achievement of the company aims by systematically managing process-related risks. The objectives of the ICS are the conformity of financial reporting with the rules, the promotion of operational efficiency (operations) and the adherence to legal obligations and internal guidelines (compliance). The identification and assessment of risks that jeopardise these objectives and the implementation of risk-reducing controls provide reasonable assurance of achieving these objectives.

The ICS is based on the internationally acknowledged COSO framework (Committee of Sponsoring Organisations of the Treadway Commission). This provides a well-recognised concept for designing an internal control system and offers management a suitable basis for analysis and control tasks.

Risk assessment and control activities

The process documentation forms the basis for periodically identifying and recording the main risks. Suitable control activities are determined in order to reduce the risk to an appropriate level. The effectiveness of the controls is reviewed and documented through periodic self-evaluation.

A set of generic key risks organised by category has been formulated for risk identification. Should a key risk be present, this must be addressed directly and mandatorily by the respective Group companies through adequate controls.

The ÖBB Group has set up its own internal audit office owing to the size of the company. The Internal Audit function verifies the existence of an efficient ICS in the Group companies. It audits certain ICS elements on the basis of an approved annual audit plan. The findings are reported to the audit committee of the respective Supervisory Board in the form of an activity report.

A compliance personnel office has also been established. It is not subject to directives in its ad hoc monitoring activities and is supported by compliance officers from all subgroups. Putting preventive measures in place is a further essential aspect of compliance. GRI 2-26

Information and communication

Regardless of the group-wide harmonisation, in accordance with the Group's decentralised structure, each subgroup has an appropriate, effective ICP. The installation and maintenance are therefore performed on their own authority.

A Group-wide minimum standard for the implementation of the ICS has been published. It is regularly evaluated and adjusted if necessary. Furthermore, the organisational units of the Group are obliged to provide software-supported, standardised documentation. The risk areas identified within the process are recorded with the planned mitigating key controls and the associated test steps. This non-editable, annotated and comprehensible data also forms the basis for reporting to management and the audit committees of the respective Group companies.

Monitoring

The specified control steps are tested on an ongoing basis and selective checks are conducted by Group Internal Audit. In addition, the audit of the ICS in the accounting process is a fixed component of the audit of the financial statements by the auditors. The Audit Committee of the Supervisory Board monitors the effectiveness of the ICS on the basis of regular reporting by the Management Board.

Accounting

The ICS for the accounting process is also part of the auditors' audit programme as part of the audit of the annual financial statements.

As far as the pre-accounting processes are concerned, broad standardisation was achieved. For this purpose, the relevant processes have been transferred since 2005 to a Group-wide unit for accounting services within ÖBB-Business Competence Center GmbH.

ÖBB-Business Competence Center GmbH provides operational support to ÖBB-Holding AG in its harmonisation activities through appropriately coordinated auditing, evaluation and commenting tasks.

SAP software is used to account for all business transactions within ÖBB Group. Some foreign subsidiaries also use other software solutions. Data transfer is largely automated in the SAP S / 4HANA Group system. The data is also delivered to ÖBB-Holding AG for centralised processing in the SAP SEM-BCS consolidation system.

Corporate accounting is based on an IFRS Group manual, published and regularly updated by the Accounting Department of ÖBB-Holding AG. As a result, significant IFRS-based accounting requirements are specified and communicated throughout the Group. The Accounting team is regularly trained on new developments in accounting to avoid any risk of accidental misstatement.

The information provided in the Notes to the consolidated financial statement is compiled using software purchased by ÖBB-Holding AG specifically for this purpose. All subsidiaries provide comprehensive reporting packages with all relevant accounting data (income statement, statement of financial position, cash flow statement, notes to the consolidated financial statement) for the preparation of the consolidated financial statement. These are audited by local auditors in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB) and the International Federation of Accountants (IFAC) and the General Conditions of Engagement for Professional Accountants. The audit is confirmed by a "Report on the IFRS Group Reporting Package". This submission of the report is the prerequisite for the processing of the Reporting Package. This external control system constitutes a supporting element of the ICP.

The Supervisory Board is informed about the economic development of the Group in regular intervals, in particular within the framework of the mandatory audit committee of ÖBB-Holding AG, by means of consolidated presentations.

Opportunities and Risk Non-financial Statement

Opportunities and risks with a focus on sustainability are presented in chapter H.

G. Sustainability report GRI 3-3

Sustainability reporting GRI 2-3, 2-14

The ÖBB Group has published sustainability reports since 2006. These provide transparent and regular information on the Group-wide sustainability performance. This consolidated report is now the 15th and the second integrated sustainability report of the ÖBB Group to be published in the management report section of the ÖBB-Holding AG annual report. The structure of the sustainability report is based on the 17 building blocks of ÖBB's sustainability strategy and provides an insight into the sustainability activities in 2023. The key figures included for the respective sustainability topics are generally listed for the year 2023 and, for better comparability, also for the previous year.

The preparation of the voluntary sustainability report took into account all issues relevant to the ÖBB Group on the basis of the Austrian Nachhaltigkeits- und Diversitätsverbesserungsgestz (NaDiVeG, EU NFRD – Non Financial Reporting Directive).
Reporting is based on the GRI Universal Standards (Global Reporting Initiative) and the EU Taxonomy Regulation (EU 2020 / 852). This sustainability report was approved by the Executive Board of ÖBB-Holding AG and was submitted in its final version to the Audit Committee of the Supervisory Board of ÖBB-Holding AG.

Besides the standards and legal regulations already mentioned, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) have also been reported on since 2021. The information on the TCFD, as well as the GRI content index with the fulfilled GRI standards are presented from page 163 onwards.

The respective GRI standards are listed directly next to the relevant text passages to provide a better overview of the information. The documentation in principle covers the entire ÖBB-Group (ÖBB-Holding AG as the parent company and all fully consolidated subsidiaries), unless explicitly stated otherwise. GRI 2-2

Furthermore, ÖBB is committed to the United Nations Sustainable Development Goals (SDGs) and is an active driver for the realisation of the global development goals through its business activities.

Structure and organisation of sustainability management in the ÖBB Group

Achieving economic success through sustainability GRI 2-23, 3-3

The ÖBB Group understands sustainability in a holistic manner and combines successful business management with ecological compatibility and social responsibility. This achieves a sustainable corporate direction in the sense of the preventative principle. The individual components are brought into a balanced relationship – ecologically, socially and economically – in order to lead the ÖBB Group to long-term success. ÖBB centres its attention on the opportunities offered by socio-ecological change. Given the medium and long-term horizon, an increase in the monetisation of ecological measures is to be expected. This provides ÖBB with economic security.

Entrepreneurial action within the ÖBB Group is forward-looking. This is also reflected in the longevity of ÖBB assets such as infrastructure facilities or rolling stock. ÖBB is aware of its role in society as a publicly owned company, as one of the largest companies in the country and as one of the largest employers and apprenticeship trainers in Austria. ÖBB is also the country's largest builder, largest mobility service provider and offers rail logistics solutions from the first to the last mile for a wide range of industries across the entire Eurasian continent. Accordingly, ÖBB assumes its social responsibility. Measures are implemented on an ongoing basis to achieve our goals in order to continually develop as a company. An excerpt of the most important measures that were implemented or continued in the 2023 financial year is provided in Sections G.1 to G.17.

Management, structure and decisions GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-17, 2-20, 3-3

Management structure of the highest boards of governance

As a capital market-oriented company and due to the high level of public interest, the ÖBB Group bases the organisation and communication of its corporate governance on international standards and best practice methods and, since April 2014, on the Public Corporate Governance Code of the Federal Government (previously on the Austrian Corporate Governance Code).

The Executive Board of ÖBB-Holding AG pursues a corporate strategy that is in the best interests of the company, taking into account the interests of the owner, the Republic of Austria and the employees. In the 2023 financial year, the Executive Board of ÖBB-Holding AG consisted of two persons who exercised the diligence of prudent and conscientious management in their function. It reports regularly to the Supervisory Board on the development of business and submits certain business transactions of ÖBB-Holding AG or its Group companies to the Supervisory Board for approval in accordance with the rules of procedure for the Management Board and Supervisory Board as well as the Articles of Association and the law. The strategic direction of the ÖBB Group is determined in close consultation with the Supervisory Board.

The Supervisory Board is responsible above all for monitoring the management and determining the allocation of business. The basis for the activities of the Supervisory Board is primarily the German Stock Corporation Act (AktG), the Articles of Association, the Rules of Procedure for the Supervisory Board and the Federal Public Corporate Governance Code (B-PCGK). Together, the Supervisory Board and the Executive Board of ÖBB-Holding AG form the bodies for decisions relating to economic, ecological and social topics.

No members of the Management Board of the same company are represented on the highest body of control, the Supervisory Board. The members of the Supervisory Board are independent and are elected for a maximum of five years. Prior to their election, all Supervisory Board members are obliged to disclose their other board functions. A balanced gender distribution in accordance with the Gender Equality Act is ensured and fulfilled or strived for by most Group companies in accordance with the federal government's B-PCGK. In addition, there is a balanced representation of people from different areas of society and the economy. General information on the structure of the decision-making bodies is available in the Annual Report 2023 and in the Corporate Governance Report.

Appointments to the highest management bodies, be they board members or managing directors, are subject to the obligation to advertise in accordance with the Vacancies Act. Decisions are made by nomination and personnel committees of the Supervisory Board as well as hearings involving external consultants who make a pre-selection. Criteria such as professional expertise, independence, diversity and the views of stakeholders (including shareholders) are taken into account.

Sustainability management

As a company, the ÖBB Group is guided by the three pillars of sustainability: ecology, economy and social responsibility. A sustainability board was set up in 2021 to ensure a constant exchange of information on key sustainability topics at the level of the management board members and managing directors. Those members of the management board and managing directors responsible confer with each other there on the sustainability agendas. Meetings are held several times a year at which the most important sustainability issues are discussed and the Group's strategic direction is determined. In addition, the Group Sustainability platform was also established. The respective sustainability coordinators from the holding company and the subgroups meet several times a year. In this context, Group-wide sustainability issues are discussed including the implementation measures for the ÖBB sustainability strategy and its 17 building blocks. These internal structures drive the systematisation of professional sustainability management and pave the way for holistic management of sustainability issues within the ÖBB Group.

The sustainability team at ÖBB-Holding AG is responsible for Group-wide management, coordination and monitoring of the topics of "sustainability" and "climate change mitigation". The team is responsible for managing cross-company sustainability issues such as climate change mitigation and the circular economy within the Group, and they also coordinate Group-wide initiatives in these areas. The area of responsibility of ÖBB-Holding AG's sustainability management also includes the creation and further development of the cross-company ÖBB sustainability strategy. Group targets and strategic approaches for the 17 building blocks of the ÖBB sustainability strategy are developed together with the sustainability coordinators of the subgroups and the central component managers. The Group Sustainability platform and existing management structures, such as strategic HR management in the area of social sustainability, are utilised for this purpose. This ensures that the diversity of a mobility and infrastructure company on the topic of sustainability is covered as broadly as possible and that Group-wide focal points and current key topics are defined. Both the development of effective company-specific measures and their targeted implementation are undertaken independently by the responsible subsidiaries.

Further improvements in the management of sustainability performance are to be achieved in the coming years. The existing key performance indicator monitoring system is to be developed into an integrated and automated sustainability key performance indicator system for the ÖBB Group over the next few years for this purpose.

Sustainability Board

Members of the Executive Board / Managing Directors ÖBB-Holding AG (incl. management and sustainability team), ÖBB-Business Competence Center GmbH, ÖBB-Infrastruktur AG, ÖBB-Immobilien GmbH, ÖBB-Personenverkehr AG, ÖBB-Postbus AG, Rail Cargo Group, ÖBB-Produktion GmbH, ÖBB-Technische Services-GmbH

Group Sustainability Platform

Environmental Pillar	Social & Economic Pillar	NH Communications & Corporate Affairs (Brand & Communication)
Core team: Sustainability coordinator of ÖBB-Holding and its subsidiaries incl. the ecological building block managers and nominated works council representative	**Core team:** Sustainability coordinator of ÖBB-Holding and the subsidiaries incl. of the social and economic building block managers and nominated works council representatives	**Core team:** Group communication, corporate affairs, systems engineering & group production
Environmental building blocks of the ÖBB sustainability strategy *(Responsibilities[1])*	**Social and environmental building blocks of the ÖBB sustainability strategy** *(Responsibilities[1])*	*Coordination of brand & communication through existing management structures of group communications and public affairs*
1. Climate change mitigation & decarbonisation paths **1a. Decarbonisation path mobility** **1b. Decarbonisation path buildings (incl. fixed installations)** **1c. Decarbonisation path Scope 3 emissions** *HO-O* **2. Climate change adaptation** *HO-O* **3. Emissions incl. noise (excl. CO_2)** *HO-O* **4. Resource management, waste, water, land / soil** *HO-O* **5. Species diversity & biodiversity** *IN* **6. Sustainable procurement** *HO-E* **7. Innovation & technology** *HO-S; HO-O* **8. Sustainable finance** *HO-F*	**9. Affordable & accessible mobility services** *HO-S* **10. Health | Safety | Security** *HO-P; HO-O; HO-I* **11. Diversity & equal opportunities** *HO-P* **12. Data Protection | Compliance | Transparency | Human Rights** *HO-J; HO-L; HO-P; HO-O* **13. Social responsibility & cooperations** *HO-K; WE* **14. Reliable & attractive employer** *HO-P* **15. Generational change** *HO-P* **16. Economic driver, value-adding investments & sustainable financing** *HO-S* **17. Learning & development** *HO-P; IN*	

[1] Use of existing control structures, e.g: working groups, topic platforms, etc.

Responsible divisions:

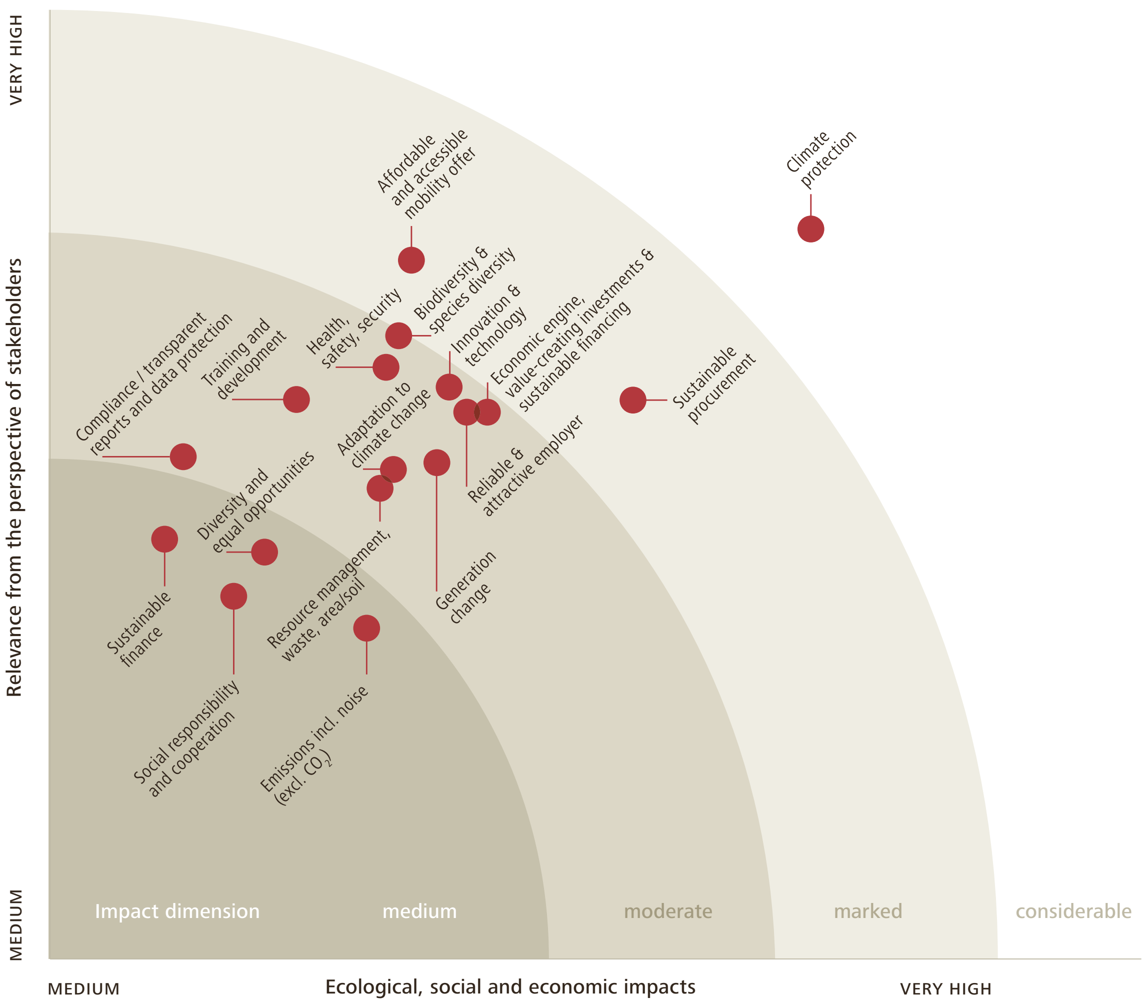
HO: ÖBB-Holding AG
HO-E: Strategic group purchasing
HO-F: Group finances
HO-I: Strategic Group IT Management
HO-J: Group law
HO-K: Corporate communications / Newsroom
HO-L: Compliance
HO-O: Systems engineering & group production
HO-P: Strategic HR management
HO-S: Group strategy, corporate development and organisation
IN: ÖBB-Infrastruktur AG
WE: ÖBB-Werbung GmbH

Key topics GRI 3-1, 3-2, 3-3

It is essential for the ÖBB Group to identify and prioritise the key sustainability issues and to set priorities in the development of measures. This is accomplished in the ongoing opportunity and risk analysis and through targeted surveys of internal and external stakeholders in the course of updating the materiality analysis. In addition, in accordance with the guidelines of the Global Reporting Initiative, the focus of sustainability reporting is on materiality. This means that the companies providing information, such as ÖBB, are increasingly focussing their reporting on those topics that are of high importance to them and their stakeholders.

In 2021, ÖBB's materiality analysis was re-evaluated on the basis of the 17 building blocks of the ÖBB sustainability strategy. The relevance and importance of the individual building blocks were surveyed in the stakeholder survey (internal and external) launched in the autumn of 2021. Approx. 2,700 people were consulted as internal and external stakeholders in order to update the significance of the individual sustainability building blocks. In order to also assess the impact of the company's activities on the economy, environment and social issues, an expert survey was also conducted in the autumn of 2021. Responsible persons from different business areas of ÖBB evaluated the sustainability building blocks with regard to the positive and negative direction of the company. The aim was to identify and prioritise those topics that are of essential importance for ÖBB as well as for the stakeholders. The result of this process is the ÖBB Materiality Matrix 2021 and the impact analysis from page 149 onwards. ÖBB's materiality matrix was reviewed in 2023 and there were no changes compared to the previous year. An update of the materiality analysis based on the "European Sustainability Reporting Standards" is planned for 2024.

The ÖBB materiality matrix



ÖBB’s most important stakeholders GRI 2-29

ÖBB is Austria’s largest mobility service provider and at the same time a company of interest to the public. Their transport services move many millions of people and tonnes of goods in Austria and Europe. As a result, there are many points of contact with topics relevant to the stakeholders, such as climate change mitigation, affordable and reliable infrastructure, financial market, etc.

For ÖBB, the term stakeholder encompasses many different interest groups. Part of the stakeholder groups (namely the employees) are located within the ÖBB-Group. In addition, there are external stakeholders. Involvement, close contact and active dialogue with stakeholders are important criteria for long-term success, especially for a company like ÖBB. In doing so, they are naturally in contact with numerous stakeholders:

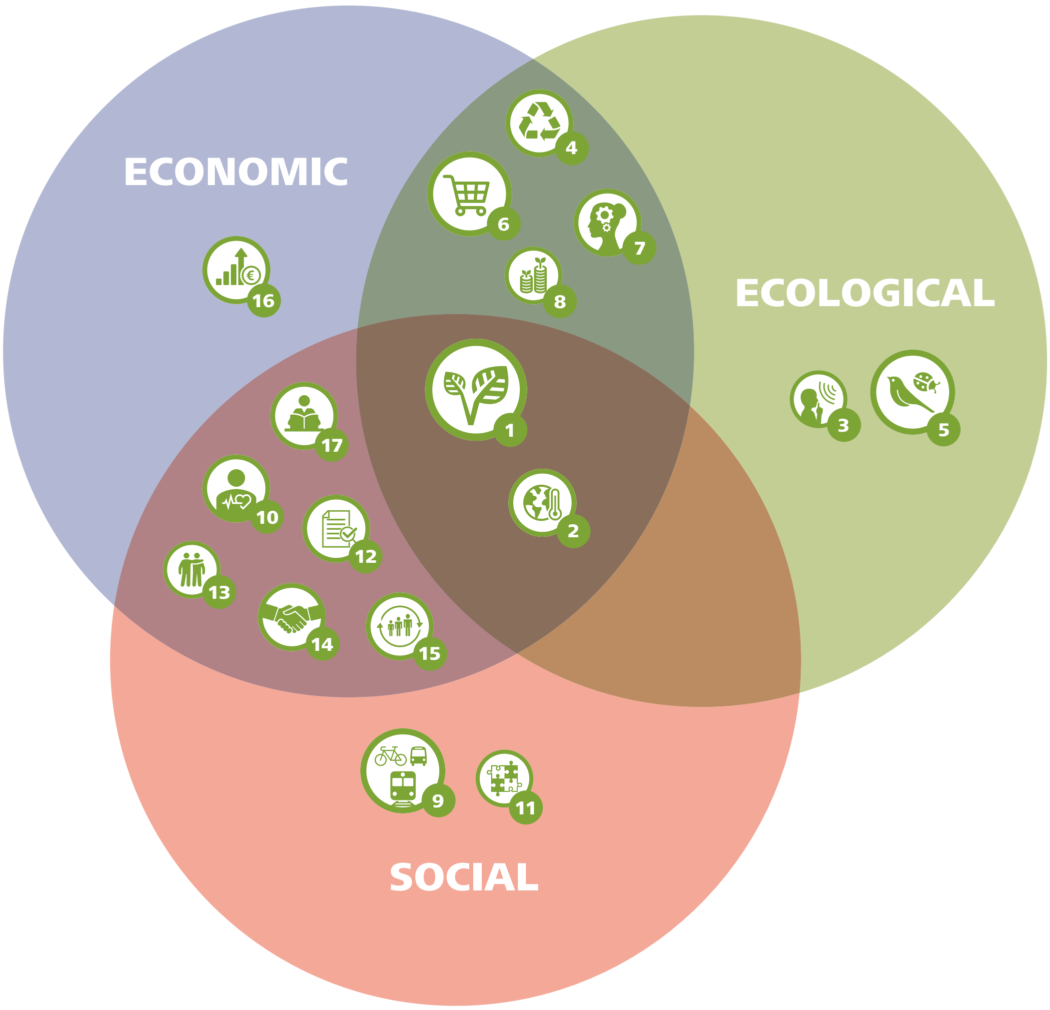
- Important external stakeholders of ÖBB are private customers, business customers, investors, owners, politicians and regulators, suppliers, local interest groups
- ÖBB’s key internal stakeholder groups are employees, managers, and employees’ representatives

The basis for trust is a regular, transparent and open dialogue with stakeholders. This in turn is a key prerequisite for joint sustainable action. ÖBB actively promotes exchanges of view and uses a variety of dialogue platforms and initiatives to maintain contact with its stakeholders. Special attention is given to which aspects are highly significant for which stakeholders, with the aim of promoting open dialogue. The more intensive the contact, the earlier the views of the stakeholders are perceived, the better ÖBB can coordinate its planning and actions and reconcile the different interests. Exchange creates the basis for mutual understanding. This consensus is in turn conducive to social acceptance of entrepreneurial activity. ÖBB is open to new external impulses that enable it to act sustainably in line with its strategy.

The ÖBB sustainability strategy and its 17 building blocks GRI 2-22, 102-46

In 2020, the 17 sustainability building blocks of the ÖBB-Group were defined. Based on the results of the materiality analysis 2018 and the Sustainable Development Goals of the United Nations (SDGs), 17 building blocks for the new ÖBB sustainability strategy were derived and defined.

The figure on the ÖBB sustainability strategy provides an overview of the interlinking of the 17 sustainability within the “three-pillar model". The different sizes of the circles show the impact dimensions of the building blocks for ÖBB. This illustrates the current materiality of the respective sustainability topics for the ÖBB Group, particularly in the context of opportunities and risks. The data is based on the updated materiality analysis from 2021. The presentation of the interrelationships of the 17 ÖBB sustainability building blocks with the topics of the materiality analysis is shown in the GRI Content Index (from page 163).



Dimensions of impact

- medium
- moderate
- marked
- considerable

1. Climate change mitigation
2. Climate change adaptation
3. Emissions incl. noise (excl. CO_2)
4. Resource management, waste, water, land / soil
5. Species diversity & biodiversity
6. Sustainable procurement
7. Innovation & technology
8. Sustainable finance
9. Affordable & accessible mobility services
10. Health | Safety | Security
11. Diversity & equal opportunities
12. Data protection | Compliance | Transparency | Human rights
13. Social responsibility & collaborations
14. Reliable & attractive employer
15. Generational change
16. Economic driver, value-adding investments & sustainable financing
17. Learning & development

ÖBB Sustainability Strategy | 17 building blocks with their impact dimensions in the three pillars of sustainability.

Highlights 2023

16 new battery-electric trains

In 2023, ÖBB ordered 16 electrically powered Cityjet battery-electric trains, which are to be deployed on local and regional services along the Kamptal railway from 2028. The introduction of these new battery-electric trains marks a significant step towards the decarbonisation of regional rail transport. The drive system of these trains allows them to be used on both electrified and non-electrified routes and replace diesel-powered trains. The use of the new battery-electric trains enables savings of over one million litres of diesel per year.

More waste transport by rail

The amendment to the Waste Management Act and the entry into force of the new transport clause mean that since 01.01.2023, waste transports with a total weight of more than 10 tonnes need to be transported by rail from a distance of 300 km. As of January 2024, waste transports of 200 km or more and as of January 2026 100 km or more are to be transported by rail. In total, there is potential for several million tonnes more waste to be transported by rail. This is the reason the Rail Cargo Group has been developing new logistics concepts in close cooperation with its customers since 2023 and has already been able to shift approx. 200,000 additional tons from road to rail.

More renewable electricity from in-house supply

ÖBB's goal is to shift even more traffic from road and air transport to climate-friendly rail transport. Climate benefits of ÖBB rail transport are primarily due to the traction current used, which has been sourced 100% from renewable energies since 2018. Current developments on the energy market show that greater independence and a high level of security of supply are essential in order to be able to handle transport operations continuously. ÖBB's new energy strategy, presented in June 2023, aims to do just that. By 2030, ÖBB wants to increase the level of self-sufficiency in traction current from 60% to 80% and in operating facilities from 11% to 67% by expanding and modernising its own hydroelectric, solar and wind power plants together with partners. In total, this means an increase of approx. 800 GWh of in-house supply – in addition to the present 970 GWh. As a result, ÖBB benefits from greater independence from external energy suppliers and also reduces the demand on the public power grid. In addition, internal energy efficiency is to be increased by 25%, for example by modernising the traction current network or optimising buildings. ÖBB is investing approx. EUR 1.6 billion to achieve the aims of the energy strategy and make the Group more independent.

More than 81,000 applications to ÖBB

In 2023, a significant increase was achieved compared to the previous year with over 81,000 applicants (py: 57,000 applications) – and the trend is rising. This high figure demonstrates ÖBB's attractiveness as an employer. The recruiting focus was expanded to include targeted activities abroad. A variety of measures enabled new record numbers of applicants to be set there as well. The diversity of our employees is an indispensable part of ÖBB's success and corporate culture. In future, the new "ÖBB Jobanbahner:innen" (job initiator) programme is to also provide increased support in filling vacancies. The new Group-wide referral programme was launched in 2023 under the motto "Employees recruit employees". The aim is to enable open positions to be filled more quickly if colleagues motivate suitable people from their social environment to apply. This is another important step towards the future, as applications already show that a third of all long-term hires are attributable to a recommendation.

The new world of sustainability reporting

As with many other companies in Europe, the ÖBB Group's sustainability reporting is also facing a significant change. The EU's Corporate Sustainability Reporting Directive (CSRD) defines the European Sustainability Reporting Standards (ESRS) as the first uniform and mandatory sustainability reporting standards for all companies concerned. This means that legally binding sustainability reporting will be in place from the 2025 reporting year – including for the ÖBB Group. The new directive significantly extends the reporting obligation for large companies and aims to increase the transparency, comparability and digitalisation of sustainability reporting.

The ÖBB Group has been preparing for the reporting obligation under the CSRD since the 2021 sustainability report. Many important milestones along the way have already been successfully realised in recent years. In the area of sustainability reporting, 2023 was dominated by preparations for the implementation of the ESRS requirements, which were finally published in August 2023. The CSRD and its associated ESR standards require extended and detailed reporting on the topics of "Environment", "Social" and "Governance". In summer 2023, the ÖBB Group began preparing a GAP analysis in order to identify the potential for further development in sustainability reporting. In June, ÖBB-Infrastruktur AG also launched an initial pilot for the implementation of the so-called double materiality analysis in accordance with the ESRS.

Great recognition for ÖBB's sustainability activities

ÖBB has been using electricity from renewable energy for 100 years. ÖBB-Infrastruktur AG is currently building two new hydropower plants, Obervellach II and the innovative Tauernmoos pumped storage power plant. In 2015, the world's first traction current solar power plant went into operation in Wilfleinsdorf. In addition, the world's first wind turbine to produce traction current went into operation at the end of 2022. This overall achievement in the field of renewable energies has now been awarded the "Austrian Solar Prize 2023" in the "Renewable energy in the transport sector" category.

ÖBB also had one more reason to celebrate in the 2023 reporting year: for the second year in a row, it received an award for its performance in sustainability reporting with its submission to the "Austrian Sustainability Reporting Award" (ASRA). The Sustainability Report 2022 was therefore not only certified by the auditor and published as an integral part of the Management Report of the Annual Report 2022, but was also awarded 3rd place in the "Voluntary Reporting" category. Place awarded.

G.1. Climate change mitigation

Management approach

The EU "Green Deal" has set the goal of a carbon-neutral economy by 2050. In Austria, climate neutrality is already a self-defined goal as from 2040. ÖBB sees great potential for the future due to its focus on sustainability and climate friendliness - especially when it comes to shifting transport to rail.

Transport is the second largest contributor to greenhouse gas (GHG) emissions in Austria. Road transport is by far the largest source of CO_2 emissions within the Austrian transport sector. Add to this the fact that emissions from transport increased by 74% from 1990 to 2019, just before the corona crisis. In comparison, most other sectors were able to reduce their emissions over the same period. The pandemic brought a short-term decline in mobility services in Austria as well as worldwide, with growth resuming in 2022. Road traffic in particular, however, seems to be increasing disproportionately. Appropriate countermeasures are needed here to encourage a greater shift to public transport. Rail, bus and inner-city transport such as trams and underground trains are an important part of the solution for more climate change mitigation and for achieving Austria's climate targets. In 2023, ÖBB's rail and bus transport services saved the national environment approx. 4.2 million tonnes of greenhouse gas emissions. Following a reduction in this effect in 2020 and 2021 due to the coronavirus pandemic, ÖBB's savings effect will return to the 2019 level from 2022 onwards. These savings for ÖBB are however expected to increase further in the coming years. This not only makes ÖBB an important climate change mitigation company for the country, it also makes a substantial contribution in the future to keeping potential penalties or compensation payments low in the event of non-compliance with Austria's 2030 climate targets.

ÖBB sees strong growth potential in the focus on climate-neutral economic activity and is aiming for a further shift from road and air transport to climate-friendly rail and public transport. ÖBB intends to continue to reduce the remaining self-generated GHG emissions in order to further secure and emphasise ÖBB's significant role in climate change mitigation. ÖBB is planning its gradual reduction measures with clearly defined decarbonisation pathways - also beyond the mobility sector. The strategic focus of the ÖBB climate change mitigation strategy is nevertheless primarily on reducing the national CO_2 footprint of the transport and mobility sector in Austria.

Key figures at a glance (focus AT)	2023	2022
Share of electrified routes in per cent	76	74
CO_2eq emissions of the mobility sector (Scope 1 and 2) in tonnes	218,641	226,215
CO_2eq emissions of ÖBB rail transport (Scope 1 and 2) in tonnes	72,672	79,301
Electric cars in the ÖBB Group's internal fleet	459	240
Share of renewable energy in traction current in per cent	100	100
ÖBB's final energy consumption in gigawatt hours GRI 302-1, 302-4	3,004	3,068
CO_2eq savings through ÖBB transport services in million tonnes	4.2	4.0

Objectives

CO_2-neutral ÖBB mobility sector by 2030 (Scope 1 and 2 - excluding buildings)

Mobility

ÖBB has defined six areas of focus as part of its climate change mitigation strategy in order to further reduce emissions in the mobility sector and to further promote the modal shift:

- Electrification of routes: Increase the degree of electrification to 85% by 2030 and to 89% by 2035
- Alternative drive systems – rail: Gradual conversion of the remaining diesel fleet to alternative drive technologies
- Alternative drive systems – roads:
  - The postal bus fleet is gradually being converted to electric and hydrogen buses in coordination with the clients of the transport services (service providers).
  - Remaining ÖBB road fleet (service and commercial vehicles) to be successively converted to alternative drive systems: Car fleet ≤ 3.5 tonnes to be 100% electrified by 2030 and ÖBB's entire fleet to be 61% electrified by 2030. Car fleet ≤ 3.5 tonnes to be 100% electrified by 2030 and ÖBB's entire fleet to be 61% electrified by 2030.
- Renewable energies: increase ÖBB's level of self-sufficiency (in-house production + partner power plants) to 80% in the traction current sector by 2030
- Energy efficiency: realisation of defined energy-saving potential: potential savings of ≈ 180,000 MWh in the mobility sector by 2030 (planning status at the end of 2022)
- Increase capacity utilisation in transport (incl. abroad): promotion of measures to increase capacity utilisation in ÖBB passenger and freight transport

CO_2 neutrality in the Group 2040 - 2050 (Scope 1, 2 incl. buildings as well as Scope 3 in different application depths)

Building

Besides the mobility sector, clear targets have also been set for buildings (including fixed installations) (focus: AT):

- "Buildings" decarbonisation pathway: implementation of the defined priorities:
  - Phase out oil-fired heating systems by 2030
  - Phase out fossil gas heating systems by 2034
- Implementation of Group 2030 / 2040 building optimisation plan consisting of building use plan and building investment / refurbishment plan (first version of the plan was developed by the end of 2023), roll out Group policy for selecting energy sources in buildings in the Group

Scope 3

Scope 3 emissions from the upstream chain or value chain are also a complex issue for ÖBB. This makes it all the more important to take a targeted approach here too (in some cases including abroad):

- Targeted expansion and further development of ÖBB's Scope 3 emissions accounting (expansion of subcategories, review and promote GHG accounting from procurement based on primary data)
- Review and implement reduction measures along the defined top drivers from procurement and for other major Scope 3 polluters

Further modal shifts by making the system more attractive and by increasing capacity – both by conventional expansion and by using new technologies (doubling capacity by 2040)

Infrastructure

ÖBB intends to double the performance of the rail by 2040 to enable the necessary shift of traffic to rail.

Passenger transport

- Expand services: local, regional and long-distance transport will be systematically expanded.
- Mobility chain: further promote integrated mobility (first and last mile, ÖBB 360...).
- Raise quality further: e. g. improve punctuality, ensure accessibility.

Freight transport

- Logistics chain: designing solutions for the entire logistics chain.
- Optimise availabilities and provide sufficient capacities
- Simplify access to the rail system in freight transport as well

ÖBB is taking a step-by-step approach to decarbonisation in the following three areas: Mobility, buildings and Scope 3 emissions (decarbonisation pathways).

Mobility sector

Mobility services by train and bus are ÖBB's core business. They are the central focus of the climate change mitigation strategy. The aim is to reduce GHG emissions from the energy sources used for rail and bus transport in particular to such an extent that climate neutrality is achievable in this area by 2030. The end of the natural life of individual vehicle types, which are replaced by modern and low-emission vehicles, is also to be taken into account here. Whether a transition phase is necessary for individual vehicle types for use beyond 2030 will be examined in the course of the assessment/update of the decarbonisation pathway mobility in the coming years.

Implementation takes place with six strategic approaches in the mobility sector. The electrification of the ÖBB rail network is to be increased to 85% by 2030 and 89% by 2035 by means of a multi-stage electrification plan. This applies provided technological development from a system perspective is not such that the use of alternative drive technologies leads to greater economic efficiency on these routes. This applies provided technological development from a system perspective is not such that the use of alternative drive technologies leads to greater economic efficiency on these routes. Over 90% of ÖBB rail transport services are currently already performed with electric traction on the electrified routes of the ÖBB network. The current diesel fleet is to be gradually replaced by vehicles with alternative drive technologies on secondary routes and shunting areas where electrification is not feasible for economic reasons. Also off-rail, ÖBB wants to switch to alternative drive systems both in internal transport and in the bus sector. The conversion of the bus fleet of Österreichische Postbus AG in particular requires coordination with the clients of the transport services (service providers).

The switch to traction current from renewable sources in 2018 marked a significant milestone in the strategic approach towards renewable energy. The switch to electricity from renewable energy sources for three-phase current for operating facilities such as buildings, workshops and point heating systems took place in 2019. Electricity from renewable sources is the central pillar of the railway's climate friendliness. The cost of renewable energies is however expected to rise further, which is the reason for the ÖBB Group's focus on increasing its in-house supply of traction current from renewable energy sources (solar, wind, water, etc.). The greatest cost and CO_2 savings, however, come from energy that is not consumed. The focus of energy efficiency in the ÖBB Group is on optimising the operational management of trains and on the more efficient use of electricity and diesel. The sixth and final strategic approach in the mobility sector is to expedite an increase in the utilisation of transport capacity. The focus here is on more intelligent or more efficient utilisation of the vehicle fleet in order to transport a greater number of passengers and goods in trains and buses. The optimal utilisation of the transport vehicles using the required forms of energy is an essential measure for making transport climate-friendly.

The list of potential reduction measures was evaluated in detail in the annually updated decarbonisation pathway for the mobility sector in the reporting year and secured with sufficient budgetary resources for the coming years. The order for 16 electrically powered Cityjet battery-electric trains, which are to be deployed from 2028, and the plan to procure e-hybrid locomotives for shunting are some of the highlights from the mobility sector in 2023. Specified measures up to 2030 (as of June 2023) show initial savings plans amounting to approx. 34,000 tonnes of CO_2eq emissions. This figure is based on CO_2eq emissions of approx. 222,000 tonnes from the base year 2019. This is particularly evident in the area of transport within the company. It achieves an approx. 52% decrease in GHG emissions, which is the best result – based on the current status of the mobility decarbonisation pathway. In total, the current portfolio of measures results in a reduction of GHG emissions by 15%. These defined reduction measures are not yet sufficient for a (realistically affordable) decarbonisation of the mobility sector in 2030 (= zero CO_2 after compensation). Further reduction measures are therefore necessary. The given framework conditions in the mobility sector mean that a final assessment needs to be made in 2024 as to whether and under what conditions the goal of climate neutrality by 2030 appears realistic. The ÖBB rail sector is currently closer to achieving decarbonisation by 2030 than the bus sector, which, however, has a more difficult starting situation to overcome. Vehicles in the bus sector are procured in accordance with the specifications of the service providers, most of which continue to require diesel buses. In principle, the decarbonisation pathway for mobility is evaluated annually and supplemented with new measures.

These measures also benefit the klimaaktiv campaign of the Ministry for Climate Action (BMK), in which ÖBB and ten other large companies have participated since 2021. The common goal is to at least halve CO_2 emissions by 2030 – compared to 2005.

Highlights 2023

In 2023, ÖBB ordered 16 Cityjet battery-electric trains from Stadler Bussnang AG. As a result, the new train sets provide further growth in the local and regional transport fleet. The new train sets are projected to be operating along the Kamptal railway in Lower Austria from 2028. The battery-electric trains are a milestone towards the decarbonisation of regional rail transport. The battery-electric trains can be used on both electrified and non-electrified routes. The use of battery-electric trains enables over one million litres of diesel to be saved per year. This corresponds to CO_2 emissions of more than 3,000 tonnes. For comparison: this is the annual amount of CO_2 emissions caused by approx. 500 people in Austria.

The services with alternative drive systems in the southern Weinviertel region (11 e-buses) and in Villach (H2 buses), launched in 2022, have successfully entered regular operation. In addition, test operations for the use of electric buses took place in Serfaus (Tyrol) in summer 2023. These have been very promising, with the result that a switch to alternative drive systems, including commissioning, is planned for summer 2024. A test run was also successfully completed on the city line 504 in Innsbruck. A switch to zero-emission vehicles is also expected here in 2024. The transport associations are now gradually putting (smaller) transport services out to tender for vehicles with alternative drive systems – e.g. Amstetten city bus, Kristallweltenbus. The tender launched in 2022 for the procurement of new eHybrid shunting locomotives, will also contribute to the switch to alternative drive systems in the "last mile" of rail transport.

Investments have also been made in the expansion of renewable energies in recent years. As a result, the world's first prototype of a 16.7 Hz wind turbine with approx. 3 MW went into operation in autumn 2022. The annual production of approx. 6.75 GWh is fed directly into the overhead line of the Eastern Railway (Vienna – Budapest). The expansion programme in the area of photovoltaic systems was systematically continued. In addition to the 68 existing systems with an annual electricity production of over 12,500 MWh, 24 50-Hz photovoltaic systems with a standard energy capacity of over 2,800 MWh were installed in 2023. This has resulted in ÖBB already operating 92 photovoltaic systems throughout Austria as of 2023.

In June 2023, ÖBB presented its new energy strategy. Ambitious goal by 2030: To increase the in-house supply of traction current with partners from 60% to 80% and in operating facilities from 11% to 67% by expanding and modernising our own hydroelectric, solar and wind power plants. In total, this means an increase of approx. 800 GWh of in-house supply – in addition to the present 970 GWh. In addition, internal energy efficiency is to be increased by 25%, for example by modernising the traction current network or optimising buildings. ÖBB is to invest approx. EUR 1.6 billion in the coming years to realise the aims of the energy strategy. Above all, this should also help to make the Group more independent in the energy sector – as security of supply and cushioning against inflation are the clear objectives.

2023 was not an easy year, especially in the energy sector, as the energy crisis and the resulting price increases also affected ÖBB. This makes it all the more important to use this valuable resource efficiently and save energy wherever possible. Besides the medium and long-term focus priorities of ÖBB's energy efficiency programme, various measures to reduce energy consumption were accelerated at all locations from September 2022, taking into account quality and safety standards. Examples of this include reducing the room temperature in offices and workshops as well as the heating temperature in trains and buses and much more. These were accompanied by an ÖBB-internal awareness-raising campaign, which continued in early 2023. In addition to this, ÖBB has also prepared itself for possible energy steering measures by the federal government.

The refrigerant losses of rail vehicles for passenger transport have been measured in more detail since 2023 to ensure more efficient use of refrigerants in the long term. The medium and long-term goal is to improve data transparency in the rail sector (allocation of GHG emissions to affected areas) and, as a result, to implement more targeted measures to reduce refrigerant losses.

An emissions information service for customers has been offered by the Rail Cargo Group since 2023. This emissions information and the calculation process are subject to ongoing review by an external body. This means that the emissions report provides reliable figures for customers' Scope 3 emissions and supports the selection of sustainable logistics partners. The emissions report is prepared in accordance with current standards. The requisite calculations are performed by EcoTransIT-World on the basis of production-, relation- and single consignment-specific parameters of the Rail Cargo Group and its partners as well as using market-specific and/or country-specific energy mixes in comparison to a truck of class EURO 6 up to 40 tonnes total weight. EcoTransIT-World therefore uses this to identify the environmental impact of freight transport in terms of energy consumption and the specific resulting emissions. It is available without guarantee for submission to emissions trading platforms for participation in the voluntary market.

Outlook for 2024

In 2024, the "Decarbonisation Pathway Mobility" will also be further developed and updated with measures including an assessment of the GHG reduction potentials. Achieving the target of climate neutrality in the mobility sector in 2030 will be challenging based on the findings from 2023. The prerequisite is that other necessary framework conditions are created (financing/subsidies, tenders for bus services with alternative drive systems organised by transport service clients, etc.). The consequences of the energy crisis that emerged in 2022 are also not likely to have too detrimental an impact (availability – especially of renewable energies, massive additional costs due to energy prices, etc.).

In 2024, the new ÖBB energy strategy will be driven forward. It has set itself the ambitious goal of increasing the proportion of in-house supply (own production + partner power plants) in the traction current sector to 80% by 2030. Besides an expansion and a re-powering project in hydropower and the continuation of the photovoltaic expansion program, ÖBB is also committed to wind power. Investments in the expansion of renewable energy sources will continue to increase until 2030.

Buildings sector

Besides the mobility sector, ÖBB's core business, buildings (including fixed installations) are another major area in which concrete measures to reduce GHG emissions are defined and targeted potential is realised. Besides the energy supply of buildings (electricity, heating, cooling...) and its optimisation (for example by switching to alternative energy sources), building optimisation and building refurbishment are the central topics here. The clear aim in this sector is climate neutrality by 2040 to 2050.

Highlights 2023

The phase-out of heating oil by 2030 and the phase-out of "fossil gas" by 2034 were defined as priorities (strategic approaches) for decarbonisation in the building sector. Approx. 95% of GHG emissions in ÖBB's building sector (Scope 1+2) still come from fossil-fuelled heat at the end of 2023.

The phase-out of oil-fired heating systems was also continued in 2023 by converting to alternative heating systems. Since the end of 2019, 64 heating systems have already been converted (starting point for the 2019 financial year: 259 systems - the base value was adjusted to the previous year 2022 - 195 systems (py: 221) at the end of the 2023 financial year). In view of the political situation and rising gas prices, the withdrawal from natural gas is being accelerated alongside the withdrawal from heating oil.

The policy on the choice of energy source for buildings commissioned from ÖBB-Infrastruktur AG in autumn 2022 was finalised in November 2023. It was subsequently approved together with a recommendation for implementation by the subgroup companies. Current developments on the energy market, and in particular on the natural gas market, have a significant influence on the choice of energy source for new and converted ÖBB heating systems. This policy now stipulates that, in addition to economic criteria, strategic and ecological criteria must also be taken into account when selecting the energy source. The first implementation focus is on ÖBB locations and ÖBB buildings in Austria.

In 2023, a long-term overall building optimisation plan 2030 / 2040 was drawn up for a well-founded decarbonisation pathway in the building sector. The Group project is being managed by ÖBB-Immobilienmanagement GmbH. The focus is on location optimisation, targeted renovations and contributions to decarbonisation. The building optimisation plan provides an extrapolation basis and summary of the current status of the phase-out of heating oil and natural gas based on the results of the pilot sites – as a basis for the decarbonisation pathway in the buildings sector.

In the 2023 reporting year, Österreichische Postbus Aktiengesellschaft commissioned two new photovoltaic systems on the roofs of the Postbus sites in Innsbruck and Spittal an der Drau with a total output of 396 kWp. These contribute to security of supply and can also have a positive effect on the emission factor in the electricity mix. Additional photovoltaic systems are currently being installed – e.g. in Wolfsberg – and three more are being planned in Steyr, Wels and Linz.

Outlook for 2024

In 2024, further conversions will be completed to phase out oil-fired heating systems and fossil gas heating systems. The roll-out of the Group policy on the selection of energy sources for buildings in the Group is also scheduled for 2024. The initial focus for implementation is on the locations in Austria. The next steps from the 2030 / 40 building optimisation project plan will also be implemented.

Scope 3 emissions

This area includes those GHG emissions of ÖBB that are caused in the so-called upstream chain (e.g. through the provision of fuels, motor fuels and electricity) or along thevalue chain. These are emissions that occur during the production of products and services procured by ÖBB (e.g. construction of rail infrastructure, procurement of rail vehicles and buses). This also includes business trips and emissions caused by waste disposal. The reduction of Scope 3 emissions requires a coordinated approach at national and European level, as only some of these emissions can be directly influenced by ÖBB with targeted measures (e.g. business trips).

In other areas, ÖBB is dependent on the European and national market and/or technological developments. This applies in particular to the procurement of construction services, infrastructure facilities, as well as new trains and buses. This is the reason different application depths and target requirements are defined for the ÖBB climate neutrality target 2040 to 2050 in this area – depending on the expected framework conditions.

Highlights 2023

Following the identification of the key GHG drivers from ÖBB's procurement (in autumn 2022), work began in the 2023 reporting year on developing the first Group-wide strategic approaches for reducing Scope 3 emissions. This is where possible GHG reduction measures are focussed and where measures are further developed along ten designated key factors. The same applies to other significant Scope 3 polluters in the subgroups. In 2023, the starting signal was given for the gradual and long-term changeover from finance-based GHG accounting of Scope 3 emissions from ÖBB purchasing to specific quantities / masses. ÖBB has therefore already undertaken valuable preparatory work for the future orientation to the new ESRS E1 standard. This stipulates that the annual percentage of Scope 3 emissions determined on the basis of primary data should be stated. The development of ÖBB's circular economy strategy also began in 2023 to accompany the further development of Scope 3 emissions – as well as the development of the NEW TCO CO_2 tool.

The GHG accounting of ÖBB's Scope 3 emissions was expanded to include a further sub-category in the reporting year. Scope 3 emissions for "leased and rented property, plant and equipment" are now reported (see GHG balance sheet).

As in previous years, the approx. 1,000 tonnes of CO_2eq emissions caused by business-related air travel throughout ÖBB in 2023 were subsequently offset in 2024. Offsetting takes place specifically via a climate change mitigation project from Climate Partner (nature conservation in the Karwendel mountains + combined project). Flight kilometres in 2023 have increased by approx. 36% compared to 2022.

Outlook for 2024

In the first half of 2024, the catalogue of measures for specific reduction measures to reduce Scope 3 emissions from the ten top drivers from procurement and other major emitters in the subgroups is to be finalised and then implemented.

A first version of the NEW TCO CO_2 tool is expected in February 2024. Programming began in December 2023. The added value of this tool: feeding CO_2 data into a database that can be analysed by all relevant stakeholders and querying key parts of the supply chain on the basis of primary data.

Modal shift GRI 203-1

In addition to decarbonisation, the major goal of the climate change mitigation strategy is to further shift traffic to climate-friendly rail. ÖBB is therefore emphasising its important role in climate change mitigation in Austria. The modal shift is the central driver and also the most essential lever of ÖBB's climate change mitigation strategy. ÖBB's transport services (rail and bus) already save the national environment approx. four million tonnes of GHG emissions in a normal operating year. That is the reason why it is important to shift as much traffic as possible from air and road to rail in the future. This is also an important goal in the Mobility Master Plan 2030 for Austria.

ÖBB has set itself the goal of doubling rail performance by 2040 in order to achieve the desired transport turnaround - through route expansion, digitalisation (including ECTS) and vehicles. In doing so, ÖBB-Infrastruktur AG is relying on the conventional expansion of routes, stations and terminals, but also on the use of new technologies in operations management. As a result, the basis for further modal shifts is being created – based on journey time reductions and smart capacity expansions. The declared aim of ÖBB-Personenverkehr AG and Österreichische Postbus Aktiengesellschaft is to inspire even more people to take the train and bus. The focus is on the entire mobility chain and further quality improvements for customers. This is rounded off with an improved offer for freight transport by rail. Here, too, attractive solutions for the entire mobility chain are essential in order to handle more transport by climate-friendly rail. Waste transports are also to be increasingly moved by rail in future.

Highlights 2023

The annual investment program will be expanded by 5% per year, building on the "National Energy and Climate Plan". This was also confirmed in the 2023 to 2028 framework plan with a total volume of approx. EUR 19.0 billion for the next six years. The framework plan is valid for six years and is extended annually by one year on a rolling basis and adopted by the federal government.

ÖBB is investing approx. EUR 6.1 billion in its new passenger transport fleet by 2030. Approx. EUR 3.7 billion of this is earmarked for local trains and approx. EUR 1.6 billion for long-distance trains. In addition, approx. EUR 0.8 billion will be invested in vehicle conversions. This means approx. 330 new local and long-distance trains and more than 100,000 modern seats for customers over the next few years. There were also new developments in the Rail Cargo Group from 2022. TransNET is a comprehensive Rail Cargo Group network on which the Rail Cargo Group travels with full wagonloads, single wagons, containers, block trains or on the Rolling Road (see chapter G.9).

Outlook for 2024

The aim is to transport even more people and goods by rail. This requires more capacity through new and better utilised routes. The approved investments of approx. EUR 21.1 billion for the ÖBB framework plan in the period from 2024 to 2029 ensure that the Federal Ministry for Climate Action will continue to invest in green mobility in the long term. The expansion of the railway is continuing consistently and is thus making a substantial contribution to the transport and climate transition.

The 2024 passenger transport timetable will see an increase in the number of kilometres offered and the consequent expansion of local and long-distance services compared to the previous year. In addition, the ÖBB 360° mobility packages are being used to expand attractive mobility services for the first and last mile (see chapter G.9).

The competitiveness of rail transport compared to road transport is constantly declining due to a lack of cost transparency, nevertheless, there have been successes in some areas and thus more traffic on the railway. Reasons for this include an amendment to the Waste Management Act and a revised subsidy system for connection lines to companies. The framework plan has earmarked funds for the construction and adaptation of freight loading points, among other measures, in order to further optimise the infrastructural conditions required for this purpose. This makes the transfer of transports between road and rail even more attractive. In general, the medium-term trend is that the rail freight market in Europe is undergoing rapid transformation – new sectors, new customers and a focus on digitalisation, innovation and sustainability. In this context, the Rail Cargo Group is continuing to push ahead with digitalisation and innovation in rail freight transport. Automation of processes, making them simpler and faster and replacing analogue, time-consuming and expensive processes with digital solutions are the Rail Cargo Group's declared objectives. That reduces costs, increases transparency and creates efficiency. In addition, door-to-door solutions are to be used in the coming years to address medium-sized customers in particular – with consignment sizes ranging from one container to a group of wagons. The client does not necessarily need its own rail connection.

Greenhouse gas emissions of ÖBB 2023 (GHG balance)

The ÖBB GHG balance is calculated and audited annually by the Federal Environment Agency. Scope 3 emissions are also listed in addition to Scope 1 and Scope 2. The data currently available for a detailed quantity-based calculation of Scope 3 emissions is not yet sufficient, particularly in the areas of procurement of capital and consumer goods and services. An estimate (with bandwidth) is therefore presented in an extrapolated form. It is based on a calculation (spend-based method) by external experts from 2018 (data basis 2017). The detailed preparation and calculation of these Scope 3 subcategories is undertaken step by step. A detailed calculation has already been completed for the Scope 3 categories of fuel and energy-related emissions, waste, business travel (air travel), employee commuting and leased and rented property, plant and equipment.

GHG emissions of the international (fully consolidated) ÖBB companies are also included. The strategic focus of ÖBB's climate change mitigation strategy is nevertheless primarily on reducing the national CO_2 footprint in Austria. A detailed analysis of the national emission values is provided for this purpose. This GHG balance was calculated on the basis of the emission factors currently available from the German Federal Environment Agency. In the calculation of the 2023 GHG balance for ÖBB national (AT), transmission losses were also taken into account in the generation of traction current.

GHG emissions: Total footprint of ÖBB (national and international) in 2023 GRI 305-1, 305-2, 305-3, 305-5

Representation based on Scopes 1, 2 and 3 (market-based view[1])

in CO_2eq in tonnes	Scope 1	Scope 2	Total Scope 1+2	Scope 3[2]	Comparison to 2022 total Scope 1+2
ÖBB national (AT)	245,921	17,144	263,065	1,700,000 – 2,600,000	275,469
ÖBB international	34,748	82,821	117,569		88,398
Total	**280,669**	**99,965**	**380,634**	**1,700,000 – 2,600,000**	**363,867**

NOTE:

Scope 2: ÖBB national (AT) and ÖBB international: market-based view[1]), note on ÖBB international: currently different data availability/data quality in the respective European countries - work is being done to improve data quality - to cushion inaccuracies in data collection, a risk premium of 20 % was taken into account for ÖBB international.

[1] Market-based: The market-based method reflects emissions from electricity that companies have deliberately chosen - by means of contractually regulated instruments. The location-based method reflects the average emission intensity of an energy source in the respective region (use of average emission factors - e.g. of a country). ÖBB specifically procures electricity from renewable energy sources - and does so for operations in Austria and, in part, also for operations internationally. Therefore, the market-based method was chosen for the GHG balance. In comparison, the Scope 2 location-based values (emission factors for electricity) for ÖBB as a whole (national + international) amount to 395,395 tonnes (market-based: 99,965 tonnes).

[2] Range indication: Scope 3 emissions from the procurement of capital and consumer goods and services in particular currently extrapolated for 2023 on the basis of a rough calculation from 2017. Value varies annually depending on actual procurement volume (especially construction infrastructure, vehicle procurement). Detailed baseline data and GHG emissions for 2023 are already available for the following sub-categories: fuel and energy-related emissions, waste (hazardous waste), business travel (air travel), employee commuting, leased and rented property, plant and equipment

Note: Work is already underway to collect basic data for further detailing the remaining Scope 3 emissions. The presentation of further essential Scope 3 subcategories is done step by step.

Energy use

List of energy sources used in 2023. The GHG balance presented is based on a total ÖBB energy requirement of approx. 3,518 GWh (ÖBB national + ÖBB international) in 2023 (2022 value: approx. 3,622 GWh).

Energy consumption ÖBB national and international in 2023 GRI 302-1

Energy use	ÖBB national (AT)		ÖBB international[1]	
in Gigawatt hours (GWh)	2023	2022	2023	2022
Traction current (incl. losses)[2]	1,641.5	1,657.5	369.0	404.4
Three-phase current	294.0	296.7	7.0	8.2
Natural gas	115.8	135.1	9.1	14.2
District heating and cooling	128.0	123.1	0.1	0.1
Solid and liquid fuels	13.9	18.8	0.0	0.0
Fuel (rail and road vehicles)[1]	811.1	836.4	128.9	127.3
Total energy demand	**3,004.3**	**3,067.6**	**514.0**	**554.2**

NOTES:

[1] ÖBB international was surveyed for the first time for 2021 - therefore 20% risk premium on values for 2021, 2022 and 2023 to cushion possible inaccuracies in the data collection. Work is in progress to improve data quality.

[2] Due to the operation of the traction current infrastructure in Austria, transmission losses occur within the system boundary of the ÖBB-Group.

Climate-related consumption for Sustainable Finance Framework GRI 2-4	2023	2022	Target
Total energy consumption of ÖBB-Technische Services-Gesellschaft mbH in kilowatt hours per square metre per 100 employees (FTE) *)	5.56	6.40	6.04 (2030)
Energy consumption traction current of ÖBB-Produktion Gesellschaft mbH in total gross tonne-kilometres per kilowatt-hour	40.42	40.54	41.49 (2028)

*) The data collection period is from 01.04 to 31.03 of the following year. Note: The greatest need for heating is from December to March.

Decarbonisation along three strategic areas

ÖBB is pursuing its climate targets and decarbonisation in three areas: Mobility (ÖBB's core business), buildings / fixed installations and Scope 3 emissions. Solid data is available for the decarbonisation pathways in the areas of mobility and buildings / fixed installations (Scope 1 and 2). The development of reduction measures to achieve the strategic objectives of ÖBB's climate change mitigation strategy in these areas is underway. Detailed data is also available for several Scope 3 sub-categories used to calculate GHG emissions. Others are being developed, such as transport by third parties. ÖBB's remaining Scope 3 emissions – e.g. from procurement – are currently calculated using the "spend-based method". The following detailed information shows the CO_2 footprint of ÖBB in Austria (ÖBB national) in 2023, describes the GHG emissions for these three areas and the developments compared to 2022:

GHG emissions: Footprint of ÖBB national (AT) in 2023 GRI 305-1, 305-2, 305-3, 305-5

Representation based on Scopes 1, 2 and 3 (market-based view[1]) in CO_2eq in tonnes	Scope 1	Scope 2	Scope 3	Total 2023	Total 2022
Passenger transport (PV) rail	43,624	74		43,698	48,039
Freight transport (GV) rail	28,940	34		28,974	31,262
Refrigerant losses rail	6,793			6,793	7,946
Postbus	116,935	1		116,936	117,142
Refrigerant losses Postbus	5,085			5,085	4,474
Intra-company transport (incl. company vehicles, own trucks,...)[2]	17,155			17,155	17,352
Total Mobility	**218,532**	**109**		**218,641**	**226,215**
Power		434		**434**	197
Heat (fossil)	26,603	15,502		**42,105**	47,085
Heat (renewable)	9			**9**	3
Cold		1,099		**1,099**	1,012
Refrigerant losses Buildings (incl. SF6)	777			**777**	957
Total Buildings / fixed installations	**27,389**	**17,035**		**44,424**	**49,254**
Total Mobility and Buildings / Fixed installations	**245,921**	**17,144**		**263,065**	**275,469**
Fuel and Energy-related emissions Mobility[3]			63,017	63,017	62,151
Fuel and fuel and energy-related emissions Buildings[3]			17,927	17,927	21,268
Abfall[4]			66,224	66,224	58,411
Business travel (air travel)			1,064	1,064	1,057
Commuting of employees[5]			33,323	33,323	27,991
Leased and leased property, plant and equipment			4,672	4,672	Not available yet
Remaining subcategories such as procurement of capital and consumable goods or services, upstream transport...[6]			1,500,000 – 2,400,000	1,500,000 – 2,400,000	1,500,000 – 2,200,000
Total Scope 3 emissions			**1,700,000 – 2,600,000**	**1,700,000 – 2,600,000**	**1,700,000 – 2,400,000**
Total amount	**245,921**	**17,144**	**1,700,000 – 2,600,000**	**1,963,065 – 2,863,065**	**1,975,469 – 2,675,469**

NOTE:

[1] Scope 2 - market-based: The market-based method reflects emissions from electricity that companies have deliberately chosen - by means of contractually regulated instruments. The location-based method reflects the average emission intensity of an energy source in the respective region (use of average emission factors - e.g. of a country). ÖBB specifically procures electricity from renewable energy sources - and does so for operations in Austria and, in part, also for operations internationally. Therefore, the market-based method was chosen for the GHG balance. In comparison, the Scope 2 location-based values (emission factors electricity) for ÖBB national (AT) mobility and buildings are: 312,573 t (market-based: 17,144 t).

[2] Internal transport includes GHG emissions from: Passenger and commercial vehicles (own lorries), special rail vehicles, plant transport, operation of forklift trucks,...

[3] Scope 3 from Mobility and Buildings.

[4] GHG assessment of hazardous waste.

[5] Evaluation of GHG emissions via model calculation by the Federal Environment Agency.

[6] Range indication: Scope 3 emissions from the procurement of capital and consumer goods and services in particular currently extrapolated for 2023 on the basis of a rough calculation from 2017. Value varies annually depending on actual procurement volume (mainly construction infrastructure, vehicle procurement). Detailed baseline data and GHG emissions for 2023 are already available for the following sub-categories: fuel and energy-related emissions, waste (hazardous waste), business travel (air travel), employee commuting, leased and rented property, plant and equipment
Note: Work is already underway to collect baseline data to further detail the remaining Scope 3 emissions. The presentation of further essential Scope 3 subcategories is done step by step.

*Note: Items also include a small proportion of Scope 3 emissions from ÖBB international.

CO_2 offset

GHG emissions arising in the 2023 reporting year from business-related air travel (Scope 3 emissions from business travel) and Scope 1, Scope 2 and Scope 3 emissions from the Rail Cargo Group's warehouses in Lenzing and Freudenau will be offset retrospectively in 2024.

Development of emissions in 2023

Greenhouse gas emissions (Scope 1, 2) from ÖBB Mobility in Austria reduced to approx. 219,000 tonnes in 2023 (py: approx. 226,000 tonnes). Greenhouse gas emissions from rail transport decreased by approx. 6,600 tonnes in 2023 compared to the previous year. In passenger transport, this is due to the increase in transport services thanks to e-traction and a decrease in diesel consumption. The reduction in GHG emissions in freight transport is primarily due to the decline in transport services. GHG emissions for the Postbus were kept at the same level as in 2022 despite an increase in transport performance (due to higher capacity utilisation and initial positive effects from the operation of e-buses). Diesel consumption in Rail Equipment GmbH and CoKG's internal transport fleet was reduced by approx. 180,000 litres in 2023 compared to 2022. GHG emissions in 2023 in the buildings sector decreased from approx. 49,300 tonnes in 2022 to approx. 44,400 tonnes. In particular, there has been a larger decrease in emissions for heat (fossil). The phase-out of heating oil that began in 2019 / 2020, the gradual phase-out of fossil gas and the energy-saving campaign triggered by energy shortages and inflation are having a positive impact in this regard. Some of the GHG emissions shown for Scope 3 subcategories have already been specifically calculated and some are still extrapolated. A development from 2023 compared to 2022 is therefore only possible for subcategories that have already been specified in detail. The recognisable slight increase in emissions is mainly due to higher emissions from waste disposal, partly also due to an increase in individual emission factors in Scope 3. Another Scope 3 sub-category, "leased and rented property, plant and equipment", is also reported for the first time.

Development of specific emission factors and total CO_2-savings effect of ÖBB transport services in Austria.

The total CO_2 savings effect of ÖBB's transport services (rail and bus) in Austria in 2023 will be approx. 4.2 million tonnes (2022: approx. 4.0 million tonnes). This figure improved further in the 2023 reporting year, primarily due to the increase in ÖBB transport services in passenger transport and Postbus. The pre-coronavirus level of 2019 with a CO_2 savings effect of approx. 4.2 million tonnes was therefore reached again in 2023.

GHG emissions: Specific CO_2 footprint of rail and bus in Austria

Specific CO_2eq emissions in the mobility sector (incl. shunting)*)	2023	2022	Target 2028
CO_2eq in Passenger transport rail in grams pro passenger-km	4.91	5.71	4.96
CO_2eq in rail freight transport in grams per tonne-km	3.05	2.89	2.76
CO_2eq in Postbus transport in grams per passenger-km	54.2	59.8	58.0

*) Objectives based on the Sustainable Finance Framework 2023, GRI 2-4

NOTE:

Comparative values 2021 according to the Federal Environment Agency: cars: 218.7 g / pkm, aircraft (incl. RFI)*: 501.6 g / pkm, lorries: 88.8 g / tkm. Comparative values from the current Austrian Air Pollution Inventory (OLI) for 2022 are not expected to be available until May 2024, according to the Federal Environment Agency. *Value for short long-distance journeys.

Other significant measures

Climate change mitigation (excerpt)

Green fleet for state-of-the-art maintenance | ÖBB-Infrastruktur AG is investing in emission-free high-performance maintenance vehicles.

Innovative green electricity production | ÖBB is further expanding its environmentally friendly electricity production with new photovoltaic systems.

"Obervellach II" power station fully on track | Green traction current in production here from summer 2024

From rescue train to service jet | ÖBB's new service jets are revolutionising rescue and fire-fighting work on the ÖBB infrastructure network.

ÖBB-Infrastruktur AG wins Ö3-Verkehrsaward | Award for the world's first traction current wind turbine.

New Waste Management Act shifts 200,000 tonnes to rail | The amendment to the Waste Management Act in Austria opens up new opportunities for rail transport and the Rail Cargo Group.

Climate change mitigation and training combined | ÖBB apprentices build photovoltaic system on their own home.

ÖBB Bildungscampus St. Pölten awarded Austrian Ecolabel | Awarded with the Austrian Ecolabel after a two-year certification process.

Green freight tariff at the Rail Cargo Group | Since 2023, the Rail Cargo Group has been offering an externally audited emissions certificate as a service for its customers.

Multimodal logistics | A pool of 300 interchangeable superstructures is intended to make the modal shift to rail even more attractive.

G.2. Climate change adaptation GRI 201-2

Management approach

Climate change is one of the world's greatest challenges. ÖBB is pursuing a variety of initiatives to contribute to decarbonisation. Even so, we need to acknowledge that climate change is already happening. Climate-related changes affect a range of sectors, systems, and institutions. In the case of ÖBB, this relates in particular to the company's infrastructure and assets, and subsequently to the scope and quality of its mobility services. In addition, ÖBB must consider possible impairments as a result of climate change for both its customers and its employees.

Safe railway operations, optimum route availability and minimisation of system and vehicle disruptions are a basic prerequisite for ÖBB to be able to offer its mobility services. Protecting ÖBB rail infrastructure and assets is therefore a top priority. At the same time, impairments for customers and employees should be kept to a minimum. The establishment of monitoring and early warning systems is of great importance in addition to the implementation of preventive measures in order to create an effective climate change adaptation in the best possible way.

The establishment of a monitoring and early warning system serves to identify emerging hazards and negative impacts at an early stage. ÖBB's preventive measures counteract the negative impact on the infrastructure and its assets. The focus here is, for example, on protection against natural hazards and adapted protective forest management. Preventive measures should also be taken to minimise restrictions on energy generation and disruption for customers and employees. ÖBB's catastrophe management and climate change-adapted products in passenger and freight transport are further measures that support climate change adaptation.

Objectives

- Targeted development and expansion of suitable preventive measures regarding the effects of climate change.
- Introduce monitoring and early warning systems to identify hazards early and quickly and provide information efficiently
- Implementation of the already defined uniform procedure for repair and maintenance work in the track at high temperatures.
- Preservation and climate change-adapted maintenance of the area of managed protection forest
- Needs-based facility management for rockfall, torrent and avalanche defences

Key figures at a glance (focus AT)	2023	2022
Total rockfall and avalanche barriers in kilometres	212	204
Total torrent control barriers in kilometres	2.1	1.8
Area of managed protective forest in hectares	3,370	3,370
Trees registered in the cadastre	10,559	10,246
Different tree species	213	203

ÖBB attaches great importance to implementing only the most necessary adaptation measures so as not to have a negative impact on nature and its existing protective function, as this always means interfering with nature. Such measures include rockfall, torrent and avalanche barriers. In comparison to 2022, the total length of rockfall and avalanche barriers increased to 213 km in 2023 (py: 204 km). The total length of technical installations for torrent protection will be approx. 2.1 km in 2023.

In the future, more damage to railway facilities and line disruptions as a result of storms are to be expected. Sources of danger are mainly storms, which occur in very small areas during thunderstorms, but with high wind speeds. In addition, heat and water stress or pests may impair the protective capacity of forests. A functional and stable protective forest is of great importance in order to safeguard the railway infrastructure against landslides, mudslides or avalanches. ÖBB is therefore focusing on preserving the area of managed protected forest, which remains constant at 3,370 hectares, as a central measure.

Extreme weather events repeatedly pose major challenges for the availability of rail infrastructure, which in turn affects punctuality. The geographical terrain in Austria means that there are only very long diversionary routes for trains, so appropriate rail substitution services are mostly provided. This is associated with considerable logistical effort and delays for travellers. Such damage occurrences caused by the weather should be avoided as far as possible and further reduced. This included the launch of the "clim_ect" project in 2019, which was successfully completed in 2021. The project results allow statements to be made on the probability of occurrence of a weather-related damage event. This is achieved by overlapping the meteorological data with weather observations for a specific small-scale reference level. This makes it possible to identify hazard corridors on the rail infrastructure in the future and take preventive action.

The VIF project "INGEMAR" (Intelligent Natural Hazard Management and Risk Assessment) has now been successfully completed. The main results of this are the linking of weather data with the assessment of the condition of technical protective structures and protective forest cover. These are currently used in the ÖBB avalanche warning service. The VIF project KlimZug (climate change adaptation in rail transport by forecasting extreme weather events and changes in energy supply due to climate change) follows on seamlessly from INGEMAR. The forecasting of extreme weather events will be examined and improved from 2022 to 2024.

In 2023, options for the detection of superficial and shallow landslides were developed as part of an FFG research project. These types of landslides are very difficult to predict in terms of their location and are also not announced before they occur. They may be triggered by long periods of precipitation, but also by short periods of very intense rain, such as during thunderstorms. The main aim of the research project is to develop technologies to detect landslide-prone slopes up to a length of 100 to max. 200 m in real time and to take immediate organisational measures (e.g. slowing down or track closures) when a warning is received.

Travel with comfort

ÖBB-Personenverkehr AG is committed to offering its customers a pleasant travelling experience in both hot summer and cold winter. This includes, among other factors, a well-equipped fleet that enables a pleasant journey in comfortably air-conditioned trains and buses. In connection with numerous upgrades, more and more trains have been equipped with air conditioning over the years. By 2030, the proportion of air-conditioned trains in local and long-distance transport should be almost 100%. It is particularly important to look to the future in the procurement of new equipment. The applicable standards in the EU for air conditioning of rail vehicles already take into account increasing requirements and high performance due to more frequent increased outside temperatures in summer.

Flood vulnerability of railway facilities

In the interests of operational safety and line availability, plans are drawn up showing those sections where the railway lines in Austria are potentially affected by flooding. A technical concept of measures (feasibility study) is available for the specifically affected sections of line. This forms the basis for medium- and long-term planning projects. The flood impact plans also form an essential basis for the assessment of third-party flood protection projects that may have an impact on the railway. For example, the plans are used in negotiations for contribution payments from third parties.

Current precipitation data as an important basis for the dimensioning of drainage systems

Climatic changes may also affect the entire railway infrastructure as well as the environment in proximity to the railway (embankments, slopes, torrents and avalanche catchment areas, etc.). Ultimately this may effect the entire railway operation. Such climatic changes may include a rise in average temperatures, an increase in wind speeds or a change in precipitation patterns (more intensive precipitation, rain, snow, etc. in a certain, generally shorter time interval) as well as changes in the frequency and intensity of weather events. Precipitation data that is as current as possible and also continuously updated is therefore used for the dimensioning of drainage systems. This data is obtained from the Federal Ministry of Agriculture, Forestry, Regions and Water Management via internet retrieval.

Small-scale, heavy precipitation events in particular may increasingly lead to floods, mudslides or landslides, depending on regional and local conditions. It is very difficult, however, to make specific statements about changes caused by climate change. It is, however, particularly difficult to predict localised extreme weather events that result in major consequential damage. The aim of using the constantly updated precipitation data, however, is to provide the best possible basis for the dimensioning of drainage systems.

Highlights 2023

It is essential for the ÖBB Group to analyse potential climate risks in view of the ongoing climate change and its possible consequences. A well-founded climate risk analysis determines whether potential climate hazards could develop into climate risks, which in turn could have a significant impact on business activities. The findings from the analysis are used for the extended reporting obligations under the EU Taxonomy Regulation and the future requirements under the Corporate Sustainability Reporting Directive (CSRD). The climate risk analysis also lays the foundation for the ÖBB Group to take appropriate measures to adapt to climate change. This strengthens climate resilience and secures the Group’s performance.

The evaluation of risks from force majeure and natural hazards has been an integral part of risk management for many years. In addition, the assessment of climate risks with a long-term time horizon is becoming increasingly important due to rising extreme weather events, longer periods of heat, etc.

A climate risk and vulnerability analysis in relation to physical climate risks was therefore conducted for the first time in the 2022 financial year (see also section G.8. – EU Taxonomy Regulation). The analysis is based on the best possible climate scenario data available in Austria (ÖKS15). The climate data from 1991 to 2020 was evaluated for the next ten years (2021 to 2030) by applying the data of ÖKS15. The RCP 8.5 climate scenario range was examined for the period 2021 to 2050. Climate scenario RCP 8.5 is a scenario where greenhouse gas emissions remain high.

The process was accompanied by climate experts from GeoSphere Austria – Federal Institute of Geology, Geophysics, Climatology and Meteorology in order to assess the climate scenarios in the best possible way. The negative impact was assessed qualitatively on the basis of a standardised rating scale. Besides the minor standard updates, the Rail Cargo Group’s climate risk and vulnerability analysis was also carried out for selected locations outside Austria in 2023. It takes into account the climate hazards of heat waves, wind, river flooding, coastal flooding, changes in precipitation patterns and extreme precipitation.

Various uncertainties (e.g. insufficient database) meant that a quantitative assessment was only conducted where currently possible. A complete quantitative assessment was not performed in the first step.

The natural hazard information map was finalised in 2022 as an additional tool, particularly in the area of rail infrastructure. Natural events along the ÖBB-Infrastruktur AG route network were standardised and objectively recorded nationwide. In 2023, the needs-based updating of the reference maps was started based on this, depending on any natural events and new protective structures. A total of up to approx. 105 km of railway support forest was planted in 2023 to minimise tree toppling and breakage in the direction of the overhead line during storms and thunderstorms. This means that trees that could fall into the track during storms or thunderstorms were removed as required and replanted with suitable tree species. This continues to make a substantial contribution to increasing safety, punctuality and route availability.

An innovative pilot project was implemented in 2023 to better assess unexpected damage and disruption to ÖBB's rail network in the future. This project will see "drone garages" deployed across the route network in future. The drones used send real-time images of the condition of the affected section of road. This saves time by shortening processing times and minimising route closures.

Regulation 09.04 – Design and dimensioning of drainage systems – was updated as required in 2023 in order to make a corresponding contribution to sustainability. This set of regulations now contains a new provision stating that precipitation water should primarily be infiltrated on site before it is discharged into the sewerage system, for example. As a result, the water is fed directly into the natural water cycle. Numerous studies and observations have also shown that the railway's various retention and infiltration basins are important wetland habitats in the landscape.

Outlook for 2024

The next more detailed evaluation of potential climate risks will take place in connection with the transition to the European Sustainability Reporting Standards (ESRS) E1 – Climate Change. In addition, GeoSphere Austria – ÖBB's cooperation partner – will provide the EURO-CORDEX data including statistical error correction in Q3 2024 to further refine the CRVA abroad.

In 2024, work will also continue on the restoration of the protective forests in order to ensure the stability of the protective forests and their protective function against natural hazards and soil erosion. Reforestation has the highest priority as a result. This is intended to promote regeneration and a mixed forest culture.

As in previous years, protection facilities against natural hazards are built as a result of the natural hazard information map or reinvested as needed due to the current condition of the facilities.

Other significant measures

Climate change adaptation (excerpt)

Flood vulnerability | Findings of the analyses as a basis for the evaluation of flood protection projects by third parties.

Preventive tree removal – "railway support forest" | Preventive tree removal is intended to minimise disruption to the railway caused by branches or falling trees during storms and thunderstorms.

G.3. Emissions (excl. CO_2)

Management approach

In Austria, the transport sector is responsible for about 16% of dust emissions and for about 55% of nitrogen oxide emissions part of the classic air pollutants). The main polluter is road traffic. Noise emission is another environmental impact that the population feels most affected by because of its direct perceptibility. The main source of noise pollution is traffic, with road traffic also dominating as the main noise generator.

Rail is by far the most climate-friendly means of transportation, but it also causes emissions. Besides greenhouse gas emissions (note: GHG emissions, see chapter G.1. climate change mitigation), classic air pollutants such as nitrogen oxide (NOX) and nitrogen dioxide (NO2) are also emitted. These are generated by rail, bus and internal company transport using diesel as well as by heating systems in the stationary sector. Furthermore, noise emissions and vibrations, dust and fine dust as well as light pollution and electromagnetic smog occur during the operation of trains and buses.

In line with the company's sustainable direction, ÖBB aims to reduce all types of emissions that may pose a burden on people and the environment. This is all the more true as rail transport will continue to increase. With effective measures, ÖBB aims to minimise the potential impact of emissions on local residents and nature, while at the same time optimising comfort and safety for its customers.

The main ÖBB areas for reducing emissions are:
- Acoustic emissions / vibrations
- Classical air pollutants (note: GHG emissions are specifically reported on in the climate change mitigation module)
- Light pollution / electromagnetic fields

Reduction of noise emissions and protection against shocks/vibrations

Rail transport is an essential part of climate-friendly mobility. Rail noise is the "Achilles heel" in the acceptance of rail as a climate-friendly means of transport – especially noise emissions from freight wagons. As a result, "quiet trains" increase local residents' acceptance of the railway. ÖBB's aim is to further reduce the impact of noise emissions and shocks (vibrations) on residents living near railway lines. At the same time, this will further increase travelling comfort for passengers (e. g. night trains). The system view of the interaction between infrastructure and vehicles is crucial to achieving this objective.

Infrastructure measures

– Efficient stationary noise protection measures, together with BMK, federal states and communities – by promoting noise protection walls and dams (almost 1,000 km of routes are already covered) and the installation of soundproof windows and doors in highly polluted areas
– Implementation of the European requirements of the TSI Noise ("quieter routes") in Austria with a focus on all railway undertakings or wagon keepers operating on the ÖBB network: from 08.12.2024, only quiet freight wagons (i.e. appropriately converted to low-noise brakes) may operate on so-called "quiet routes". They are approx. 10dB quieter than before the conversion.
– Noise reduction measures through ongoing maintenance operations on the rail network (e.g. rail grinding)
– Annual report "Monitoring Schallemissionen Eisenbahnverkehr Wörthersee" with reference to railway noise emissions of the double-track southern line in the central region of Kärnten (together with the federal state of Kärnten)
– Research and development - to promote new and innovative measures to further reduce railway noise (a selection of research projects is available as part of the "Quiet tracks" initiative at https://konzern.oebb.at/de/leise-gleise/forschung-entwicklung)
– Measures to minimise shocks / vibrations (e.g. condition of the track, structure / layering of the track substructure)

Vehicle-related measures

– Rail Cargo Group is fully committed to achieving quieter rail freight transport. To achieve this, all their freight wagons currently in operation are fitted with new quiet brake pads. The contact surfaces remain smoother and the rolling noise is as a result decisively quieter. Freight trains then sound almost half as quiet as conventional wagons. The conversion began in March 2018 and was completed in 2023. By the end of 2023, over 99% of Rail Cargo Austria AG's fleet will be equipped with quiet brakes and therefore already meet the legal requirements that apply from 2024. This measure corresponds to the implementation of the European TSI Noise requirements so that freight wagons will be allowed to run on quieter routes from 2024.
– Further application of applicable technical norms / standards with regard to noise reduction in the procurement of new rail vehicles for passenger and freight transport and buses for passenger transport by road
– Implementation of on-board measures to minimise shocks / vibrations (condition of rolling stock, weight / speed and composition of trains...)
– Noise reduction in railway operations through targeted training and information of employees for noise-reducing operational management (noise protection instructions for shunting and operation).

Classic air pollutants

Note: CO_2 emissions are dealt with in chapter G.1 Climate change mitigation.

Classic air pollutants (NO_2, NO_X,...) are emitted at ÖBB, similar to greenhouse gas emissions, to a large extent in combustion processes. This occurs both in transport (e. g. diesel use in rail / bus and internal transport) as well as in stationary systems (heating systems). Dust and particulate pollution at ÖBB often originate from other sources as well - especially from construction and maintenance projects.

Objectives

Further reduce air pollutants from traffic and stationary sources and also keep dust and particulate matter pollution low.

This will be addressed by dealing with the following areas:
– Air pollutants in traffic: Reduction of emissions from combustion (especially nitrogen oxides and carbon monoxide), for example through engine technology (exhaust standards, Euro classes, etc.) and tire and brake abrasion (especially dusts) Note: Decarbonisation measures from Building Block 1 - Climate change mitigation (e.g. replacement of diesel) not only have a reduction effect on GHG, but also reduce classic air pollutants accordingly.
– Air pollutants from stationary combustion (e. g. oil heating systems)
– Dust and particulate pollution caused by ÖBB construction and maintenance projects primarily expansion and optimisation of rail infrastructure)

Light pollution and electromagnetic fields

Light sources such as train station lights and illuminated billboards are artificial light sources. These sometimes have a significant impact on animal, plant, and human life. Conversely, sufficiently illuminated traffic areas are also essential for the safety of ÖBB customers and employees as well as for railway operations. A sensitive approach is required when it comes to reducing light pollution, and the same applies to the reduction of electromagnetic fields. Consideration of all interests is necessary in both cases.

The use of electrical energy for the supply of traction current and the operation of electrical systems (e. g. 16.7 Hz systems, transformer stations, overhead line systems) can cause electromagnetic emissions. Protective and compensatory measures may be necessary to protect employees, customers and neighbours. The effects of electromagnetic fields can be present in many occupational situations at ÖBB - even in office workplaces. ÖBB is affected by this topic in many ways - minimising and protecting against electromagnetic fields is therefore an important goal.

Objectives

- Minimisation of light pollution - taking into account the safe operation of railways
- Reduction of the impact of electromagnetic fields on affected persons (employees, customers and neighbours)

Light pollution
- Optimal use of lighting - taking into account safe railway operation
- Use of suitable light sources (e. g. replacement of mercury high-pressure lamps) and sensible planning / implementation of lighting (e. g. no direct light emissions upwards) - brings additional opportunity to save energy
- Use of insect-friendly light sources (colour temperature less than 3000K) in non-safety-relevant areas
- Use of lamps with protection class of IP 65 and higher. This prevents insects from coming into direct contact with the light source.

Electromagnetic fields
- Keeping the effects of electromagnetic fields on affected persons (employees, customers, neighbours) to a minimum, especially in the case of installations for the supply of traction current or the operation of electrical installations.
- In other processes (construction and maintenance processes up to office work processes)

In the context of new buildings and large-scale conversions, EMC assessments (EMC = electromagnetic compatibility) or EMC investigations are conducted in order to examine the effects on the environment and minimise them with suitable measures.

Return conductors are used as standard in new buildings and conversions to minimise electric fields. In areas of sensitive use, project-specific specifications are made to minimise electric fields (e.g. public park at Schedifka Square).

Key figures at a glance	2023	2022
Noise		
Noise barriers in kilometres	971	960
Noise barriers in kilometres	65	65
Infrastructure-related investments in noise protection in EUR million	6.4	4.7
Freight wagons with LL soleplate (low-noise brake pads) in the RCA stock	16,243	16,476
Freight wagons with LL soleplate (low-noise brake pads) in the RCH stock [1]	5,329	4,584
Emissions		
Österreichische Postbus Aktiengesellschaft | ČSAD AUTOBUSY České Budějovice a.s.[1]		
Number of Euro2 and Euro3 buses	1 | 0	2 | 0
Number of Euro4 buses	3 | 0	8 | 0
Number of buses in lower emission standard classes Euro5 / EEV and Euro6	2,478 | 292	2,511 | 299
Amount of nitrogen oxides (NO_X) from diesel consumption in Austria in tonnes[2]	1,114	1,147

[1] Key figure shown applies to foreign countries.
[2] Rough calculation approach using an average NOx value per litre of diesel according to the Federal Environment Agency (2021 data basis).

Highlights 2023

Strategic noise mapping

Rolling wheels generate sound due to physical laws which cannot be overridden. ÖBB is, however, making every effort to contain and reduce noise emissions from rail traffic. As part of the European strategic noise mapping, the Austria-wide noise maps required every five years were submitted as planned (see www.laerminfo.at – Noise maps / rail transport). The uniform Europe-wide calculation method was used for the first time. The action plans, which are to be submitted to the European Commission by 2024, will be drawn up in the coming year on the basis of the strategic noise mapping in accordance with Article 8 of the EU Environmental Noise Directive and its national implementation.

Effective protective measures

Noise barriers and soundproof windows are erected and subsidised in the course of noise remediation on existing lines. Noise protection measures are taken into account and implemented from the outset for new and upgraded lines. As a result, in 2023 there were 1,036 km of noise barriers and noise protection dams on 4,935 km of track in the ÖBB-Infrastruktur AG network. An additional 11 km of noise barriers were therefore erected in the 2023 reporting year.

Postbus: Further promotion of low-emission buses.

2,478 buses of the lower-emission norm classes Euro 5 / EEV and Euro 6 will be in the fleet of Österreichische Postbus Aktiengesellschaft at the end of 2023. That is 33 more than at the end of 2022.

An environmentally friendly driving style is required to reduce conventional air pollutants and noise emissions. All Postbus drivers are trained to drive the buses as efficiently as possible. A poster campaign was rolled out at the service centres in 2023 to raise awareness of the fuel-saving traffic light. Alternative drive systems not only cause fewer conventional air pollutants, they are also quieter in operation, which is another reason why the aim is to accelerate the changeover.

Compliance with applicable technical norms and standards for the new acquisition of combustion vehicles such as buses is the essential basic prerequisite for reducing or limiting, for example, classic air pollutants (NO_2, NO_X) in traffic.

Outlook for 2024

The future of quiet tracks

Future topics for reducing noise emissions from the railway are being developed as part of research projects at ÖBB-Infrastruktur AG: These concern both the systematic and long-term testing of superstructure components as well as surveys on the mutual dependencies between vehicle and track in terms of noise technology. Furthermore, longer-term noise forecasts are being developed. They take into account future developments such as traffic forecasts (cf. VPÖ 2040+) and transport policy plans (cf. Mobility Masterplan 2030).

Heating oil phase-out

Implementation of further conversions for the phase-out of oil-fired heating systems by 2030, see Chapter G.1.

Other significant measures

Emissions (excl. CO_2) (excerpt)

Decrease in noise emissions on the Wörthersee railway line | Regular measurement reports show a continuous reduction in noise emissions from the railway on Lake Wörthersee, underlining the effectiveness of the measures that are being taken on an ongoing basis.

G.4. Resource management GRI 413-1

Management approach

The quantities of resources that humans consume on average per year are considerably greater than what the earth "makes available" to us in the same year. Sustainable coverage of human consumption would require "1.75 Earths" to be available each year. At present, Austria's current resource consumption would require as much as 3.8 Earths.[58] The mindful and sustainable use of resources must therefore be a clear focus - and this also applies to ÖBB. Water and many other raw materials are required for the construction and maintenance of railway infrastructure as well as for its operation. Besides the "classic resources", the available space is also a valuable commodity, which public transport uses optimally thanks to its particularly efficient utilisation of space. It only requires seven square metres per person transported, in contrast to the 100 square metres taken up by private motorised transport.

ÖBB's overriding goal is to minimise the use of raw materials and materials and to save resources and, above all, costs. ÖBB wants to reduce chemicals and pollutants in particular as far as possible. Waste should largely avoided and a circular economy promoted. In terms of land usage, ÖBB also aims to limit this to the most necessary extent.

ÖBB would like to systematically incorporate the recycling capability of products and services into its procurement and investment strategies step by step. Key topics are the reduction of primary raw materials, active material conservation and the extension of useful life. By applying circular economy principles, ÖBB can reduce costs, secure resources in the long term, and promote its contribution to sustainability. This is implemented through targeted raw material and resource management. The use of sustainable materials is to be intensified in order to produce as little waste as possible. Wherever possible, unavoidable waste is reused and recycled/disposed of in a sustainable manner that complies with the law.

Objectives

- ÖBB wants to be a pioneer in the field of an effective circular economy and support Austria's transformation to a sustainable economy.
- ÖBB wants to expedite the management of secondary raw materials in order to deal optimally with the existent waste
- Raw materials, materials and products should be used efficiently and sustainably as far as possible and chemical substances / pollutants should be reduced to a feasible minimum.
- Water consumption is to be kept constant in the future and reduced where possible.
- Reducing soil sealing and land usage is an important environmental goal for the ÖBB-Group.

Resource conservation and circular economy GRI 301-1, 306-2

The finite nature of natural resources and the social and ecological consequences of raw material extraction make the development of a circular economy indispensable and a key sustainability issue. As Austria's largest mobility service provider, ÖBB aims to play a pioneering role in the circular economy. Accordingly, they want to support Austria as a driving force in the transformation to a sustainable economy. In the 2023 reporting year, ÖBB – with the involvement of all relevant ÖBB companies – began developing a strategy for the circular economy. The aim of this strategy is to decouple economic growth from resource consumption in the long term – by linking successful economic activity, ecological compatibility and social responsibility – and thus implement a sustainable circular economy. The main strategic approaches are the implementation of the circular economy in system and product design, the reduction of primary raw materials, the active conservation of materials and the extension of useful life on the one hand, and the avoidance of waste and environmentally harmful substances on the other. In addition to the principal strategic approaches, there will be a concerted effort at various other operational levels. This is based on the Austrian circular economy strategy. ÖBB's sustainability strategy is therefore being expanded in Module 4 | Resource management to include a circular economy strategy, accompanied by concrete ambitions, aims and strategic approaches.

ÖBB wants to drive forward the identification and prioritisation of weak points in linear processes and the identification of potential for circular measures. It is therefore helpful to analyse the value creation logic within the industry and the associated framework conditions (such as regulations, trends and natural and technical limits) in the best possible way. In this context, ÖBB intends to apply the concept of the extended value chain to significant and selected products or materials in future. The aim is to describe and analyse the key players involved in the life cycle of the product or material, as well as their core processes and functions.

[58] Source: https://www.overshootday.org/how-many-earths-or-countries-do-we-need/#:~:text=Humanity%20is%20using%20nature%201.8,the%20resources%20of%201.8%20Earths.

Resource management in the subgroup companies.

In the area of ÖBB-Technische Services-Gesellschaft mbH, which is responsible for the maintenance of rail vehicles, the use of resources plays an essential role. In 2023, 24% fewer environmentally relevant substances were produced than in the previous year (2023: 1,324 tonnes, py: 1,744 tonnes). For example, careful handling or a reduction in the amount of adhesives or coatings used is being promoted. In addition, ÖBB-Technische Services-Gesellschaft mbH is focusing on the subject of component reconditioning. In the process, numerous components are reprocessed and reused to reduce the volume of waste and conserve resources. For example, seats, toilets, auxiliary heaters, electrical elements as well as towing and pushing devices and much more are carefully reconditioned and brought up to date – a process known as "refurbishing".

The Österreichische Postbus Aktiengesellschaft offers workshop employees a regular washing and repair service for their work clothes. The effect is that the garments remain in use for longer. Those that are beyond repair – including drivers' uniforms – are used as cleaning cloths in the workshops wherever possible. New clothing is planned for the drivers from 2024. The new uniforms are made of 100% cotton which makes it easier to return them to the resource cycle at the end of their useful life. The Vösendorf traffic control centre has already made it mandatory to return uniforms and rucksacks after leaving the service.

Attention is also paid to conserving resources in rail freight transport. The TransANT freight wagon innovation has reduced material consumption per wagon by 20%. At the end of their life, the freight wagons are completely scrapped and reused for the production of new steel. In 2023, 1,369 tonnes of wagons were scrapped in the Rail Cargo Group in Austria (py: 6,085 tonnes).

ÖBB-Infrastruktur AG attaches just as much importance to the careful use of internal resources as it does to endeavouring to avoid waste and reuse materials. Here an example from track construction: the reuse of track ballast. Existing track ballast is cleaned by machine and reinstalled in the ballast bed. Excavation machines (AHM) are used for subsoil remediation. In the process, the upper section of the ballast bed is broken up, mixed with new material and reinstalled in the track as a base course. The remaining track ballast material is excavated together with the subsoil and disposed of, i.e. recycled accordingly. This results in reuse in the sense of resource conservation and a reduction in the amount of waste.

Resource conservation and circular economy (focus on AT)	2023	2022
ÖBB-Technische Services-Gesellschaft mbH - component preparation in pieces		
Pneumatic and brake components	44,268	42,168
Diesel engines / transmissions	190	199
Air-conditioning units	1,342	1,110
Windows	3,003	2,935
ÖBB-Infrastruktur AG – Recovery of track ballast in tons		
Reclaiming track ballast as track ballast	233,000	247,000
Reclaiming track ballast as a base layer	10,000	22,000

Waste 306-1, 306-2

Waste is to be one of the main strategic approaches in the structuring of the circular economy. This should ensure that existing resources are utilised optimally. To this end, the development of a raw materials management system at ÖBB is being driven forward. ÖBB-Infrastruktur AG accounts for approx. 99% of the waste generated by the ÖBB Group. This results from the tasks as the client of large construction projects in the course of investments (renewal / new construction / expansion), but also in maintenance (inspection / maintenance / fault clearance / repair). In 2023, approx. 3.70 million tonnes (py: approx. 6.74 million tonnes) of waste was generated, 45% less than in 2022. Non-hazardous waste at approx. 3.65 million tonnes (py: approx. 6.71 million tonnes) accounts for the largest share of the ÖBB Group's total waste volume (hazardous waste: approx. 0.05 million tonnes; py: approx. 0.03 million tonnes) Approx. 97% of non-hazardous waste volumes are attributable to waste from construction activities, which fell by 46% compared to the previous year and currently stands at approx. 3.55 million tonnes (py: approx. 6.59 million tonnes).

The sharp fall in the amount of landfilled material is due to natural fluctuations in the project activity of major construction activities in the infrastructure sector (tunnelling projects). As in the previous year, approx. 53% (py: 53%) of construction waste was sent for disposal and approx. 99% (py: 99%) was sent to external landfills. Approx. 99% of this relates to excavated material produced in the course of rail infrastructure construction activities. The amount of hazardous waste in the ÖBB Group recorded a considerable increase compared to the previous year in 2023, more oil-contaminated excavated material and mineral fibre waste with hazardous fibre properties was generated.

Part of the disposal of construction and operational waste of the ÖBB Group is handled by Rail Cargo Logistics - Environmental Services GmbH (RCL-ES) as an "in-house" waste collector. The waste generated is passed on exclusively to authorised waste collectors or treaters on the basis of contracts / agreements concluded for the entire ÖBB Group via the RCL-ES. Environmentally sound recycling or disposal of municipal waste at centrally managed properties is mainly conducted by ÖBB-Immobilienmanagement GmbH (e.g. railway stations, bus stops or office locations). The majority of construction waste from ÖBB-Infrastruktur AG's major infrastructure projects is disposed of separately as part of the construction contracts (individual contracts). Data collection is handled separately for each calendar year via various internal processes and systems (ÖBB-Infrastruktur AG: procedural and work instructions, environmental information system; RCL-ES: waste management platform, waste balance sheet and other electronic data management reports [EDM], reports in accordance with the Contaminated Sites Remediation Act [ALSAG], etc.).

The company-owned landfills of ÖBB-Infrastruktur AG are of particular importance in this respect. These are essential components of infrastructure projects (including the Semmering Base Tunnel or construction of the Koralm railway) in the public interest (railway construction engineering [EB] / environmental impact assessment procedure [EIA procedure]). These landfills are used to dispose of construction waste, such as excavated earth, tunnel spoil, etc., taking into account the best possible reduction of transport routes and hence emissions.

Waste disposal schedule of the ÖBB Group (domestic and abroad) GRI 306-3 to 5

	Waste from construction projects		Company waste		Scrap		Communal waste		**Total**	
Type of waste in tonnes (t)[1]	2023	2022	2023	2022	2023	2022	2023	2022	**2023**	**2022**
Recycling (handover to recycler)[2]	8	0	815	0	25	0	0	0	849	0
Other recycling: mechanical, biological and chemical-physical processes[3]	17,381	448	4,319	2,179	8	39	5	2	21,713	2,668
Other recovery: energy recovery	21,188	21,138	1,331	3,493	0	0	0	0	22,519	24,631
Utilisation	**38,578**	**21,586**	**6,465**	**5,672**	**33**	**39**	**5**	**2**	**45,082**	**27,299**
Off-site landfills	2,418	855	27	418	0	9	0	0	2,446	1,282
Elimination	**2,418**	**855**	**27**	**418**	**0**	**9**	**0**	**0**	**2,446**	**1,282**
Hazardous waste	**40,996**	**22,441**	**6,492**	**6,090**	**33**	**48**	**5**	**2**	**47,527**	**28,581**
Recycling (handover to recycler)	1,169,643	1,334,057	8,389	32,008	54,338	61,801	3,731	3,829	1,236,101	1,431,694
Other material recycling: reuse outside of construction projects[4]	352,388	1,626,438	0	0	0	0	0	0	352,388	1,626,438
Other material recycling: reuse outside of construction projects	104,329	107,707	0	706	0	0	0	0	104,329	108,413
Other recycling: mechanical, biological and chemical-physical processes[5]	0	56	15,871	5,934	15	0	656	0	16,542	5,990
Other recovery: energy recovery	215	586	3,577	3,286	0	0	12,475	10,347	16,267	14,219
Utilisation	**1,626,576**	**3,068,844**	**27,838**	**41,933**	**54,353**	**61,801**	**16,863**	**14,176**	**1,725,628**	**3,186,754**
Off-site landfills	1,897,966	2,616,703	3,435	4,183	360	132	485	239	1,902,246	2,621,257
Company-owned landfills[6]	20,532	903,852	0	0	0	0	0	0	20,532	903,852
Elimination	**1,918,498**	**3,520,555**	**3,435**	**4,183**	**360**	**132**	**485**	**239**	**1,922,778**	**3,525,109**
Non-hazardous waste	**3,545,073**	**6,589,399**	**31,273**	**46,116**	**54,713**	**61,933**	**17,347**	**14,415**	**3,648,406**	**6,711,863**
Total waste	**3,586,069**	**6,611,840**	**37,765**	**52,206**	**54,746**	**61,981**	**17,353**	**14,417**	**3,695,934**	**6,740,444**
thereof utilisation	***1,665,153***	***3,090,430***	***34,303***	***47,605***	***54,386***	***61,840***	***16,868***	***14,178***	***1,770,710***	***3,214,053***
thereof elimination	***1,920,916***	***3,521,410***	***3,462***	***4,601***	***360***	***141***	***485***	***239***	***1,925,224***	***3,526,391***

[1] No distinction was made between on-site / off-site recovery / disposal, as this is not relevant at the site, except in the case of reuse in the construction project and the company's own landfills, which are listed as categories. Small deviations occur due to rounding of the decimal places of the tonnes to whole numbers.
[2] The category "Hazardous waste: Recycling (transfer to recycler)" was added compared to the previous year.
[3] Hazardous waste is subjected to a mechanical, biological and chemical-physical process before recycling.
[4] The considerable fluctuations in construction activity have resulted in lower volumes for reuse in construction projects, such as the progress of the Koralm railway.
[5] Deviations occur in the waste data due to the strong fluctuations in the operation and maintenance of the plants.
[6] Deviations may also occur in the waste data due to the strong fluctuations in the operation and maintenance of the plants. Example: Sludge from wastewater treatment, without hazardous substances.

Water GRI 303-1, 303-5

A key component in preventing resource waste and excessive water consumption is improving the efficiency of water use in all sectors. Most of the water (drinking and process water) used by the ÖBB-Group comes from municipal supplies. Österreichische Postbus Aktiengesellschaft and ÖBB-Infrastruktur AG also have springs that are located on railway land and are used on the basis of existing water rights. In general, ÖBB does not operate water treatment plants for municipal waste water, but discharges it into the central, public sewer system.

In 2023, there was a reduction in water consumption of approx. 18% compared to the previous year; water consumption in the ÖBB Group in Austria and abroad amounted to approx. 1.8 million m^3 in 2023 (py: approx. 2.2 million m^3). The deviation from the previous year is partly due to process optimisation and improvements in data quality.

A central point for the guarantee of a long-term safe and stable track system is the sustainable track drainage of the track of railways. This is precipitation water from the direct track area and water flowing in from embankments. Regular railway operations in principle produce no contamination that exceeds legal limits. However, it is essential to ensure that water bodies are not negatively affected not only during operation, but also during the construction phase. This is achieved by conducting project-specific chemical analyses of the rainwater discharged during the individual construction phases. Water is discharged into receiving waters such as streams, rivers and groundwater in accordance with the provisions of the Water Act and only in compliance with the relevant water law authorisations (e.g. purification of water using humus filters in infiltration basins).

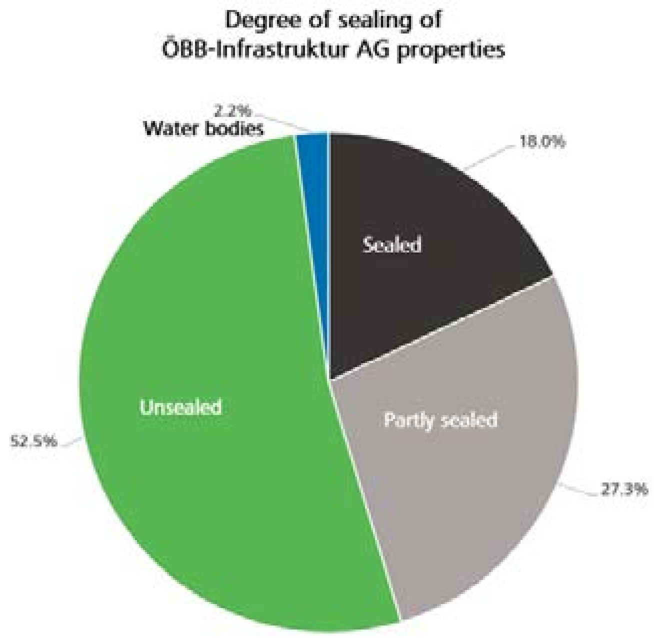
The water is collected separately in the event of possible incidents (e.g. in the tunnel). The discharges are always equipped with gates that are closed immediately in the event of a malfunction. This prevents the discharge of contaminated water into the water courses.

Land area and soil

The construction length[59] of the ÖBB railway network in 2023 is approx. 4,935 km (py: approx. 4,935 km), the land area approx. 188.7 km^2 (py: approx. 189.4 km^2). This means that the area of land has decreased minimally compared to the previous year and the length of the route has remained constant. The railway's performance is all the more remarkable given that it requires less space year after year to handle traffic, which, on the other hand, is increasing every year. A study by VCÖ has shown that roads including parking spaces require 18 times more area than rail infrastructure. Rail only needs a third to a sixth of land area compared to road for the same transport performance. In 2020, the Pro-Rail Alliance calculated that 100 square meters of land area per person transported should be assumed for private motorised transport. Rail requires only seven square metres per person. Rail travel is therefore not only more climate-friendly, but also has a much lower land requirement than road transport. In recent years, the road network has grown by several hectares per day, while the rail network has in turn shrunk. This is partly due to the reclassification of land cover (e. g. forest located on railway land used to be attributed to transport infrastructure), but it is also due to transport policy decisions. As a result, certain branch lines were abandoned and inner-city logistics areas were given up for urban development.

A project of ÖBB-Infrastruktur AG had the task of better assessing the land cover and utilisation potential of all railway land owned by the sub-group. The project "Potential area analysis" was conducted with the Institute for Landscape Development, Recreation and Nature Conservation Planning, Department of Space, Landscape, Infrastructure at the University of Natural Resources and Life Sciences and completed in 2021. Various satellite data and publicly available databases were used to create an accurate picture of the ground cover on railway land. Nearly 24,000 properties on over 18,800 hectares throughout Austria were analysed.

[59] Operational length changed to construction length due to more accurate calculation methods (operational length 2022: 4,843 km).



Sealed: Car parks and traffic areas, buildings; Semi-sealed: Railway ballast, gravel surfaces; unsealed: Grassland, farmland, woodland and shrubland, gardens.
Source: Schauppenlehner, T., Hainz-Renetzeder, C., Lux, K., Frühwirth, R. (2022): Determination of the economic, social and ecological potential of ÖBB open spaces - final report. Institute for Landscape Development, Recreation and Conservation Planning, University of Natural Resources and Applied Life Sciences, Vienna. 75 S (on behalf of ÖBB-Infrastruktur AG).

In total, ÖBB has more unsealed forest and meadow areas than sealed traffic areas. There are particularly high proportions of forest in the provinces of Tyrol, Vorarlberg and Carinthia. They fulfil the important protective forest function for the rail infrastructure in the alpine route areas. In regions with few forests, such as Burgenland, the forests on railway land increase the diversity of the landscape. The higher rail network density, high-capacity lines and larger railway stations mean that the federal states of Vienna, Lower Austria and Upper Austria have a high proportion of railway lines. Water surface areas also make up a significant proportion of the railway land in the provinces of Salzburg and Vorarlberg. The large hydroelectric power storage lakes for traction current production are located there.

The project also developed and visualised various case studies on extensive, sustainable land use, such as urban gardening, grazing, energy production, etc.

In 2023, ÖBB-Produktion Gesellschaft mbH began the remediation of oil separators at twelve locations in order to prevent the contamination of soil with fossil fuel in the area of diesel filling stations. The refurbishment work is scheduled for completion in spring 2024. The replacement of ballast contaminated with diesel fuel is also to continue as in previous years. The Knittelfeld support centre was involved this year, with other support centres to follow.

Résumé and outlook 2024

The process towards an effective and economical circular economy in the ÖBB Group is currently underway. In 2023, several initiatives were taken to improve the circular economy. Firstly, this area was better staffed and, secondly, new methods will be applied and further potential identified and raised through cooperation and research projects. The main guideline for this is the Austrian circular economy strategy, which was published in December 2022.

A new land surface inventory is also planned for 2024, from which strategic objectives will then also be derived.

Other significant measures

Resource management (excerpt)

Recyclable uniforms | Project with the aim of keeping the textiles used for uniforms in circulation for longer and thus reducing the amount of waste.

Remediation of oil separators | Oil separators at twelve ÖBB-Produktion Gesellschaft mbH sites were remediated in order to prevent potential contamination of the soil by fossil fuels in the vicinity of diesel filling stations.

Clean track facilities | In 2023, contaminated ballast was replaced with clean material at the Knittelfeld base in order to protect the soil and groundwater from diesel fuel contamination.

Goodbye shunting notices | Since August 2022, the Rail Cargo Group has been providing digital information about load-related restrictions and special consignments for national transport operations. This saves approx. 56,000 labels per year and means cost efficiency and resource conservation.

Eliminating microplastics in cleaning | In the course of this project by ÖBB-Operative Services GmbH & Co KG, the ingredients and plastic materials used in cleaning products and their impact on people and the environment were analysed together with students. Alternative cleaning products were also being sourced. The high potential for reducing microplastics is such that the research project is to be expanded over the next few years.

G.5. Biodiversity and species diversity GRI 413-1

Management approach

ÖBB operates a route network of almost 5,000 kilometres in order to offer its customers a comprehensive rail service throughout Austria. In total, there are approx. 10,000 kms of railway track running through and into the countryside. This encroachment is offset by the fact that railway lines are (in the meantime) also important habitats and refuges for plants and animals. Moreover, ÖBB is convinced that an intact living space ensures a good quality of life for all people.

As a climate change mitigation company, ÖBB also wants to contribute to the preservation of biodiversity in the country, as climate development and biodiversity also influence each other. Negative impacts on the environment should be minimised to preserve natural habitats.

Nature conservation and species protection are already taken into account in the planning of construction and conservation measures on the basis of the relevant federal and state laws. Necessary interventions in nature and the landscape are implemented in such a way that as few negative impacts as possible occur through avoidance, mitigation, compensation and replacement measures. In addition, ÖBB supports numerous nature and species conservation projects that promote the preservation of biodiversity. The topic of "biodiversity and species diversity" is also the subject of awareness-raising training and continuing education.

Objectives

– The mobility and infrastructure-related goals and measures from the Austrian Biodiversity Strategy 2030+ are being implemented in close coordination with the BMK.
– ÖBB wants to further reduce the use of chemical herbicides in vegetation control on railway tracks.
– ÖBB wants to raise awareness among its employees on the topic of "species diversity and biodiversity".
– ÖBB wants to implement targeted initiatives to create and improve habitats on and in the vicinity of the railway as far as possible.
– Species and nature conservation measures should be achieved in harmony with the operational requirements of the railway.

To increase biodiversity along the route, emphasis is placed on special design of the railway embankments and slopes. The design and construction of the facilities are already coordinated to promote different types of vegetation along the railway embankment in order to continue to expedite fauna and flora diversity. The extensive and near-natural management of the railway lines and various areas along the railway serve as a refuge and migration corridor for rare animal and plant species. At the same time, these are areas that link different habitats in Austria. In addition, intact, near-natural and species-rich habitats provide a multitude of ecosystem services and thus promote people's quality of life.

Consideration of the respective Red Lists of endangered species is to be ensured for all new construction and expansion projects. For this purpose, in addition to the approval procedures, which are planned and implemented in accordance with nature conservation and species protection law, specific regulations related to the environment and nature conservation are also used (guidelines and regulations for roads, RVS, or guidelines and regulations for railways, RVE).

In 2023, 8,671 kilometres of track were checked for existing vegetation (cf. 2022: + 4%) and treated with protective herbicide agents if necessary. Approx. 1.5 tonnes of active substances (flumioxazin, flazasulfuron, iodosulfuron, diflufenican) were used, 0.3 tonnes more than in the previous year. The difference compared to the previous year is due to an increase in the number of track kilometres monitored and the inclusion of iodosulfuron and diflufenican in the standard application. In 2022, these active substances were only used on a trial basis. A comparison of the track areas actually treated and the controlled track areas shows that the same proportion of controlled areas required treatment in 2023 as in 2022. When interpreting the key figures, it is important to bear in mind that plant growth on the track surface, for example, is influenced by various environmental factors such as rain or heat. The same applies to the use of spraying equipment.

Key figures at a glance (focus AT)	2023	2022
Amount of active ingredient used in kilograms per year	1,497	1,168
of which Glyphosate	*0*	*0*
Track checked for vegetation in kilometres	8,671	8,340
Area checked for vegetation in hectares	5,877	5,642
Areas actually treated in hectares	1,828	1,775
Proportion of the controlled area treated in per cent	31	31

In December 2017, the EU Commission extended the possible use of glyphosate by five years. ÖBB-Infrastruktur AG's objective of not using glyphosate on ÖBB railway tracks was achieved at the beginning of 2022. There was a switch to alternatively available plant protection products. In addition, ÖBB-Infrastruktur AG continues to participate intensively in research projects. A mix of methods – chemical, mechanical, physical (thermal / electrical) – are to be used in the future. However, until other methods have achieved effectiveness and track suitability, the treatment of track systems with plant protection products remains the most important measure – for chemical vegetation control and for monitoring the vegetation in the track area. ÖBB-Infrastruktur AG is also involved in an international exchange with other railway operators. The aim of this exchange is to find solutions to this problem, which is similar for the entire railway sector. GRI 304-2

Highlights 2023

At the end of 2022, the Austrian Biodiversity Strategy 2030+ was published by the BMK after some delay. This includes numerous measures for the traffic and transport infrastructure sector, which require greater consideration in the coming years. The official kick-off, at which all federally owned transport infrastructure operators were invited to a round table at the BMK, took place in autumn 2023. The first measures for habitat networking and the "ecological upgrading" of infrastructure support areas have already been implemented.

In April 2023, an 800-metre section of overhead line on the line between Parndorf and Pama, which is particularly critical for great bustards, was also secured with "fireflies". These increase the visibility of the line for the birds and are intended to prevent collisions in flight. In future, the secured area is to be extended even further.

Another highlight of 2023 was receiving the "Excellence in Railway Publications Award" from the UIC - International Union of Railways, for the "Guidelines on Managing Railway Assets for Biodiversity" published in May 2023. These guidelines were developed as part of the UIC project "Reverse" of the UIC working group "Sustainable Landuse", which ÖBB-Infrastruktur AG chairs together with a colleague from Network Rail.

The “FloraMon” project included the development of a prototype system for the area-wide recording of vegetation density as well as relevant and particularly problematic plant species. FloraMon is a joint research initiative of ÖBB-Infrastruktur AG and ASFINAG with Johanneum Research Forschungsgesellschaft and biohelp GmbH. The project is engaged in the visualisation of plants along the rail and road network at very high speed. The recorded data is evaluated with regard to the location and frequency of occurrence of specific plant species (neophytes and others) using AI methods and the clear presentation of this plant information is transferred to geographical information systems (GIS). This means that vegetation control measures adapted to the plant growth can be carried out in the future.

Outlook for 2024

The implementation of the mobility and infrastructure-related aims and measures from the Austrian Biodiversity Strategy 2030+ will be the focus in the coming years in close coordination with the BMK.

In 2024, Österreichische Postbus Aktiengesellschaft is once again planning to collaborate with the University of Innsbruck on the topic of “insect monitoring”. The presence of certain insect species is monitored by means of so-called swab samples, which are taken after bus journeys on selected routes in Austria. This information also helps to develop new protection strategies.

Other significant measures

Biodiversity and species diversity (excerpt)

Orchards for biodiversity | The planting of 20 trees at the Logistics Centre Győrszemere (Hungary) and the installation of a photovoltaic system was completed in 2023.

Flower meadow for biodiversity | A flower meadow at the Wiener Neustadt base has been promoting biodiversity at the ÖBB-Produktion Gesellschaft mbH site since the summer. The planned introduction of ÖBB rail bees is a further step towards supporting ecological diversity.

Biodiversity Strategy Austria 2030+ | At the end of 2022, the BMK published the “Biodiversity Strategy Austria 2030+” with targets and measures for the transport and infrastructure sector. ÖBB-Infrastruktur AG is to work closely with the BMK to implement this strategy.

Biodiversity analysis | In 2023, all operational sites of the Rail Cargo Group were analysed with regard to “Threatened Species (IUCN)”, “Critical Habitats” and “Protected Areas”.

UIC - Guidelines on Managing Railway Assets for Biodiversity | The UIC working group “Sustainable Landuse” published the “Guidelines on Managing Railway Assets for Biodiversity” in 2023. Chaired by a representative of ÖBB-Infrastruktur AG, these guidelines received the UIC’s “Excellence in Railway Publications Award” in the same year.

Life Danube Free Sky – bird protection |The EU-funded LIFE project “Danube Free Sky” will implement bird protection measures on 63 km of overhead lines from 2022 to 2024 to reduce the risk of electrocution and collision.

Wildlife warning devices for the railway | The VIF research project on testing wildlife warning devices in the railway sector has been completed and the final reports published. The five test tracks created for the project will be retained and transferred to the regional area organisations. In view of the limited experience available worldwide, this research project was pioneering work in the use of wildlife warning devices on railway systems.

Green oasis on former ÖBB grounds | The “New Estate” in Vienna-Favoriten was formerly used to service locomotives and coaches; a new park has been under construction here since 2023.

G.6. Sustainable Procurement

Management approach

Economic and ecological criteria as well as social principles determine ÖBB's purchasing strategy as a foundation for shaping the mobility of tomorrow. For ÖBB, sustainability is an integral element of its procurement strategy. ÖBB wants to make a substantial contribution to shaping a sustainable and secure future with a stronger focus on ecological sustainability (green procurement) and security of supply in purchasing. As a result, they also want to fulfil their role as a role model and important client for Austria as a business location.

ÖBB takes social principles and ecological criteria into account when procuring services and products. These are incorporated into tender components in a customised and legally compliant manner. The ÖBB Toolbox provides the basis for this and contains a legally verified selection of sustainability criteria. The evaluation of tenders is predominantly based on the best bidder principle rather than the lowest bidder principle. In addition, the TCO-CO_2 model offers the possibility to consider not only the total costs (Total Cost of Ownership or TCO) but also the CO_2 emission costs over the entire life cycle.

Representatives from all lead buyer companies work in the cross-company "Sustainable Procurement" team. They ensure the continuous development of the framework conditions, for example by providing training courses, frameworks and guidelines. The team members also support buyers in the realisation of innovative, sustainable tenders.

The Code of Conduct for Suppliers regulates important ethical principles in the cooperation with ÖBB and covers topics such as "human rights", "environmental protection and climate change mitigation" and "diversity". The code requires acceptance by the suppliers in ÖBB's own purchasing system ProVia before the co-operation. ÖBB also utilises external CSR ratings for strategic suppliers to manage risks along the supply chain. In 2023, 62% of the procurement volume was sourced from suppliers with an external CSR rating. Since 2021, it has also been possible to be classified via ÖBB's own questionnaire. This free option is particularly suitable for small and medium-sized enterprises. The questionnaire is currently being revised and will be adapted to the new legal developments. In addition, ÖBB companies conduct risk-based supplier audits that are continuously developed and adapted to new requirements.

ÖBB Purchasing is involved internationally in railway industry initiatives such as "Railsponsible" or the "European Railways Purchasing Conference (ERPC)" for standardised, high-quality and sustainable procurement processes. GRI 2-6, 2-22, 2-24

Objectives

- ÖBB uses a wide range of sustainability measures vis-à-vis suppliers to provide important impetus to encourage and support suppliers on their path to greater sustainability. Such measures include the use of the TCO CO_2 model, the code of conduct for suppliers and the sustainability assessment.
- As chair of the "Railsponsible" initiative and the "European Railways Purchasing Conference" (ERPC), ÖBB also wants to make a significant contribution to making the entire rail industry supply chain more sustainable. The resulting transnational standardisation offers advantages for small and medium-sized enterprises in particular, making it easier for them to gain access internationally.
- With the help of additional tender criteria that cover specific sustainability topics, ÖBB intends to actively promote its strategic goals towards a sustainable future. Examples of this are climate neutrality and recycling management.

Key figures at a glance	2023	2022
Order volume in EUR billion per year	4.35	3.95
Number of creditors	9,673	9,350
Order volume from contractors based in Austria in per cent GRI 204-1	75.7	80.5
Procurement volume assessed for sustainability in per cent GRI 414-1	62	53

Highlights 2023

In 2023, the cross-company "Sustainable Procurement" team was given a higher professional profile. A newly developed roadmap provides an overview of planned work priorities and projects. Communication regarding measures was intensified in order to raise awareness of sustainable procurement both internally and externally. For example, purchasers presented sustainability requirements in their area of activity in external communication channels. The aim is to emphasise the importance of purchasing.

A particular highlight was the procurement conference for a sustainable future for ÖBB. The meeting brought together approx. 300 participants to discuss sustainable procurement issues. The conference provided an important opportunity to emphasise the importance of ecological and social aspects in tenders to ÖBB suppliers. In addition, they were informed about current legislative developments as an outlook and to enable them to prepare in good time. This is particularly important for small and medium-sized enterprises.

The practical support of purchasers is an important component of ÖBB's strategy. In 2023, all purchasers were therefore trained in the application of sustainability criteria in tenders. The ÖBB Toolbox is the basis for this activity. It has been refined and new possible criteria have been introduced. Additional information on sustainability has also been added to the purchasing manual. This serves as the basis for the onboarding of new employees in Purchasing. GRI 308-1

ÖBB Purchasing has been systematically incorporating the circular economy into procurement since the beginning of the year. Central aspects of this are the definition of tender criteria in order to integrate the circular economy into tenders and systems and to focus on pilot projects. A first pilot project was launched for the product recycling of shirts and blouses. ÖBB works together with other companies that also want to ensure better reuse of textile companies. This increases the quantity and consequently the effect.

Supportive agreements have also been reached internationally. The Railsponsible members agreed on common requirements for self-assessments in order to establish equivalence, as well as on minimum requirements for sustainability audits. In addition, the Head of Strategic Group Purchasing in the ÖBB Group was elected President of the "Railsponsible" initiative in 2023. GRI 2-6

Outlook for 2024

Further pilot projects in the area of climate neutrality and the circular economy will be initiated in the coming year. Moreover, the processes and regulations in the area of sustainable procurement are being further developed. IT projects are to be initiated to facilitate management and ensure better processing options. An expanded application of sustainability criteria in purchasing is also planned. Special priority is to be placed on supporting small and medium-sized enterprises. As members of the value chain, it is essential that they are able to prepare in good time for the reporting obligations of large companies such as ÖBB.

Other significant measures

Sustainable Procurement (excerpt)

Purchased - but sustainably! | In May 2023, ÖBB Purchasing organised the "Procurement conference for a sustainable future" to promote partnership-based cooperation with suppliers. Approx. 300 participants engaged in intensive discussions on key topics such as "decarbonisation", "circular economy" and "transparency in the supply chain".

Training programme for purchasers | Implementation of targeted training courses to deepen the application of sustainability criteria in tenders and the TCO-CO_2 model in preparing bids.

Creation of a "sustainable procurement" roadmap | The roadmap should clearly illustrate upcoming tasks and priorities in sustainable procurement. The roadmap also serves as a guideline for future measures.

Circular economy in purchasing | ÖBB Purchasing has developed methods for integrating the circular economy into the procurement process. The focus was on the development of tender criteria and the implementation of pilot projects. All purchasers were trained in the application of these tender criteria.

Further development of frameworks | The ÖBB Toolbox and the Purchasing Manual were optimised and expanded to include additional sustainability information.

AI in the supply chain | A pilot on artificial intelligence (AI) in the supply chain was conducted to further develop ÖBB's data management with regard to sustainability requirements.

Railsponsible minimum requirements for audits and equivalence of self-assessments | In 2023, working groups defined minimum requirements that should apply to sustainability audits. Work was also undertaken on the development of specific requirements for self-assessment so that self-assessments can be recognised in award procedures in the future.

UIC project "Planning / Performing of International Audits" | Joint project between the International Union of Railways (UIC) and some European railway companies such as Rail Cargo Group, Swiss Federal Railways (SBB), Société Nationale des Chemins de Fer Luxembourgeois (CFL) for better monitoring of suppliers.

G.7. Innovation and Technology

Management approach

The ongoing further development of the overall system of mobility, logistics and infrastructure plays an important role in the ÖBB Group. As one of the largest technology users in Austria, the ÖBB Group is committed to demand-orientated R&D activities. They are intended to increase the productivity, capacity and quality of the railway system and make a positive contribution to climate change mitigation and the achievement of national and international climate targets.

The ÖBB Group distinguishes internally between the areas of asset/technology innovation and product/service innovation in the area of research, technology and innovation. The ÖBB technology strategy adopted in 2020 serves as a strategic framework for the former. This set out the R&D priorities on the one hand and the understanding of R&D roles on the other. Part of this understanding of roles is the simplification and harmonisation of operating processes, a stringent impact and needs-oriented approach and the constant consideration of migration planning in all technology developments.

Objectives

- ÖBB aims to use innovative and digital technologies to increase the capacity, quality and productivity of the rail system, thereby enabling a further shift of traffic to rail and enhancing the competitiveness of the rail system.
- ÖBB wants to use innovations to increase customer satisfaction, attract new customers and achieve cost savings and revenue increases.
- ÖBB aims to identify relevant innovation options through regular market monitoring and to test and prioritise them with the help of structured validation.
- ÖBB not only wants to develop innovative products and services, but also new business models. The focus is on the needs of users and collaboration with start ups.
- ÖBB wants to communicate successful innovation projects even more strongly to the outside world and further institutionalise and expand the "Community creates Mobility" network.

Projects must take into account the premises of application and use-case orientation, the European approach with ensuring a positive impact on the entire European railway system and the migration planning of technology development in order to achieve these aims.

Key figures at a glance	2023		2022
Asset innovations			
Current research projects in progress	101	1)	64
Project volume ÖBB share in EUR million[2)]	35.0	1)	29.4
Project volume (ÖBB incl. partners) in EUR million[2)]	519.9	1)	105.8
Research project partners	45		32
Industry project partners	59		38
Project partners SMEs	94		68
Service innovations			
Ideas submitted via internal platforms	1,655		1,410

[1)] Increase due to the launch of the European R&D programme "Europe's Rail Joint Undertaking" (running from 2023 to 2031).
[2)] Total duration of current projects.

Highlights 2023

The ÖBB Group is involved in numerous national and international R&D programmes and projects to ensure the further development of the railway system. For example, the ÖBB Group is a programme partner in "Europe's Rail Joint Undertaking" (ER JU) – Europe's largest R&D programme for the rail system.

The aim of the programme, on which rail companies such as ÖBB are working together with industry, research partners and the European Commission, is to implement specific projects to increase capacity for passenger and freight transport and to promote digitalisation and decarbonisation. Increasing efficiency and reducing costs should drive the modal shift to rail and ensure the competitiveness of the railway. These aims are to be achieved through the realisation of concrete, implementation-oriented research and development projects ("flagship projects" [FP]). Besides these research and development projects ("Innovation Pillar"), another focus of the ER JU is the "System Pillar". The aim is to develop a common vision for the European railway system so that it is based on a common operational vision and a multi-layered functional architecture in the future.

The project participations of the ÖBB Group in the current flagship projects are shown below:
- FP1 MOTIONAL (with the participation of ÖBB-Infrastruktur AG): The aim is to develop digital solutions for the implementation of a standardised European traffic management system (TMS)
- FP2 "R2DATO" (with the participation of ÖBB-Infrastruktur AG and ÖBB-Personenverkehr AG): The project focuses on developments for digital and automated railway operations and the further development of ETCS
- FP3 "IAM4RAIL" (with the participation of ÖBB-Technische Services-Gesellschaft mbH): Focus on integrated asset solutions for improved maintenance (e.g. further development of train running checkpoint) from ÖBB-Technische Services GmbH
- FP4 "RAIL4EARTH" (with the participation of ÖBB-Technische Services-Gesellschaft mbH): Project focus is on sustainable and green solutions for rolling stock and infrastructure
- FP5 "TRANS4M-R" (with the participation of ÖBB-Infrastruktur AG, Rail Cargo Austria AG, ÖBB-Technische Services-Gesellschaft mbH, ÖBB-Produktion Gesellschaft mbH and ÖBB-Holding AG): The focus here is on concrete demonstrator projects for testing the Digital Automatic Coupling (DAC) as well as implementation projects for simplified and cross-border rail freight transport throughout Europe.
- FP6 "FutuRe": Project focus (with the participation of ÖBB-Infrastruktur AG, ÖBB-Personenverkehr AG): The aim is to develop cost-effective infrastructure solutions for regional railways and associated simplified and safe train control systems

Another Group-wide focus is on activities in the field of digital automatic clutches (DAC). It is a basic prerequisite for making rail freight transport more attractive and should increase the capacity of the railway system as a whole. Besides the ÖBB Group's participation in the ER JU project "TRANS4M-R", the ÖBB Group also manages the "European DAC Delivery Programme" (EDDP). ÖBB therefore plays a leading role in Europe when it comes to DAC. These projects involve working with other railway companies and the industry to drive forward the further development, testing and migration of the DAC. Development work is currently underway on the new coupling system, including additional applications such as an automated brake test. Subsequently, comprehensive demonstrator trains are planned for 2025 and 2026 in Austria, Scandinavia, Italy and Switzerland. Starting from the end of 2026, DAC pre-deployment trains throughout Europe are to collect important findings on reliability and availability in different regional conditions under normal operating conditions. ÖBB-Holding AG is in charge of coordinating the work for the DAC, which is being realised in close cooperation with the Group companies Rail Cargo Austria AG, ÖBB-Infrastruktur AG, ÖBB-Produktion Gesellschaft mbH and ÖBB-Technische Services-Gesellschaft mbH.

The ÖBB Group's innovation programme has worked intensively on the following three topics in the area of product and service innovations: "AI-supported email classification in customer service", "Customer information" and "Customer world". The results included for example the Jubel Advantage Pack and the Jubel Pack for the Climate Ticket. The Open Innovation team supported the departments on a selective basis alongside the innovation programme, for example on the topics of "circular economy for uniforms", "cycling strategy" and "peak travel days". The Group-wide "ÖBB 360°" project, which focuses on integrated mobility services for communities, regions and companies, continued to be supported this year. In 2023, another focus was on community work. In addition to the Open Innovation Lab at the company headquarters, the Open Innovation Factory was opened in Lassallestrasse in Vienna. The Factory offers 1,000 m2 of space for co-creation and co-working and is being developed into a meeting place for the Austrian mobility community. In 2023, a corporate venturing team was also set up to promote the topic of "business model innovations".

Additional project highlights from the area of research, technology and innovation in the ÖBB Group in 2023:
- TARO: The Group-wide "TARO" (Towards Automated Railway Operation) project was completed in 2023. The project covers various areas of the railway system, such as digital twin vehicles, digital twin infrastructure, regional railway technology and improvements in the area of rail freight transport and shunting (such as in the "Autoshunting" project). The results of the work are now to be successively incorporated into regular operations.
- eDigital trip report / driver cockpit (Postbus AG): Österreichische Postbus Aktiengesellschaft continued to focus on the comprehensive digitalisation of operating processes and made considerable progress in this area. The "Driver Cockpit" project enables the digital connection of approx. 4,000 Postbus drivers. In 2023, the digital journey report was introduced as part of this project. The aim is to process approx. 2,200 journey reports per day digitally at Postbus. The digital journey report therefore makes a significant contribution to further increasing the sustainability and efficiency of operational processes.

The Group's internal RTI tool was finalised in order to further increase the visibility of R&D within the ÖBB Group. It is now available to all ÖBB employees. ÖBB employees are provided with an overview of current and completed R&D projects. For example, this provides better transparency for the 101 R&D projects running in the ÖBB Group in 2023 with a project volume of approx. EUR 35.0 million (over the entire term). In addition, ÖBB-Infrastruktur AG published an annual R&D report for the first time, as well as an internal Group website that provides information on the R&D activities of ÖBB-Infrastruktur AG. ÖBB is working with over 200 Austrian and international project partners as part of the research projects. These include approx. 100 small and medium-sized enterprises as well as various national and foreign universities and research institutes. This also emphasises the economic importance of the ÖBB Group's R&D activities.

Outlook for 2024

The main focus of the ÖBB Group in 2024 is the continued participation in "Europe's Rail Joint Undertaking". The project start in 2022 focused on the development of requirements and project principles and is to be followed by successive preparations for potential demonstrators in 2025 and 2026 from 2024.

The two main strategic approaches for product and service innovations are: Simplicity of products and services and attractiveness of the overall offering. Improving customer information will be a key focus in 2024. The topic of "international travelling" will also be a focus of the innovation area.

Other significant measures

Innovation and Technology (excerpt)

Rail4Future | The highlight of the Rail4Future R&D project for railway hardware was a large-scale test on the supporting structure of the Pinkabach Bridge (Lower Austria) in 2023. This was deliberately subjected to realistic stresses from train operation and driven artificially to failure. This trial was the first of its kind in the world and provided findings that had not yet been validated.

AM4RAIL | The research initiatives focus on the implementation of additive manufacturing and 3D printing technologies for rail vehicles.

Automated Resource Planning – resource planning of the future | The so-named ARP programme deals with the integrated and rolling planning of production resources and is intended to lead to an improved deployment of employees and vehicles.

Use of artificial intelligence on the rise | A pilot phase for the use of artificial intelligence to plan shifts is being planned for the first time at the ÖBB-Produktion Gesellschaft mbH site in Floridsdorf. The ÖBB Business Competence Centre has also been successfully using robotic process automation for several years to automate simple and repetitive activities and processes.

Digitalisation in Postbus continues | Besides the roll-out of the digital driver cockpit, communication between drivers and supervisors was also fully digitalised in 2023, and the driver and workshop manual was digitalised.

Community creates mobility | Austria-wide, open community for exchanging and developing joint ideas for the mobility of the future.

G.8. Sustainable Finance

Management approach

In 2015, the UN member states adopted the "2030 Agenda for Sustainable Development". This defined 17 goals for sustainable development (the "Sustainable Development Goals", or SDGs for short). The financial market was also assigned a decisive role in implementing this global plan and achieving the targets. As a result, regulations ensure that the fulfilment of sustainability becomes a key factor for investments and the necessary capital flows. Such regulations include the "Principles of Responsible Banking" adopted by leading global financial institutions in 2019 and the EU Taxonomy Regulation, which was launched in 2020 and has been legally binding since January 2022. The aim is to clarify which investments and capital flows can be classified as "sustainable" or "green" by developing clear criteria at EU level. At the same time, this is also intended to counteract the marketing of "green" investment products that do not meet environmental or sustainability standards (green washing). The relevant taxonomy key figures are: CapEx, OpEx and turnover. CapEx plays a particularly important role from a financing perspective. Another quality feature recognised by the financial market for the sustainability of a company is the ESG rating. Criteria from the areas of environment, social affairs and governance are used for this purpose.

ÖBB is committed to the sustainable direction of its business activities. The ÖBB sustainability strategy ensures a balanced relationship between all three pillars (ecology, economy and social issues). Accordingly, the "sustainable finance" component is of essential importance. This is attributable to the fact that the sustainability performance of the Group companies operating on the capital market is very closely linked to the sustainable safeguarding of the respective economic success of the company. The reason for this is not least an increasing capital intensification of ecological effects as well as the linking of sustainability standards with forms of financing.

Objectives

- Obtaining independent assessments of sustainability performance (ESG ratings) for the Group companies appearing on the capital market.
- The Group companies operating on the capital market with an ESG rating will, where possible, focus the majority of their financing logic on the topic of “sustainability” by 2025. Accordingly, their financing will be secured via sustainable finance products (sustainable / behaviour-linked [General Corporate Purpose] and for green / social financial instruments [Use of Proceeds]).
- Implementation of a Sustainable Finance Framework with the aim of linking the sustainability building blocks with the relevant financing instruments of the Group companies. This should sustainably strengthen the transparency towards investors, banks and other stakeholders regarding the credibility of the sustainable financing of the Group companies.

Directions of impact

Regarding regular ESG ratings for the companies operating on the capital market, it is necessary to ensure an annual revolving rating check by at least one rating agency. This should be carried out in coordination between Group Finance, additionally involved specialist departments of ÖBB Holding AG and the respective companies.

The Group Finance division manages sustainable forms of financing for the Group companies that appear on the capital market and have a sustainability rating. This means that special parameters may be required for any financing. This would be, e. g. information on the sustainability or ESG performance, specific directions and objectives of the companies concerned. These parameters are then developed and reported by the respective Group companies in consultation with the relevant departments of ÖBB-Holding AG. Postbus, for example, was the first company in the ÖBB Group to implement sustainable financing with the support of the Group Finance department. The loan of approx. EUR 5.0 million is linked to taxonomy-eligible investments in 2022 (including all own bus investments) and was utilised to finance the e-buses in the southern Weinviertel region. It is essential to observe and comply with strategies, policies and standards that apply throughout the Group.

The implementation of sustainable forms of financing requires that all eligible financing partners (counterparties in the broader sense) be defined in future in line with the sustainable direction of the companies’ respective business models.

Corporate Rating	2023	2022	Target 2030
ESG rating ÖBB-Personenverkehr AG in points out of 100 [1]	84	82	88
ESG rating Österreichische Postbus Aktiengesellschaft in points out of 100 [1]	83	81	91
ESG rating Rail Cargo Austria AG in points out of 100 [1]	81	79	85
ESG rating ÖBB-Technische Services-Gesellschaft mbH in points out of 100 [1]	87	85	91
ESG rating ÖBB-Produktion Gesellschaft mbH in points out of 100 [1]	84	83	91
ESG rating ÖBB-Rail Equipment GmbH & Co KG (out of 100 points) [1]	72	-	-
ESG rating ISS-ESG ÖBB-Infrastruktur AG (rating range from A+ to D-) [2]	B-		-

[1] Solicitated Rating.
[2] non-solicitated Rating

Highlights 2023

The rating for the Group companies operating on the capital market, which was established for the first time in 2021, was subjected to a rating check in the middle of 2023. All companies have improved and are still rated “very good”. Rail Equipment GmbH & Co KG was also subjected to an ESG rating for the first time, achieving 72 points.

Moreover, ÖBB-Infrastruktur AG has been regularly evaluated since 2012. This independent assessment is conducted by the leading international ESG rating agency ISS-ESG in the transport infrastructure sector. The most recent update of the rating took place in 2023. ÖBB-Infrastruktur AG was once again rated “B-”, making it PRIME as a top investment for ethical, ecological and socially responsible investment among 58 transport infrastructure companies assessed.

The publication of a Sustainable Finance Framework in the 2023 financial year saw ÖBB as a Group create a document that integrates sustainability parameters into the forms of financing used by the Group. It is to apply to the ÖBB companies that are active on the capital market and have an ESG rating and are yet to be equipped with one. Transparency and openness regarding sustainable finance products help to sustainably strengthen their credibility vis-à-vis the relevant capital providers.

Furthermore, a sustainable-linked syndicated loan with a volume of approx. EUR 500.0 million was successfully implemented for Rail Cargo Austria AG for the first time in 2023.

Outlook for 2024

The annual revolving rating process for obtaining ESG ratings will be continued in 2024. The partial use of sustainable finance products – for the Group companies with an ESG rating and Rail Equipment GmbH & Co KG – is to be stepped up further. In addition, new financing will be targeted at the sustainable financing market with the support of the Sustainable Finance Framework.

The fundamental strategy regarding future financing partners will also be further developed in 2024. This should be done with regard to how the respective financing partners deal with the topic of "sustainability" in order to set standards for further cooperation with all partners on the financial market.

Voluntary implementation of the EU Taxonomy Regulation in the ÖBB Group

Disclosure pursuant to Article 8 EU Taxonomy Regulation

High levels of investment are required to achieve the goals of the EU Green Deal and achieve an effective transformation towards a more sustainable economy. Countries are unable to finance this transformation independently. Additional private investment is needed. The EU action plan "Financing sustainable growth" with ten measures was developed based on these findings. The most important of these is the introduction of a standardised classification system for environmentally sustainable activities – the so-named EU Taxonomy Regulation (EU Taxonomy Regulation). This is intended to promote the channelling of capital flows into environmentally sustainable investments and activities and to avoid greenwashing.

In July 2020, the EU Taxonomy Regulation (2020/852) was published. This states that economic activities are environmentally sustainable if they make a substantial contribution to achieving at least one environmental objective, do not have a significant negative impact on any other environmental objective and comply with minimum social protection standards. The EU Taxonomy contains a total of six environmental objectives (Art. 9 EU Taxonomy). These are 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.

A simplified implementation (simplification provision) was applied for the first reporting year 2021. In the first year of reporting, the non-financial companies concerned only needed to conduct an evaluation of the taxonomy capability (Article 8 of the EU Taxonomy Regulation) of their economic activities on the basis of the first two environmental objectives (climate change mitigation and adaptation). The publication included the disclosure of the shares of revenue, CapEx and OpEx for taxonomy-eligible and taxonomy-non-eligible economic activities. Since the 2022 financial year, the share of taxonomy-compliant and taxonomy-non-compliant economic activities are to be disclosed in the form of key performance indicators.

As in the 2022 financial year, the shares of taxonomy-eligible economic activities for the first two environmental targets (climate change mitigation and adaptation) will be disclosed in the 2023 financial year in the form of key performance indicators (revenue, CapEx, OpEx). In addition, the shares of taxonomy-eligible economic activities are disclosed for the other four environmental targets and for the new activities added to the two climate targets in Yune 2023. The determination of the share of taxonomy-compliant economic activities for the other four environmental objectives is not required for the 2023 financial year in accordance with Delegated Regulation (EU) 2023/2486 - for 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. The key performance indicators were determined in the 2023 financial year using the same methodology as in the previous year, which also involved updating the impact analysis for all six environmental targets.

The ÖBB Group is a sustainable, climate and environmentally friendly group of companies. The ÖBB Group therefore wants to take advantage of the opportunities offered by the EU Taxonomy Regulation and therefore be in a position to implement sustainable forms of financing in the future. Only ÖBB-Infrastruktur AG is currently a public-interest entity within the ÖBB Group and is therefore obliged to fulfil the provisions arising from the EU Taxonomy Regulation. Nevertheless, as in previous years, this report contains a voluntary assessment from the Group perspective of the parent company ÖBB-Holding AG and its fully consolidated subsidiaries. Note: ÖBB-Infrastruktur AG reports on its obligations under the EU Taxonomy Regulation in a non-financial statement that is part of the Group management report of the ÖBB-Infrastruktur consolidated financial statements.

Procedure for evaluating taxonomy-eligible and taxonomy-aligned economic activities in the ÖBB Group

After the publication of EU Taxonomy-Reg., a project team was formed to deal with EU Taxonomy and its implications. Due to the currently still developing legal situation, there may still be changes in the future with regard to classifications / valuations and disclosures. The changes that occurred in 2023 are explained on the following pages.

Taxonomy-eligible economic activities

The evaluation of taxonomy-eligible economic activities was carried out for all six environmental objectives on the basis of Delegated Regulation (EU) 2021/2139, Delegated Regulation (EU) 2023/2485 and Delegated Regulation (EU) 2023/2486. A list of the ÖBB Group's taxonomy-eligible economic activities was drawn up to determine the relevant financial indicators, which is evaluated annually and updated if necessary. The evaluation of taxonomy-eligible economic activities was conducted on the basis of Delegated Regulation (EU) 2021 / 2139, Delegated Regulation (EU) 2023 / 2485 and Delegated Regulation (EU) 2023 / 2486 for all six environmental objectives. The economic activities of Delegated Regulation (EU) 2022/1214 were not analysed further, as the ÖBB Group conducts no economic activities in the field of nuclear energy or fossil gas (see table on page 101). The 360-degree screening process for evaluation is divided into the following steps:

- Screening of NACE codes classified by "applicable", "maybe", and "not applicable".
- Comparison of the NACE codes with those of the respective economic activities per company in the "EU Taxonomy Compass" of the European Commission.
- Conducting an "impact analysis" based on the "description of activities" in the respective delegated regulations as well as the processes and business activities in the ÖBB Group.
- The unclear or ambiguous economic activities with the "possibly criterion" were analysed in more detail in coordination meetings with experts.
- Checking the key figures for relevant economic activities. The financial indicators analysed are in accordance with the consolidation principles applicable to the Group's financial reporting under the applicable accounting standards (IFRS).
- Based on this list of relevant economic activities, the existing reporting system was supplemented with an input mask containing individual measures that can be assigned to the framework. This enables an appropriate standardised data collection.

Taxonomy-compliant economic activities

- The list of identified taxonomy-eligible economic activities was used to determine the relevant financial indicators for the environmental objectives of climate change mitigation and adaptation, and the following further steps were taken: Evaluation of the substantial contribution to the environmental objective of climate change mitigation or adaptation and ensuring compliance with the technical assessment criteria and the "Do No Significant Harm" criteria (DNSH criteria) by technical experts from the subsidiaries. A climate risk and vulnerability analysis was also conducted in the course of the analysis. For this purpose, physical climate risks that are essential for some economic activities were subjected to a robust climate risk and vulnerability analysis. Further information on climate risk and vulnerability analyses is available in Chapter G.2 – Adaptation to climate change. This was followed by an assessment of existing adaptation measures and an evaluation. The aim is to determine whether additional adaptation solutions are required in the future to reduce significant physical climate risks. In a final step, the minimum social protection standards were ensured – in accordance with international frameworks such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the fundamental principles and rights of the International Bill of Human Rights and the conventions of the International Labour Organisation (ILO). The ÖBB Group fulfils the requirements of Article 18 of the EU Taxonomy Regulation. Further information on the topics of the minimum social protection standards is available in chapters G.6 and G.12.
- Delegated Regulation (EU) 2023/2486 states that the taxonomy conformity of the identified economic activities from the other environmental objectives need not be reviewed for the 2023 financial year. The supplements and amendments to the environmental objectives of climate change mitigation and adaptation to climate change in accordance with Delegated Regulation (EU) 2023/2485 were voluntarily taken into account in the assessment of taxonomy conformity.

The overlap of the results of the technical assessment criteria and the fulfilment of the DNSH criteria, as well as the positive conclusion of the analysis of the minimum social protection standards, results in the outcome presented below for the taxonomy compliance of the ÖBB Group. As is evident from the tables, not all taxonomy-eligible economic activities are currently taxonomy-eligible. Only the determination of taxonomy eligibility is required for the four other environmental targets for the 2023 financial year. In addition, the technical assessment criteria and DNSH criteria are not (yet) being met in certain areas. The four other environmental objectives mentioned are sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems.

Taxonomy-eligible economic activities in the ÖBB Group

The very broad structure of the ÖBB Group's business activities means that 17 (py: 15) of the economic activities currently listed in the EU Taxonomy Regulation are relevant to the six environmental objectives and are therefore taxonomy-eligible.

The following taxonomy-eligible economic activities have been identified from the current perspective:

Environmental objective	Activity number	Activity	Process description
CCM	3.19.	Manufacture of rail rolling stock constituents	Services in the field of maintenance of rail vehicles, further development of rail vehicles national and foreign, modular maintenance (light or heavy maintenance of rail vehicles in sub-steps / maintenance modules), services along the most important railway corridors, material management and mobile maintenance.
CCM/CCA	4.1.	Electricity generation using solar photovoltaic technology	Operation of and marketing of the generation of photovoltaic facilities
CCM/CCA	4.3.	Electricity generation from wind power	Operation of and marketing of the generation of wind power facilities
CCM/CCA	4.5.	Electricity generation from hydropower	Operation and marketing of the generation of the hydropower plants
CCM/CCA	4.9.	Transmission and distribution of electricity	Transport of traction current from connection to 50Hz grid or power plant to end user traction unit)
CCM/CCA	4.10.	Electricity storage	Construction and operation of pumped storage power plants
CCM/CCA	4.15.	District heating/district cooling distribution	Distribution of district heating/cooling and operation of associated networks (main supply) from public connection to consumer
CCM/CCA	6.1.	Passenger interurban rail transport	Conception and implementation of a mobility offer, the marketing as well as the distribution and also the financing of passenger transport services
CCM/CCA	6.2.	Freight rail transport	Rail transport with additional forwarding services through an environmentally friendly transport and logistics system in 18 European countries by its own and third-party traction
CCM/CCA	6.3.	Urban and suburban transport, road passenger transport	Conception and implementation of a mobility offer, the marketing as well as the distribution and also the financing of passenger transport services
CCM/CCA	6.5.	Transport by motorbikes, passenger cars and light commercial vehicles	Offering a demand-oriented and ecological mobility offer, including the necessary systems and services (Rail & Drive, CarPool)
CCM/CCA	6.14.	Infrastructure for rail transport	Planning, construction (renewal and expansion), maintenance, ownership and operation of rail infrastructure
CCM/CE	7.2./3.2	Renovation of existing buildings	The building renovation complies with the current requirements for major renovations
CCM/CCA	7.3.	Installation, maintenance and repair of energy-efficient equipment	Individual renovation measures consisting of the installation, maintenance or repair of energy-efficient equipment
CCM/CCA	7.7.	Acquisition and ownership of buildings	Acquisition of real estate and exercise of ownership
CE	5.3.	Preparation for the reuse of end-of-life products and product components	Preparation of concrete sleepers and rails

CCM Climate Change Mitigation.
CCA Climate Change Adaptation (adaptation to climate change).
CE Circular Economy (circular economy).

In the 2023 financial year, an impact analysis was conducted for ÖBB-Technische Services-Gesellschaft mbH and Technical Services Hungaria Járműjavító Kft. The new activities added in June 2023 to the environmental objectives "Climate Change Mitigation" (CCM) and "Climate Change Adaptation" (CCA) resulted in a change in the course of the impact analysis. Since 2023, the previously reported economic activity 3.3 "Manufacture of low carbon technologies for transport" (climate change mitigation, CCM) has therefore been replaced by the new economic activity 3.19 "Manufacture of rail rolling stock constituents" (climate change mitigation, CCM). The amended allocation of the key figures has no effect on the taxonomy eligibility or conformity of the key figures.

When the impact analysis of the other four environmental objectives was conducted, a further two economic activities were identified in addition to the 15 previous taxonomy-eligible economic activities. These are 3.2 "Renovation of existing buildings" (circular economy, CE) and 5.3 "Preparation for reuse of end-of-life products and product components" (circular economy, CE). Whereby 3.2. is already recognised in 7.2. "Renovation of existing buildings" (climate change mitigation, CCM).

No economic activities were identified in the area of nuclear energy and fossil gas (see disclosure form 1) and therefore no key performance indicators (revenue, CapEx and OpEx) are reported or the disclosure of further disclosure forms is waived.

	Activities in the field of nuclear energy	
1.	The company is active in the research, development, demonstration and deployment of innovative electricity generation plants that generate energy from nuclear processes with minimal waste from the fuel cycle, finances such activities or holds risk positions in connection with these activities.	NO
2.	The company is active in the construction and safe operation of new nuclear facilities for the generation of electricity or process heat – including for district heating supply or industrial processes such as hydrogen production – as well as in their safety-related improvement using the best available technologies, finances such activities or holds risk positions in connection with these activities.	NO
3.	The company is active in the safe operation of existing nuclear facilities for the generation of electricity or process heat – including for district heating supply or industrial processes such as hydrogen production – as well as in their safety-related improvement, finances such activities or holds risk positions in connection with these activities.	NO
	Activities in the fossil gas sector	
4.	The company is active in the construction or operation of plants for the generation of electricity from fossil gaseous fuels, finances such activities or holds risk positions in connection with these activities.	NO
5.	The company is active in the construction, modernisation and operation of plants for combined heat/cooling from fossil gaseous fuels, finances such activities or holds risk positions in connection with these activities.	NO
6.	The company is active in the construction, modernisation and operation of plants for heat generation that produce heat/cooling from fossil gaseous fuels, finances such activities or holds risk positions in connection with these activities.	NO

The reported ratios on taxonomy-eligible and taxonomy-aligned turnover, capital expenditure (CapEx) and operating expenses (OpEx) have been calculated in accordance with the requirements of Article 8 of the Delegated Act of the EU Taxonomy Regulation.

Key figures on the EU Taxonomy Regulation

Sales revenue associated with taxonomy-compliant economic activities (KPI sales revenue)

Based on the requirements of the EU Taxonomy Regulation, sales from taxonomy-compliant economic activities are calculated in relation to the Group's total net sales in accordance with IAS 1.82(a).

The KPI sales revenue for the financial year 2023 is as follows:

KPI Sales revenue 2023

Economic activities	Code	Total sales revenue	Share of sales revenue	Criteria for a substantial contribution: 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	DNSH criteria ("No significant impairment"): 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 protection	Taxonomy-compliant (A.1.) or -eligible (A.2) Share of sales 2022	Category " Enabling activities"	Category " Transitional activities"
		in EUR million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Ecologically sustainable activities (taxonomy compliant)																			
Production of railway vehicle components	**CCM 3.19.**	63.5	*1.3%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.3%	E	
Electricity generation using solar photovoltaic technology	**CCM 4.1.**, CCA 4.1.	0.1	*0.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation from wind power	**CCM 4.3.**, CCA 4.3.	0.1	*0.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation from hydropower	**CCM 4.5.**, CCA 4.5.	18.5	*0.4%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.1%		
Transmission and distribution of electricity	**CCM 4.9.**, CCA 4.9.	45.4	*0.9%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.6%	E	
Passenger interurban rail transport	**CCM 6.1.**, CCA 6.1.	875.0	*17.4%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	15.6%		T
Freight rail transport	**CCM 6.2.**, CCA 6.2.	1,321.1	*26.3%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	29.2%		T
Urban and suburban transport, road passenger transport	**CCM 6.3.**, CCA 6.3.	1,131.5	*22.5%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	21.6%		T
Infrastructure for rail transport	**CCM 6.14.**, CCA 6.14.	69.0	*1.4%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.9%	E	
Turnover of environmentally sustainable activities (taxonomy compliant) (A.1)		**3,524.2**	***70.2%***	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**69.3%**		
of which "Enabling activities"		*177.9*	*5.0%*	*100%*	*0%*	*0%*	*0%*	*0%*	*0%*		*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*1.9%*	*E*	
of which "Transitional activities"		*3,327.6*	*94.4%*	*100%*							*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*66.4%*		*T*
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of rail rolling stock constituents	**CCM 3.19.**	11.6	*0.2%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.2%		
District heating/district cooling distribution	**CCM 4.15.**, CCA 4.15.	2.5	*0.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Preparation for the reuse of end-of-life products and product components	CE 5.3.	0.2	*0.0%*	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.0%		
Freight rail transport	**CCM 6.2.**, CCA 6.2.	479.6	*9.5%*	EL	EL	N/EL	N/EL	N/EL	N/EL								10.0%		
Urban and suburban transport, road passenger transport	**CCM 6.3.**, CCA 6.3.	679.8	*13.5%*	EL	EL	N/EL	N/EL	N/EL	N/EL								12.6%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5.**, CCA 6.5.	0.2	*0.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Infrastructure for rail transport	**CCM 6.14.**, CCA 6.14.	7.4	*0.1%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Acquisition and ownership of buildings	**CCM 7.7.**, CCA 7.7.	74.0	*1.5%*	EL	EL	N/EL	N/EL	N/EL	N/EL								1.4%		
Turnover of taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)		**1,255.3**	***25.0%***	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**24.3%**		
Total (A= A.1 + A.2)		**4,779.5**	**95.2%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**93.6%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
Turnover of non-taxonomy eligible activities (B)	**242.8**	**4.8%**
Total (A+B)	**5,022.3**	**100.0%**

Abbreviations:

Y	Yes.
N	No
EL	Taxonomy eligible
N / EL	not eligible
E	Enabling activity
T	Transitional activity

Share of turnover/ Total sales revenue

		Taxonomy-compliant per target	Taxonomy-eligible per target
Climate change mitigation	CCM	70.2%	25.0%
Climate change adaptation	CCA	0.0%	0.0%
Sustainable use and protection of water and marine resources	WTR	0.0%	0.0%
Transition to a circular economy	CE	0.0%	0.0%
Pollution prevention and control	PPC	0.0%	0.0%
Protection and restoration of biodiversity and ecosystems	BIO	0.0%	0.0%

The taxonomy-compliant share of sales is calculated as follows: Portion of net sales of goods or services, including intangibles, associated with taxonomy-compliant economic activities (= metric figure) divided by net sales (= common denominator). The calculation is conducted for the reporting period 01.01. to 31.12 for the first two environmental targets respectively.

The revenue per economic activity listed above is primarily made up of revenue from contracts with customers in accordance with IFRS 15 as defined by the Delegated Acts of the EU Taxonomy Regulation.

In the 2023 financial year, approx. 95.2% (py: approx. 93.6%) of the reported revenue is attributable to taxonomy-eligible economic activities. The tax-compliant revenue accounts for approx. 70.2% (py: approx. 69.3%) of the consolidated revenue of EUR 5,022.3 million (py: EUR 4,671.2 million) recognised in the income statement (see note 4 in the notes to the consolidated financial statements) and is broken down as follows: Income from passenger and baggage transport and freight transport totalling approx. 63.8% (py: approx. 63.9%), income from rents and leases totalling approx. 1.4% (py: approx. 1.7%) and other income totalling approx. 5.0% (py: approx. 3.6%).

Capital expenditure on assets related to taxonomy-compliant economic activities (KPI CapEx)

The calculation of the CapEx ratio is based on the total additions (before depreciation, amortisation, revaluations, impairments and before deduction of cost contributions) of property, plant and equipment and intangible assets as well as additions of rights of use in accordance with IFRS 16, additions to investment property and additions in connection with business combinations in accordance with the consolidated fixed asset movement schedules. Investments via joint ventures, investments in financial instruments, advance payments, prepayments and leases that are not recognised as right-of-use assets are not relevant.

The KPI CapEx for the financial year 2023 is as follows:

KPI CapEx 2023

Economic activities	Code	CapEx total	CapEx share	Criteria for a substantial contribution: 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	DNSH criteria ("No significant impairment"): 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 protection	Taxonomy-compliant (A.1.) or -eligible (A.2) CapEx share 2022	Category " Enabling activities"	Category " Transitional activities"
		in EUR million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Ecologically sustainable activities (taxonomy compliant)																			
Production of railway vehicle components	**CCM 3.19.**	50.3	*1.1%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.1%	E	
Electricity generation using solar photovoltaic technology	**CCM 4.1.**, CCA 4.1.	13.9	*0.3%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.1%		
Electricity generation from wind power	**CCM 4.3.**, CCA 4.3.	0.1	*0.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.1%		
Electricity generation from hydropower	**CCM 4.5.**, CCA 4.5.	52.0	*1.1%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	2.1%		
Transmission and distribution of electricity	**CCM 4.9.**, CCA 4.9.	31.9	*0.7%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.7%	E	
Electricity storage	**CCM 4.10.**, CCA 4.10.	62.8	*1.4%*	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.9%	E	
Passenger interurban rail transport	**CCM 6.1.**, CCA 6.1.	336.7	*7.4%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.6%		T
Freight rail transport	**CCM 6.2.**, CCA 6.2.	200.5	*4.4%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	3.1%		T
Urban and suburban transport, road passenger transport	**CCM 6.3.**, CCA 6.3.	346.7	*7.6%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	5.9%		T
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5.**, CCA 6.5.	0.1	*0.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%		T
Infrastructure for rail transport	**CCM 6.14.**, CCA 6.14.	2,652.7	*58.2%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	61.9%	E	
CapEx of environmentally sustainable activities (taxonomy compliant) (A.1)		**3,747.9**	***82.2%***	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**77.4%**		
of which "Enabling activities"		*2,797.8*	*61.4%*	*100%*	*0%*	*0%*	*0%*	*0%*	*0%*		*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*3.7%*	*E*	
of which "Transitional activities"		*884.1*	*19.4%*	*100%*							*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*9.6%*		*T*
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of rail rolling stock constituents	**CCM 3.19.**	1.3	*0.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Passenger interurban rail transport	**CCM 6.1.**, CCA 6.1.	0,0*)	*0.0%*	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Freight rail transport	**CCM 6.2.**, CCA 6.2.	16.1	*0.4%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Urban and suburban transport, road passenger transport	**CCM 6.3.**, CCA 6.3.	65.7	*1.4%*	EL	EL	N/EL	N/EL	N/EL	N/EL								3.2%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5.**, CCA 6.5.	8.3	*0.2%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Infrastructure for rail transport	**CCM 6.14.**, CCA 6.14.	317.2	*7.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								6.1%		
Renovation of existing buildings	**CCM 7.2.**, CE 3.2.	52.3	*1.1%*	EL	EL	N/EL	N/EL	N/EL	N/EL								1.1%		
Installation, maintenance and repair of energy-efficient equipment	**CCM 7.3.**, CCA 7.3.	7.6	*0.2%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Acquisition and ownership of buildings	**CCM 7.7.**, CCA 7.7.	15.0	*0.3%*	EL	EL	N/EL	N/EL	N/EL	N/EL								5.0%		
CapEx of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)		**483.5**	***10.6%***	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**16.1%**		
Total (A= A.1 + A.2)		**4,231.4**	**92.8%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**93.5%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
CapEx of taxonomy-non-eligible activities (B)	**327.2**	**7.2%**
Total (A+B)	**4,558.6**	**100.0%**

*) Smallest amount.

Abbreviations:

Y	Yes.
N	No
EL	Taxonomy eligible
N / EL	Not eligible
E	Enabling activity
T	Transitional activity

		CapEx share/ CapEx total	
		Taxonomy-compliant per target	Taxonomy-eligible per target
Climate change mitigation	CCM	82.2%	10.6%
Climate change adaptation	CCA	0.0%	0.0%
Sustainable use and protection of water and marine resources	WTR	0.0%	0.0%
Transition to a circular economy	CE	0.0%	0.0%
Pollution prevention and control	PPC	0.0%	0.0%
Protection and restoration of biodiversity and ecosystems	BIO	0.0%	0.0%

The CapEx share is calculated as follows: capitalised investments for assets related to economic activities from the EU Taxonomy Regulation (= metric figure), divided by the total additions to fixed assets in accordance with the statement of changes in fixed assets (= common denominator), in each case for the reporting period from 01.01 to 31.12.

In the 2023 financial year, approx. 92.8% (py: approx. 93.5%) of the reported investment expenses were attributable to taxonomy-eligible business activities. The taxonomy-compliant investments account for approx. 82.2% (py: approx. 77.4%) of the additions recognised in the consolidated statement of changes in non-current assets amounting to EUR 4,558.6 million (py: EUR 3,956.8 million) (see notes 14, 15 and 16 in the notes to the consolidated financial statements) and are broken down as follows: Investments in property, plant and equipment of approx. 78.9% (py: approx. 75.0%), investments in intangible assets of approx. 0.8% (py: approx. 0.4%) and capitalised right-of-use assets of approx. 2.5% (py: approx. 2.0%).

The additions reported in the metric figure are related to taxonomy-relevant economic activities, of which approx. 16.7% (py: approx. 21.7%) of taxonomy-compliant additions were made as part of a CapEx plan ("Pot B investments"). Approx. 2.8% (py: approx. 3.1%) of total additions are not related to sales-related economic activities ("pot C investments").

CapEx-Plan
Economic activity 6.14. "Infrastructure for rail transport" (climate change mitigation, CCM) was reviewed in the course of determining the KPI CapEx by means of a detailed analysis: Does the framework plan of ÖBB-Infrastruktur AG fulfil the requirements for a CapEx plan in accordance with Delegated Regulation (EU) 2021/2178, Annex I, Item 1.1.2.2. A volume of approx. EUR 19 billion in terms of actual and future electrified routes from 2023 to 2028. The criteria was affirmed on the basis of a detailed analysis.

The framework plan is adopted annually by the Republic of Austria in the Council of Ministers and approved by the Supervisory Board of ÖBB-Infrastruktur AG. The framework plan puts key aspects of the government's railway infrastructure programme on track and makes an important contribution to achieving climate neutrality. The main basis for the preparation of the ÖBB framework plans is formed by the target network of ÖBB-Infrastruktur AG, which anchors the main transport policy objectives. The complete decarbonisation of rail transport by 2040 is an important focus. This aims to achieve an economically optimal mix of electrification of routes and the use of vehicles with alternative drive technologies on the basis of the electrification strategy. The current and future electrification of routes in accordance with the framework plan forms the basis for access pursuant to Art. 8 of the EU Taxonomy Regulation for economic activity 6.14. "Rail transport infrastructure" (climate change mitigation, CCM). The expansion of the electrification of Infrastructure for rail transport makes a substantial contribution to the environmental goal of climate change mitigation. There are no relevant research, development or innovation activities. The electrification of additional railway sections is to take place by 2035. The comprehensive capital expenditure in the financial year, which was incurred during the reporting period, totalled approx. EUR 2,827.9 million (py: approx. EUR 2,571.2 million).

Non-capitalised direct operating expenses in accordance with the EU Taxonomy Regulation associated with taxonomy-compliant economic activities (KPI OpEx)

Operating expenses as defined by the EU Taxonomy Regulation are, in addition to non-capitalised expenses for research and development, expenses for short-term leases, all maintenance and repair expenses as well as other directly attributable costs relevant to the ongoing maintenance and preservation of the functionality of intangible and tangible assets.

The KPI OpEx for the financial year 2023 is as follows:

KPI OpEx 2023				Criteria for a substantial contribution						DNSH criteria ("no significant impairment")									
Economic activities	Code	OpEx total	OpEx share	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	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 protection	Taxonomy-compliant (A.1.) or -eligible (A.2) OpEx share 2022	Category " Enabling activities"	Category " Transitional activities"
		in EUR million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Ecologically sustainable activities (taxonomy compliant)																			
Production of railway vehicle components	**CCM 3.19.**	291.6	*22.2%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	4.1%	E	
Electricity generation using solar photovoltaic technology	**CCM 4.1.**, CCA 4.1.	0.2	*0.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation from wind power	**CCM 4.3.**, CCA 4.3.	0.1	*0.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation from hydropower	**CCM 4.5.**, CCA 4.5.	11.5	*0.9%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.1%		
Transmission and distribution of electricity	**CCM 4.9.**, CCA 4.9.	14.2	*1.1%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.6%	E	
Passenger interurban rail transport	**CCM 6.1.**, CCA 6.1.	48.9	*3.7%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	4.4%		T
Freight rail transport	**CCM 6.2.**, CCA 6.2.	54.7	*4.2%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	5.4%		T
Urban and suburban transport, road passenger transport	**CCM 6.3.**, CCA 6.3.	13.0	*1.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	1.3%		T
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5.**, CCA 6.5.	0.0	*0.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%		T
Infrastructure for rail transport	**CCM 6.14.**, CCA 6.14.	314.5	*24.0%*	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	32.0%	E	
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**748.8**	***57.1%***	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**49.9%**		
of which "Enabling activities"		*620.4*	*47.3%*	*100%*	*0%*	*0%*	*0%*	*0%*	*0%*		*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*5.7%*	*E*	
of which "Transitional activities"		*116.6*	*8.9%*	*100%*							*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*11.1%*		*T*
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of rail rolling stock constituents	**CCM 3.19.**, CCA 3.19.	39.8	*3.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								1.5%		
District heating/district cooling distribution	**CCM 4.15.**, CCA 4.15.	0.1	*0.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Preparation for the reuse of end-of-life products and product components	CE 5.3.	0.0	*0.0%*	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.0%		
Freight rail transport	**CCM 6.2.**, CCA 6.2.	20.4	*1.6%*	EL	EL	N/EL	N/EL	N/EL	N/EL								1.9%		
Urban and suburban transport, road passenger transport	**CCM 6.3.**, CCA 6.3.	40.0	*3.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								3.7%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5.**, CCA 6.5.	0.0	*0.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Infrastructure for rail transport	**CCM 6.14.**, CCA 6.14.	170.3	*13.0%*	EL	EL	N/EL	N/EL	N/EL	N/EL								17.5%		
Acquisition and ownership of buildings	**CCM 7.7.**, CCA 7.7.	51.7	*3.9%*	EL	EL	N/EL	N/EL	N/EL	N/EL								4.9%		
OpEx of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)		**322.4**	***24.6%***	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**29.6%**		
Total (A= A.1 + A.2)		**1,071.2**	**81.7%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**79.5%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy-non-eligible activities (B)		**240.6**	**18.3%**																
Total (A+B)		**1,311.7**	**100.0%**																

Abbreviations:

Y	Yes.
N	No
EL	Taxonomy eligible
N / EL	not eligible
E	Enabling activity
T	Transitional activity

		OpEx Share/ OpEx total	
		Taxonomy-compliant per target	Taxonomy-eligible per target
Climate change mitigation	CCM	57.1%	24.6%
Climate change adaptation	CCA	0.0%	0.0%
Sustainable use and protection of water and marine resources	WTR	0.0%	0.0%
Transition to a circular economy	CE	0.0%	0.0%
Pollution prevention and control	PPC	0.0%	0.0%
Protection and restoration of biodiversity and ecosystems	BIO	0.0%	0.0%

Operating expenditure is determined on the basis of the respective expense items in accordance with the IFRS Consolidated Income Statement. The non-capitalised operating expenses from the categories research and development, building renovation, short-term leasing expenses, maintenance and repairs as well as all other directly attributable expenses in connection with the daily maintenance of property, plant and equipment and intangible assets (= common denominator) are relevant for determining the OpEx ratio.

The metric figure calculation is analogous to that of the CapEx ratio for non-capitalised expenses (= metric figure) for the reporting period from 01.01. to 31.12.

In the 2023 financial year, approx. 81.7% (py: approx. 79.5%) of the reported operating expenses were attributable to taxonomy-eligible economic activities. The taxonomy-compliant operating expenses account for approx. 57.1% (py: approx. 49.9%) of the total of the above-mentioned operating expenses in the Group totalling approx. EUR 1,311.7 million (py: approx. EUR 951.7 million). This also includes directly attributable personnel expenses (primarily personnel expenses for maintenance) from the areas mentioned above totalling approx. 19.6% (py: approx. 16.7%) as well as expenses for maintenance and repairs totalling approx. 29.7% (py: approx. 23.7%) and other expenses totalling approx. 7.8% (py: approx. 9.5%).

Avoidance of double counting

The identified taxonomy-eligible economic activities in the ÖBB Group, with the exception of economic activity 5.3. “Preparation for the reuse of end-of-life products and product components” from the fourth environmental objective (circular economy, CE) makes a 100% substantial contribution to the environmental objective (climate change mitigation, CCM). A potential substantial contribution of revenue, CapEx and/or OpEx from these CCM activities to other environmental objectives in which these economic activities also occur was not separately identified and evaluated. This allocation of the activities of the individual companies in the Group to a specific economic activity from the EU Taxonomy Regulation has avoided double counting. Individual test steps were used to ensure that the economic activities in the areas of turnover, CapEx and OpEx is distinguishable from one another and that double counting is also avoided.

Materiality

The basic population was considered and analysed when deriving the values for determining the taxonomy-relevant key figures. The operating expenses for the economic activities of the ÖBB Group are not considered “ immaterial” for the business model, so this simplification provision was not applied, with the exception of economic activities 5.3 and 6.5. Operating expenses in connection with the economic activity 5.3. “Preparing for reuse of end-of-life products and product components” (circular economy, CE) is not considered significant, as the associated taxonomy-eligible revenue corresponds to approx. 0.003% of total taxonomy-eligible revenue. Operating expenses in connection with the economic activity 6.5. “Transport by motorbikes, passenger cars and light commercial vehicles” (climate change mitigation, CCM) is also not considered significant, as the associated revenue corresponds to approx. 0.004% of taxonomy-eligible totalrevenue. The impact of the key figures from this activity will be reviewed again in subsequent years on the basis of the ratio to total sales and reported if necessary.

Codes

The following codes applied for economic activities 3.19 "Manufacture of rail rolling stock constituents", 6.1. "Passenger interurban rail transport", 6.2. "Freight rail transport" and 6.3. "Urban and suburban transport, road passenger transport", a traction type code (differentiation between diesel traction, electric traction or combustion engines on electrified routes). Diesel rail vehicles travelling under overhead lines are classified as taxonomy-eligible but not taxonomy-aligned. Compliance with the emission limits in Annex II of Regulation (EU) 2016/162 is not ensured. As a result, only e-traction rail vehicles in the ÖBB Group are currently taxonomy-compliant.

In countries outside Austria, mixed service provision for freight transport (own and third-party traction) is not ruled out. The data from ÖBB's foreign companies was therefore used as the basis for calculating the compliant share of third-party traction abroad due to the lack of sufficiently accessible and consistently available and verifiable information from (non-Group) third parties. It is assumed that the framework conditions for freight transport in the countries of operation outside Austria are comparable. This assumption has no effect on the taxonomy eligibility.

A freight transport code (distinction between transports with and without loading of fossil fuels) is applied for the economic activity "6.2. Freight rail transport". Fossil fuel freight transports are to be designated as non-taxonomy compliant. A train-kilometre code based on train-kilometres travelled is applied in individual cases (e.g. on measurement train journeys or auxiliary train journeys) if no clear allocation to a single economic activity of the three rail transport activities (6.1., 6.2. and 6.3.) is feasible. A proportionate allocation of turnover, CapEx and / or OpEx that fall into one of the two economic activities relating to "passenger transport" and for which there is no clear division into long-distance transport (6.1.) or local transport (6.3.) was also conducted using a plausible distribution key. As a result, double counting was avoided, particularly in the allocation to economic activities.

ÖBB-Technische Services-Gesellschaft mbH's repair and maintenance division decided to calculate a traction type key based on productive hours for maintenance services for the taxonomy-compliant key figures. This applies to economic activity 3.19. "Manufacture of rail rolling stock constituents" (climate change mitigation, CCM). The productive working hours are recorded for each order and are therefore precisely allocated to the diesel locomotive or electric locomotive products and therefore form part of the reported key performance indicators.

G.9. Affordable and accessible mobility services

Management approach

As Austria's largest mobility service provider, ÖBB has a responsibility to make its services as attractive as possible for all customers in passenger and freight transport. Financial affordability as well as accessibility to services are top priorities.

As a total mobility service provider, ÖBB aims to get travellers from A to B by train and bus in a sustainable manner. The ÖBB also wants to provide them with a sustainable alternative to private motorised transport for the first and last mile. As a result, ÖBB is continually expanding its mobility offering and orienting itself to the needs of its customers - with the aim of being able to offer a suitable mobility solution anytime and anywhere. The accessibility of information, offers, tickets and journeys is essential, as is access that is as self-explanatory as possible at every stage of the travel chain.

Objectives

- Further improve, simplify and expand both passenger and freight transport services.
- Successively expand and improve the range of barrier-free mobility options. By 2027, 90% of travellers will experience accessibility without barriers.
- Number of passengers (on buses and trains) to increase to approx. 500.0 million by 2030
- Maintain punctuality at a consistently good level (target 2030: 89.0% in long-distance traffic)
- Drive internationalisation and double passenger numbers in international traffic by 2050
- Further expand integrated mobility offerings in Austria's communities and tourism regions and tap into new business areas through innovation and digitalisation
- Continue to improve integration of active mobility (by bicycle and on foot) in the travel chain

Highlights 2023

In 2023, ÖBB could increase its rail passenger numbers by a further 10% (compared to 2022). ÖBB 360° and the wegfinder app are also continually expanding the regional mobility offer in communities through Postbus Shuttle and Rail & Drive. This should close the gap from the first to the last mile. More than 80,000 journeys have already been completed with the ÖBB 360° mobility service in Korneuburg between September 2020 and the end of August 2023. The mobility package, which has been in place for three years, was extended in October 2023 until September 2028.

Since the beginning of February 2023, the new SimplyGo! ticket function has also been available in the ÖBB Tickets app. The new feature recognises the routes travelled between locations within Austria using GPS tracking and calculates the appropriate public transport fare for the route travelled on public transport on the following day. Customers select the SimplyGo! function and swipe the screen before starting and after finishing their journey by train, bus, tram or underground and are charged the cheapest ticket for their route on that day – anywhere in Austria. In summer 2023, test operations for the use of electric buses were conducted in Serfaus (Tyrol). These have been very promising. A switch to alternative power drives is now planned, with commissioning scheduled for summer 2024. A test run has also taken place on the city line 504 in Innsbruck and a switch to emission-free vehicles is also expected here in 2024. The transport associations are now gradually putting (smaller) transport services with alternative drive systems out to tender, e.g. Amstetten city bus, Kristallweltenbus.

By 2030, approx. EUR 6 billion will be invested in new and modern trains. These include the modernisation of existing Railjets and new battery-electric trains, which will be in service on inner-Alpine routes from 2025. The new generation of Railjets will offer travellers more comfort on the Brenner route (Munich – Innsbruck – Bolzano – Verona) from spring 2024. ÖBB has also already ordered several Railjet double-decker trains this year, which will significantly increase seating capacity from 2026. Provision is also being made for the mobility transition in local transport: additional Cityjet double-decker trains have been ordered. The first trains will be running in the eastern region as early as 2026. An important milestone towards decarbonisation is the order for 16 new battery-electric trains, which are to replace diesel transport on the Kamptalbahn from 2028.

Barrier-free upgrade of train stations

The redesign of railway stations and stops should ensure barrier-free and easy access to trains and buses for everyone. 452 of the 1,031 railway stations (passenger stations) in the ÖBB-Infrastruktur AG network in Austria are currently barrier-free. As a result, approx. 87% of all travellers have the use of accessible railway infrastructure in Austria. In the 2023 reporting year, approx. 22 stations were modernised and / or completely rebuilt or completed. The following are just a few examples: Hard-Fußach (Vbg.), Telfs-Pfaffenhofen (T.), Summerau, Freistadt and Traun (all Upper Austria), Ebreichsdorf and Leobendorf-Burg Kreuzenstein (both Lower Austria) and in St. Paul im Lavanttal, Wiederndorf-Aich and Kühnsdorf-Klopeinersee (all Carinthia).

In practice, barrier-free transport means transport facilities and means of transport that are accessible without steps, but also includes barrier-free communication and information. The range of barrier-free mobility is to be successively expanded and improved in accordance with ÖBB's implementation plan. A Group-wide platform manages the coordinated implementation of all accessibility measures on the basis of applicable legal, technical, organisational and economic framework conditions. Besides the expansion and new construction of barrier-free train stations, barrier-free equipment elements are continuously improved. These include ticket machines, height-adjustable sales facilities in the ÖBB travel centers as well as the preparation of important information in easy-to-understand language according to the two-senses principle. ÖBB is very keen to reach customers not only in the larger urban centres, but also in rural areas with barrier-free and modern infrastructure and attractive mobility offers.

The active involvement of experts, representatives of disability organisations and other stakeholders plays a key role here. Special attention is often paid to details. The aim is to ensure the independent and barrier-free use of products and services and to identify potential for improvement. The challenge here is the management of data in connection with the provision of multimodal and accessible travel information.

Key figures at a glance	2023	2022
ÖBB-Personenverkehr sub-group		
Travellers in millions per year	493.6	446.9
Train travellers in millions per year	278.2	252.5
of which in local transport in millions per year	*231.7*	*210.7*
of which in long-distance transport in millions per year	*46.5*	*41.8*
Capital expenditure in EUR million	913.8	476.7
Punctuality of the trains		
Punctuality ÖBB local transport in per cent	95.7	96.1
Punctuality ÖBB long-distance transport in per cent	80.3	81.4
Österreichische Postbus Aktiengesellschaft | ČSAD AUTOBUSY České Budějovice a.s.		
Kilometres driven in millions per year	156.9 | 16.0	152.2 | 13.0
Kilometres travelled per day	429,910 | 43,835	417,046 | 35,616
Number of bus stop areas	18,315 | 2,236	17,966 | 2,236
Number of routes	865 | 240	812*) | 240
Number of buses	2,511 | 297	2,545 | 299
of which barrier-free in per cent	*99 | 63*	*99 | 57*
Turnover in EUR million	503.7 | 31.3	456.2 | 23.9
Market share in regional scheduled services in per cent	42 | 69	42 | 65
Number of communities served	1,625 | 477	1,609 | 463
Share of communities served in per cent	78 | 76	77 | 74
Micro public transport Postbus Shuttle DOMESTIC		
Number of projects	12	9
Number of communities served	58	52
Average occupancy rate of micro-public transport	1.3	1.2
ÖBB-Infrastruktur AG		
Number of Bike & Ride bays	51,549	50,791
New construction / maintenance of Number of Bike & Ride bays per year as per contracts	2,356	1,775
Number of passenger railway stations (transport stations)	1,031	1,037
Accessibility		
Number of barrier-free railway stations	*452*	*430*
Rail Cargo Group		
TransFER connections (total number)	61	61

*) Lines reported for the first time in 2022, not number of concessions.

Expansion of TransFER connections

TransNET, Rail Cargo Group's network, includes over 60 network TransFER connections and over 700 combinations and individual routes from Europe to Asia. TransNET is constantly being expanded- not only with new connections, but also with new functions. After all, user-friendliness and a positive user experience are decisive criteria for success and popularity. Since November 2022, it has been possible to optionally search and filter by type of cargo in addition to departure and destination locations. In addition, for every connection or combination, further information is provided as to whether shipments are possible with the TransFER Dangerous Goods (RID) selected. Another new feature is the emissions comparison for regular TransFER connections, which shows how much CO_2 is saved by rail transport on the route compared to road. This provides stakeholders and customers with a simple overview of transport options and emission savings with the Rail Cargo Group.

There were also new developments in the Rail Cargo Group from 2022. TransNET is a comprehensive Rail Cargo Group network on which the Rail Cargo Group travels with full wagonloads, single wagons, containers, block trains or on the Rolling Road (see chapter G.9). Freight wagons transport a wide variety of goods to and from the most important ports and all economic and industrial centers on the entire Eurasian continent. A new feature is the presentation of regular TransFER connections on the Rail Cargo Group website, which is constantly being expanded with new connections and functions. Besides the place of departure and destination, it is possible to search by type of load and suitable routes are displayed especially for the transport of hazardous goods (RID). Another new feature is the emissions comparison for regular TransFER connections. It shows how many CO_2 equivalents (CO_2eq) are saved by rail transport compared to road transport on the same route. This gives stakeholders and customers a simple overview of transport options and emission savings through transport with the Rail Cargo Group.

New mobility services

Travel comfortably and flexibly to your destination with ÖBB Rail & Drive thanks to the e-mobility service. A total of 48 stations are equipped with 400 vehicles. There are currently 25 electric charging stations with a total of 57 e-vehicles available throughout Austria. They enable a sustainable mobility chain and an environmentally friendly solution for the first and last mile.

The ÖBB Rail & Drive car sharing service makes it easier for customers to switch to public transport as an integrated individual transport solution for the first and last mile. This new car fleet is also available to all ÖBB colleagues via the CarPool booking portal for business and private use and is therefore very easy to book. At present, 553 vehicles are available to employees at over 100 stations for business trips.

The "ÖBB Bike:Pool" project, which was launched two years ago, provides ÖBB employees with an internal e-bike sharing service at selected locations throughout Austria. The intention is to make both business and private journeys even more climate-friendly in future. In 2023, 1,482 journeys have already been successfully completed. The ÖBB 360° integrated mobility services in communities and tourist regions also enable customers to cover the last mile easily and seamlessly. A central component is the ÖBB wegfinder app, which enables users to book all ÖBB 360° mobility services. Existing ÖBB services such as Postbus Shuttle or Rail & Drive Carsharing will be made available to customers on a shared platform. The range is being continuously expanded to include additional services such as e-bikes, e-scooters and cargo bikes. A notable success: in 2023, approx. 120,000 journeys had already been undertaken using the mobility services described at the seven ÖBB 360° partner locations. The great success of the ÖBB 360° mobility package for the municipality of Korneuburg meant that it was extended until September 2028 and now provides 40 e-scooters from TIER, two cargo bikes and a car-sharing e-car.

The positive development has led to the ongoing development of the car sharing service, as well as its expansion and extension through cooperations. ÖBB handles both the provision and maintenance of the vehicles. In addition, access to rail is facilitated through more bike & ride facilities at transit stations. ÖBB-Infrastruktur AG is currently focussing on improving the quality of bicycle parking facilities, such as roofing or the construction of double-decker facilities.

The Postbus Shuttle also offers a sensible alternative to the private car and is conveniently bookable on-demand. This is the most individual form of public transport, without a timetable and with fixed departure times (from early to late). Book via the Postbus Shuttle app or via one of the many partner companies in the respective region. It is already available in the following regions: Gusental, Mondsee, Kulturshuttle Semmering-Rax-Reichenau, Leogang, Liesingtal, Mödling, Techelsberg am Wörthersee, Donau Gusen and Ossiacher See. Operations in Bleiburg / Southern Carinthia began in December 2023 and will be expanded in the second quarter of 2024. Postbus Shuttle also emerged as the winner of the micro-public transport tender for the entire province of Salzburg. The first call-offs take place in 2024.

Bicycle transport

The new-generation Nightjet offers improved transport options for all cycling enthusiasts: the multifunctional carriage with low-floor access offers six bicycle stands. The first new-generation Nightjets were put into operation with the timetable change in December 2023 – on the Vienna – Hamburg and Innsbruck – Hamburg routes. There is also good news from the west of Austria: since November 2023, all 21 Cityjet Desiro ML, which accommodate up to 39 bicycles per set, have been in operation in Vorarlberg.

Punctuality

Safe, punctual and reliable rail operations are the foundation of the ÖBB Group’s performance promise. In 2023, 95.0% of ÖBB trains in passenger transport were on time, of which 80.3% of ÖBB trains in long-distance transport and 95.7% of ÖBB trains in local transport were on time. Rail Cargo Austria trains operated on the ÖBB network with a punctuality rate of 78.4%. Overall, the sharp deterioration in the performance of neighbouring railways and the higher network capacity utilisation had a negative impact on punctuality. Further increases in passenger numbers and bottlenecks in vehicle availability had an additional impact on punctuality in 2023.

The year 2023 has again brought a significant increase in passenger numbers. Train traffic was once again unrestricted, both across borders and domestically. This fundamentally pleasing development has, however, also led to a sporadic rush of travellers, particularly on long-distance services. As a result, stopping times were also exceeded, which had a negative impact on punctuality. The targeted use of customer guides was able to remedy this situation in the short term.

In 2023, the unsatisfactory performance of individual neighbouring railways in international long-distance traffic will also have a negative impact on the punctuality of the long-distance lines - much more so than in previous years. Unfortunately, even the close cooperation with neighbouring railways - including intensive performance dialogues and stabilisation measures taken - could not directly prevent this negative impact on the ÖBB-Infrastruktur AG network. The strikes abroad and the weather-related route interruptions in summer 2023 posed additional challenges.

A large number of worksites had a negative impact on punctuality in long-distance and freight transport in both the spring and summer months. Although negative influences on punctuality could be mitigated by the targeted use of deviation timetables, among other methods, the effects were felt in the ÖBB network. The construction site on the “Deutsches Eck” in particular has had a hugely negative impact on the stability of long-distance traffic on the western axis. Further targeted measures are necessary here for the next few years in order to be able to keep the impact on punctuality correspondingly low.

The issues of construction work, border delays and stopping time overruns will continue to be a mayor driver of unpunctuality in subsequent years. Forward-looking measures are required to maintain the stability of company operations. This includes, for example, high availability of equipment and vehicles and precise operational management as well as effective border management. This will be one of the core tasks in punctuality management in the coming year.

Outlook for 2024

The 2024 timetable marks an increase in service kilometres compared to the previous year due to the consistent expansion of local and long-distance services. As the market leader in night travel, ÖBB is continuing to expand Europe’s night train network. New Nightjet routes are set to start in the 2024 timetable year and the existing service improved. A particular highlight: the new coaches – the flagship of night train services – will be in operation on the Vienna – Hamburg and Innsbruck – Hamburg lines as from the timetable change. This is intended to make a further contribution to the expansion of the European night train network and consequently to the further shift of air traffic to climate-friendly rail.

The ÖBB freight transport sector continues to work on efficient and multimodal end-to-end logistics solutions through the targeted use of digitalisation and innovation. Among other things, this involves measures to optimise active customer management, wagon deployment and wagon stock.

The modernisation of stations and stops will continue intensively in 2024. The clear aim of accessibility is to increase the density of ÖBB-Infrastruktur AG’s network of accessible railway stations and to continue to set regional priorities (school and educational locations, health resorts, hospitals, etc.). The implementation strategy is entering the medium-term phase of making more railway stations barrier-free with a daily frequency of 500 to 1,000 travellers per day. This means that ÖBB is getting ever closer to its target of 90% of passengers travelling barrier-free by 2027.

Other significant measures

Affordable and accessible mobility service (excerpt)

Start S-Bahn Vienna – Upgrade | Modernisation of the main line of the Vienna S-Bahn to continue to bring rail customers reliably and comfortably to their destination on Austria's busiest local transport route in the future.

Bikmo bicycle insurance at the railway station | Pilot project to make parking bicycles at the station even safer and therefore more attractive in future.

G.10. Health, Safety and Security

Safety und Security

Safety is the basis of the ÖBB Group's daily work and forms the foundation of all activities within the ÖBB Group and is ÖBB's daily promise of performance and quality to all customers, employees and their families, but also to service providers and third parties. Safety is a central part of the "ÖBB identity".

ÖBB's four safety areas – the management approaches GRI 418-1

Focused safety management at ÖBB is composed of four defined safety areas:

- **Operational safety**
  Operational safety comprises the control and implementation of measures to achieve safe rail operations. Plant safety, vehicle safety and operational safety are essential components of operational safety.
- **Occupational safety**
  Occupational safety refers to the risk-free condition to be aimed for in the performance of work for all ÖBB employees and indirectly also for service providers in operations.
- **Public Safety**
  Public safety includes protection against criminal activities that holistically affect customers, employees, the company, or corporate operations. This also includes protection against criminal activities, objects, facilities and assets as well as transported goods. In addition, it includes the subjective feeling of safety of employees and customers.
- **Information security**
  The aim of information security is to protect information and the information and communication technologies required for its processing in an appropriate manner in the interest of the ÖBB-Group, its employees, business partners and customers.

The four safety areas are supplemented by the cross-cutting issue of safety culture. The central building block for the safety culture is the corporate value "Living safety". It encompasses three standards of conduct and nine key elements. The corporate value targets the human factor and supports the further development of a positive safety culture. At ÖBB, a positive safety culture is seen as part of a broader corporate culture. It is based on values and standards of conduct. It is shaped by awareness, attitudes and beliefs, and becomes evident as a result of actions and decisions taken.

A number of basic safety tools (tools and methods) are available for the further development of the safety culture in the ÖBB Group. These safety tools help managers and employees develop sustainable safety awareness and behaviour. One of the tools for this is the confidential reporting system, which enables employees and subsequently the responsible managers to report unsafe actions and situations confidentially. This makes it possible to point out the need for improvement of a situation even without confronting the parties involved. GRI 2-25

The ÖBB Group currently deploys no Group-wide certified management system for employee protection. The ÖBB companies, however, are certified in accordance with ISO 45001. More than 90% of employees (excluding leasing) in the ÖBB Group are covered by this management system. GRI 403-1

Ambitious safety targets

The overall target of the ÖBB Group is to sustainably rank among the most safe railways in Europe. To ensure that this is achieved, ambitious strategic safety targets have been defined for the Group. The previous 2024 safety targets in the three safety areas of operational safety, occupational safety and public safety have now been extended to include the perspective up to 2030. In the next few years, for example, the main safety indicators (e.g. train accidents, shunting accidents, accidents at work) are to be enhanced even further. The refining of the safety strategy, the strengthening of cross-Group cooperation and the ambition to further develop the safety culture in a positive way, set the course for achieving the medium-term safety targets. GRI 403-1, 2

Targets in the area of safety

- **Occupational safety:** ÖBB aims to achieve a reduction in occupational accidents in the area of occupational safety over the next few years.
- **Operational safety:** In terms of operational safety, the aim is to reduce the key indicators of train collisions, train derailments, signal overruns, as well as shunting collisions and shunting derailments.
- **Public Safety:** Public safety is seeking a reduction in "assaults on employees resulting in injury."
- **Information security:** ÖBB adheres to the highest information security standards in the areas of railway and vehicle IT. The Group is aiming for a level of maturity in general and business IT that is in the European midfield while ensuring that there is no risk to railway operations. A multi-year information security strategy was developed for this purpose.

Conclusion and highlights 2023

Operational safety

The Group-wide operational safety index BSX was almost unchanged in 2023 compared to the previous year 2022. (+1 point, 2023: 71 points | py: 70 points). The BSX was still better than the target benchmark. There was an increase in the number of personal injuries during operations (+32, 2023: 46 | py: 14), not least as a result of the fire involving a night jet in the Terfner Tunnel on 07.06.2023 with 33 injuries. The number of personal injuries, however, remained better than the relevant five-year average.

Train collisions remained at a constant level (+/- 0 | 2023: 3 | py: 3). A slight decrease was recorded in train derailments caused by ÖBB (-1 | 2023: 8 | py: 9). Both train collisions and train derailments were within the range of the definitive five-year average.

The occurrence of "signal overruns" (train movements) as a precursor to train collisions remains a key issue in the safety management of ÖBB Group companies. It is consistently prioritised through appropriate measures in the ongoing safety program. The aim is to achieve a significant reduction in "signal overruns". GRI 403-7

Master plan for the reduction of signal overruns

Achieving the aim - the significant reduction of signal overruns - requires an overriding, holistic approach. This is being undertaken by means of a "Master Plan for Signal Overruns". The master plan is intended to be an integrative presentation of the analyses, findings and measures in the ÖBB Group to reduce signal overruns. It is to be consistently pursued until the European Train Control System (ETCS) is fully developed. GRI 403-7

Key figures at a glance	2023	2022
ÖBB rail network in Austria[1]		
Company safety index "BSX" in points	71	70
Collisions	3	3
Train derailments	8	9
Number of personal injuries on the train / operational sequences	46	14
Number of shunting derailments (INFRA, PR, TS)	51	61
Number of shunting collisions (INFRA, PR, TS)	88	92
Collisions on railway crossings	50	66
Ausland[2]		
Collisions abroad	2	3
Train derailments abroad	1	1

[1] Incidents caused by ÖBB companies.
[2] Incidents caused by Rail Cargo Group outside Austria.

Occupational safety

In the 2023 reporting year, there were four fatal accidents at work in the ÖBB Group. The accidents involved one ÖBB employee and three employees of an external company. A total of 1,260 (+117 | py: 1,143) work-related injuries were documented among employees working in Austria. The ASVG occupational accident rate remained at the previous year's level of 17.1 (-0.5 | py: 17.6) in 2023. The rate of documentable work-related injuries has increased compared to 2022 (+1.6 | 2023: 20.3 | py: 18.7).

A total of 47 (-13 | py: 60) work-related injuries were documented among employees working abroad. This results in a rate of 7.5 for documentable work-related injuries abroad. GRI 403-9

The type of injury "fall down / fall over" was the most common type of injury in the ÖBB Group in 2023. Measures to reduce accidents at work are implemented along the injury areas. In 2023, the focus in occupational safety was placed on analysing the underlying causes of accidents at work. A catalogue of questions was developed to specifically query various influencing factors in order to be able to conduct a structured accident analysis. Initial results of analyses are expected in 2024. GRI 403-2

Furthermore, the ÖBB Group companies rely on various systems to support new and young employees. These include mentoring or mentor models, for example, with the aim of preparing employees for their future work in the best possible way. As a result, a mentoring system was introduced for new shunting employees. The aim is to raise awareness of the entire shunting process and subsequently reduce incidents in the shunting area. Specifically, the focus is on the topic of "attentiveness" as well as working more intensively on the precursor events that can lead to accidents. GRI 403-5, 403-7

Occupational medical and psychological care has been provided for many years by the ÖBB partner "Wellcon Gesellschaft für Prävention und Arbeitsmedizin GmbH" and is available to all employees. Occupational physicians work closely with the Group's own safety experts and together check compliance with health and safety regulations as part of regular inspections. Counselling topics include both psychological and physical stresses and strains. In cooperation with the Insurance Institution of Public Employees, Railways and Mining (BVAEB), WELLCON offers an occupation-oriented health examination (GUB). More on this in the Health section. GRI 403-2, 403-3, 403-6

Occupational Safety Index[*)] (ASX) for the companies in the Sustainable Finance Framework GRI 2-4

	2023	2022	Target 2030
ÖBB-Personenverkehr AG	27.4	20.6	17.7
Rail Cargo Austria AG	3.8	1.9	14.5
Österreichische Postbus Aktiengesellschaft	11.2	11.5	14.5
ÖBB-Technische Services-Gesellschaft mbH	23.4	26.2	22.5
ÖBB-Produktion Gesellschaft mbH	30.8	27.2	27.5
Rail Equipment GmbH & Co KG	0	0	14.5

[*)] 1000-person rate: Occupational accident rate in accidents at work of ÖBB employees with at least three days lost pursuant to ASVG per 1,000 employees.

ÖBB employees and leasing employees working on behalf of ÖBB (national)	2023	2022
Accidents at work ASVG in absolute numbers[1]	699	708
Occupational accident rate ASVG per 1,000 employees[2]	17.1	17.6
LTIR occupational accidents[3]	846	827
Rate of LTIR occupational accidents per 1 million working hours[3]	13.7	13.6
Number of hours worked in hours per 1,000 employees[3] [4]	61,932	60,978
Employees / leasing	*60,854 / 1,078*	*59,822 / 1,156*
Number of fatal accidents at work [3] [4]	4	2
Employees / leasing	*1 / 3*	*2 / 0*
Rate of fatalities due to work-related injuries[4]	0.065	0.033
Employees / leasing	*0.016 / 2.8*	*0.033 / 0*
Serious work-related injuries[3] [4]	22	8
Employees / leasing	*22 / 0*	*8 / 0*
Rate of work-related injuries with serious consequences[3] [4]	0.36	0.13
Employees / leasing	*0.36 / 0*	*0.13 / 0*
Number of documented work-related injuries[3] [4]	1,260	1,143
Employees / leasing	*1,188 / 72*	*1,079 / 64*
Rate of documentable work-related injuries[3] [4]	20.3	18.7
Employees / leasing	*19.5 / 66.8*	*18.0 / 55.4*

[1] Occupational accidents of ÖBB employees in Austria resulting in more than three days of absence (pursuant to ASVG), commuting accidents are not taken into account.
[2] Occupational accident rate ASVG: Occupational accidents per thousand ÖBB employees in Austria (communicated in the ÖBB Group as the key figure “Occupational Safety Index ASX”).
[3] Lost Time Injury Rate (LTIR) occupational accidents with lost days
[4] Complies with GRI 403-9 - per 1 million hours worked, serious occupational accidents >180 days lost.

ÖBB employees and leasing employees on behalf of ÖBB (abroad)	2023	2022
Number of hours worked in hours per 1,000 employees[1] [2]	6,566	6,990
Employees / leasing	*6,468 / 98*	*6,858 / 132*
Number of fatal accidents at work[1] [2]	0	0
Employees / leasing	*0 / 0*	*0 / 0*
Rate of fatalities due to work-related injuries[2]	0	0
Employees / leasing	*0 / 0*	*0 / 0*
Serious work-related injuries[1] [2]	0	1
Employees / leasing	*0 / 0*	*1 / 0*
Rate of work-related injuries with serious consequences[1] [2]	0	0.14
Employees / leasing	*0 / 0*	*0.15 / 0*
Number of documented work-related injuries[1] [2]	49	60
Employees / leasing	*47 / 2*	*58 / 2*
Rate of documented work-related injuries[1] [2]	7.5	8.6
Employees / leasing	*7.3 / 20.4*	*8.5 / 15.1*

[1] Lost Time Injury Rate (LTIR) occupational accidents with lost days
[2] Complies with GRI 403-9 - per 1 million hours worked, serious occupational accidents >180 days lost.

Public Safety

The focus of public safety is the protection of employees and customers from criminal actions. Numerous measures have been and continue to be taken to minimise or counteract the risk factors. In addition, the general conditions have intensified due to the threats on a global scale.

Newly designed de-escalation training courses were organised across the board to reduce the number of assaults on employees in trains and stations. A corresponding case-by-case assessment and analysis, combined with the implementation of specific measures after each reported assault, should also help to improve the situation in a more targeted manner. Equipping employees with bodycams has helped railway staff to feel subjectively better protected.

Assaults on employees remained at a consistently high level in 2023 compared to the previous year. Measured against the significant increase in passenger numbers in the rail sector, however, they are declining in comparison. The number of assaults on customers remains at a low level.

The security of railway stations and ÖBB properties is also a focus of public safety. The Group-wide “Physical Security” policy has led to the implementation of numerous measures to further significantly increase property security. Stricter access controls, security-related structural requirements and a risk-based security classification of all ÖBB facilities, objects and buildings are also intended to increase the general level of security. GRI 403-7

Key figures at a glance	2023		2022
Public Safety Index "ÖSX	137.9		130.9
Assaults / assaults against train attendants / service and control team employees / and ÖBB-Operative Services GmbH & Co. KG employees	347	*)	360
without injury	*265*	*)	*285*
of which at the station	*21*		*23*
of which at the train	*244*		*262*
with injury	*82*		*75*
of which at the station	*26*		*22*
of which at the train	*56*		*53*
Thefts from customers / travellers	2,745		2,264
Property damage ÖBB	3,172		3,748

*) Figures may differ from the previous year due to subsequent reporting in the current year.
Note: Property damage instead of non-ferrous metal thefts, as these are already at a negligible level.

Damage to property (graffiti and vandalism) decreased in 2023 compared to the previous year. This is due to the fact that the sensitisation of staff and the quality of reporting having been significantly expanded and improved. The intensive cooperation with the executive has also led to a reduction in the numbers. Police patrols have repeatedly stopped and arrested offenders caught committing offences. Technical surveillance using video towers in the parking facilities and the occasional deployment of security staff with the support of a service dog also had a positive impact.

An increasing trend is also evident in the area of thefts from travellers in trains and stations. This is partly due to the increase in passenger numbers and a change in the reporting system. The police now report thefts directly to ÖBB as part of reports and video analyses, which means that these incidents are now also included in the overall statistics. This additional reporting source and the knowledge of the thefts enables the police to initiate appropriate countermeasures in close cooperation with ÖBB's public safety department. For example, specific special patrols and priority actions were conducted by the police at selected railway stations and trains. The deployment of security personnel in trains and at stations was also increased on an ad hoc basis. Video surveillance systems at railway stations and in trains are also an important component in combating this area of crime.

Information security

Information security is fundamental to the existence and future success of the ÖBB Group. It includes ensuring the protection objectives of confidentiality, availability and integrity for all digital and analogue information, taking into account the relevant regulatory requirements.

One of the core tasks is to define the information security strategy and establish guidelines across the entire group. This is designed to create the framework conditions for a uniform approach to information security throughout the Group. In 2023, a new multi-year Group-wide information strategy was formulated, targets defined and important measures and new initiatives launched. In the interests of efficiency, measures are developed and implemented throughout the Group, as is the case with awareness measures, for example.

Parts of the Group have undergone external audits and have achieved recertification or initial certification of their information security management system in accordance with ISO 27001.

Parts of ÖBB are already subject to the current NISG (Network and Information System Security Act). At the same time, NIS-2 (EU-wide Network and Information Security Directive) will expand the scope of application and requirements, for which the Group companies are already preparing. Embedded in "PROTECT", the topic is dealt with in a structured manner, including the expansion of internal expertise.

As part of the Target Operating Model (TOM) of information security, key resources are successively onboarded.

Key figures at a glance[1)]	2023		2022
Number of spam e-mails in millions	95		87.5
Number of virus attacks	5,974	2)	8,189

1) Incidents in Austria and international subsidiaries.
2) Measures such as the establishment of a Security Operations Centre and Cyber Defence Centre in the ÖBB Group, as well as increased awareness measures have been continuously initiated (newsletters, phishing campaigns, clean desk checks etc.) to prevent virus attacks since 2021. Microsoft's Endpoint Detection and Response solution was also successfully implemented in 2023

Safety strategy with specific objectives

The overall target of the ÖBB Group is to sustainably rank among the most safe railways in Europe. Ambitious strategic safety targets were defined for the ÖBB-Group to ensure that this is achieved, which were extended in 2023 to the target year 2030. As a basis for maintaining the already high level of safety, a fundamental ban on deterioration (multi-year review) and, in addition, a continuous improvement requirement will be introduced. A continuous annual improvement of 2% was agreed as the degree of optimisation in operational safety, occupational safety and public safety.

The focus will be placed even more strongly on precursors from 2024, i.e. those events that lead to a train collision, a train derailment or an accident at work, for example, in order to manage safety in a targeted manner. A risk-orientated KPI set geared to the business activities of the respective sub-group or company forms the basis for the strategic and transparent management of safety in the ÖBB Group. The objectives in the area of precursors should reflect the developments in the respective areas and take expected technological leaps into account accordingly.

A significant reduction in incidents and accidents requires a greater focus on sustainable improvement measures following accidents and near misses throughout the Group. Detailed error analyses therefore need to be conducted and the data basis further improved. In addition, it involves the further development of the reporting culture – learning from mistakes – and therefore the safety culture as part of the corporate culture. Tools, training and campaigns are developed around the corporate value of “living safety” and its behavioural standards and key elements. They are intended to sustainably safeguard and improve the safety culture and thus also the safety performance. For example, the Rail Cargo Group’s internal campaign focuses on new standards of conduct, behaviour-based safety and rule-based working.

Business Continuity Management

ÖBB faces the daily challenge of providing services safely, efficiently and quickly. The ongoing trend towards a climate-friendly mobility transition is placing ÖBB’s service provision at the centre of social attention. Ever-increasing customer requirements and general trends are just as significant for ÖBB as technological, social, natural or economic threats. process, resource and performance shortcomings on the part of ÖBB are readily picked up and processed by the media.

This is now being taken into account and counteracted by the introduction of a Business Continuity Management System (BCM). This increases the Group’s resilience to adverse events. Relapse levels are to be established on the basis of identified critical processes and resources, and preventive and circumventive measures developed. Downtimes and disruptions therefore leave the core business largely unaffected. Potential disruptions include failures at all levels of production processes that may pose an existential threat to business operations – for example IT failures, natural disasters, technical problems or acute resource bottlenecks.

In 2023, a proposal for a Group-wide BCM methodology was developed on the basis of a pilot project and tested as part of a proof of concept (PoC). The ÖBB Group is committed to ensuring that BCM does not degenerate into bureaucracy. In fact, it is designed to quickly categorise operational and business-critical processes in order to derive effective measures. The Group-wide further development and implementation of the BCM will start in 2024.

Outlook for 2024

The warning app is to be further developed in the area of operational safety in order to further reduce the number of signal overruns. At the same time, more intensive work is to be done to reduce incidents in the shunting area. The same applies to precursor events that facilitate train accidents. Besides a consistent expansion of technology and an effective further development of processes and procedures, the focus is on the further increase of the safety awareness of the employees in the ÖBB-Group. In 2024, the topic of “being attentive” will be increasingly incorporated into the safety campaign as part of the corporate value "living safety”. for this purpose. Potential hazards should also be recognised in good time and accidents proactively avoided. The topic of “recording and analysing near misses” will be promoted throughout the Group from 2023 / 2024 for this purpose. The improvement of the circumstances surrounding the assaults on staff members is also to be the focus of the set of measures. Information security projects are being implemented to further increase the maturity level of information security. The “Target Operating Model” agreed across the Group means that additional employees will be taken on internally. Internal resources are also receiving increased support from external expertise in order to be able to deal with the changed legal and factual framework conditions in the best possible way.
GRI 403-2, 403-4

Work ability and health

Management approach

The employees are ÖBB's most important resource. As a result, an agreement on workplace health promotion measures was reached with the Works Council in 2007.

Their aim is to maintain and promote the ability to work and the health of all ÖBB employees. To this end, working conditions are to be continuously improved, personal resources optimised and stress reduced. This makes a substantial contribution to increasing the attractiveness of the company as an employer and contributes value to the company's success.

The implementation is conducted by the occupational health management (OHM), which underwent a structural relocation in 2022. The tasks of occupational health and safety management were consolidated in the newly created Work Ability and Health Solution Centre at ÖBB-Business Competence Center GmbH (ÖBB-BCC GmbH). This is an in-house counselling service for managers on the topics of "fitness for work" and "health". Its content is managed by a multi-professional team. It consists of the Chief Medical Officer and experts from the specialist disciplines of psychology, case management, health promotion and data science. The measures are implemented by a team of advisors on fitness for work and health that is organised regionally throughout Austria. The consultants are available to the managers in ÖBB's national market with their expertise on a "one-face-to-customer" basis or provide them with proactive support.

The mission of the new Work Ability and Health Solution Centre is summarised as follows:
- **Innovation:** Work is made healthy and people, technology and organisation are harmonised with the help of data- and evidence-based occupational health management. This takes place with the support of experts from the Work Ability and Health Solution Centre. This process requires active dialogue with the safety experts in the ÖBB Group.
- **Creating trust and building relationships:** The regional organisation of the Work Ability and Health Solution Centre creates a high presence and visibility in the area. This makes it possible to tailor the wide range of services and offers to the needs of the target groups. This promotes the competence of ÖBB managers and employees in the health domain.
- **High level of expertise in counselling:** The local regional contacts work closely with the multi-professional team to support employees in maintaining, promoting and restoring their ability to work and their health. This ensures that all managers in the ÖBB Group have direct and competent access to advice.

The content is based on the quality criteria of the "Network for Workplace Health Promotion". The focus topics are maintaining, promoting and restoring the ability to work as well as the strategic and operational integration of health management in the ÖBB Group. GRI 403-1, 403-6

Key figures at a glance	2023	2022
Participants in healthy leadership and addiction prevention	258	168
Number of employees who have taken advantage of occupational reintegration (BWE)	680	797

Targets in the area of health

- ÖBB is strengthening the work ability and health of all employees by further developing working conditions, building up resources and reducing potentially health-threatening stress.
- Another task of health management is the technical and organisational managing of issues arising from the interface function with Wellcon / occupational medicine. This includes the organisation of vaccinations as well as planning and reporting, accounting and the clearing of annual prevention periods and ÖBB32 fitness examinations. GRI 403-3

Implementation priorities in 2023

In 2023, a comprehensive range of offers was made available to employees in the area of occupational health management. At the same time, the organisational roll-out of the new Work Ability and Health Solution Centre took place, which has been providing its services since the beginning of 2023.

The following measures were implemented in 2023 based on the four strategic fields of action:

Maintain ability to work

In 2023, the in-house consultants in the Work Ability and Health Solution Centre implemented ten measures in the "Maintaining the ability to work" strategic field of action in the ÖBB Group companies in line with requirements for the priority area "Strengthening health-promoting leadership": five measures for the priority area "Supporting age-appropriate work", 89 measures for the priority area "Increasing personal resources" and 44 measures for the priority area "Promoting healthy workplaces". In addition, in 2023, a Group-wide domestic colorectal cancer screening programme was conducted using occult tests for approx. 8,000 employees between the ages of 40 and 50, with a response rate of approx. 16% (1,289 tests evaluated). This was organised in cooperation with Krebshilfe Österreich. In addition, Group-wide training courses on healthy leadership and addiction prevention were again held in 2023 and are mandatory for all managers. In 2023, 258 managers and team coordinators were reached and trained; the remaining managers and team coordinators, as well as all new recruits, will be offered training again in 2024. GRI 2-23, 403-4

Promote ability to work

The regional in-house consultancy was able to implement 14 measures in 2023 in the strategic field of action of promoting employability with a focus on "optimising early detection and intervention" and in line with the needs of the ÖBB Group companies. This also includes the 5-Risks-Check in cooperation with BVAEB at thirteen offices with 989 registered participants. In 2023, the Group-wide TBE and flu vaccinations were again coordinated as part of this area of focus.

A particular focus was placed on "optimising early detection and intervention" in the promotion of health literacy among ÖBB employees. This took place as part of the implementation of the low-threshold, ÖBB-specific prevention programme "Health on Rail". The aim is to achieve a sustainable improvement in lifestyle with a special focus on the requirements of the respective everyday working life. The three modules of stress, attitude and irregular service were developed for this purpose. The modules are based on the occupation-oriented examination program of the BVAEB, Health and Occupation (GUB), which became operational in 2022. ÖBB's Health on Rail program provides for a three-day stay at one of three external health facilities. The programme includes a medical entry interview as well as specific workshops and active units. This forms the basis for a six-month online follow-up programme with the aim of transferring what has been learned into everyday professional and private life. Special attention is paid to different learning types as well as the high proportion of company-specific occupational groups within ÖBB. In 2023, 529 employees took part in the programme. Further development of the content is planned for 2024 – based on the programme feedback from 2023. In 2024, ÖBB will begin granting one day of special leave as part of the stay to encourage its employees to take part in the health promotion and prevention measures on offer. Furthermore, the attendance module is to be extended from 2.5 days to 3.5 days or 4.5 days in 2024.

In addition, ÖBB supports the BVAEB prevention programme Resilienzpark Sitzenberg Reidling as part of this priority. This specialises in sustainable lifestyle optimisation. The health promotion programme comprises a basic stay of 15 calendar days and a separate follow-up stay of eight calendar days. ÖBB also supports the participation of its employees by granting special leave for parts of their stay for the health promotion and prevention measures offered in Sitzenberg Reidling. In 2023, 172 employees participated and completed at least their first attendance unit.

The regional in-house counselling service was able to implement 32 measures under the focal point "Reducing personal (psychosocial) risks". The 2024 psychosocial focus year was launched throughout the Group in 2023 as part of this priority. This was done with the involvement of BVAEB prevention counselling services and regional health advisors who were specifically trained in this area. This prioritisation in 2024 is also intended to promote ÖBB's internal helpline. 19 measures were implemented under the "HR Circle / ensuring Group-wide dialogue" priority. GRI 403-2, 403-6

Restore work ability

The focus of this strategic field of action is the implementation of occupational reintegration in accordance with case management methodology (needs-based management). The aim is to reintegrate the employee into his or her usual workplace. An extended reporting system was established for this purpose in 2023, which allows for finer control of the topic. In 2023, this topic is managed for the first time by a multi-professional team with the aim of achieving standardisation and quality assurance.

Strategic and operational integration of health management in the ÖBB Group

In 2023, 12 needs-based measures were implemented in the ÖBB companies in the strategic field of action "Integration of health management" with a focus on "Anchoring health management in existing structures". GRI 403-5

As in 2021, the work ability index was also surveyed in 2023 as part of the employee survey. The regional health advisors established within the ÖBB Group in January 2023 analysed the results based on these findings. In 2024, they will support managers in deriving individual measures to ensure and maintain the ability to work that are tailored to the respective organisational unit. These measures range from management coaching and management training to qualitative analyses – such as focus groups – and target group-specific offers for teams and employees.

ÖBB-Technische Services-Gesellschaft mbH and ÖBB-Business Competence Centre GmbH were recertified with the seal of approval for workplace health promotion (BGF) for the years 2023 to 2025. An application for certification for ÖBB-Immobilienmanagement GmbH for the years 2024 to 2026 has already been submitted and approved. GRI 403-5, 403-6, 404-2

ÖBB32 is the guideline for the health suitability of employees in railway operations and their environment. In 2023, as part of the further development of ÖBB32, it was decided to implement mandatory drug screening on initial admission. This has been in place since January 2024. GRI 403-3

In 2023, the technical and procedural requirements for data science applications were created in the Workability and Health Solution Centre under the title "Data-centric health management". This means that the Work Ability and Health Solution Centre now has a corresponding database. This is the prerequisite for proactively implementing targeted measures for ÖBB companies in 2024, taking into account the corresponding allocation of resources and funds, and for determining their success in the medium term. In 2023, the piloting of a proof of concept in a large ÖBB business area was already scheduled for 2024. This will also enable the development of approaches to predictive human care in the area of fitness for work and health in the medium term.

Conclusion 2023

The year 2023 was characterised by extensive implementation of measures based on the four strategic fields of action (maintaining the ability to work, promoting the ability to work, restoring the ability to work and integrating health management). Equally important was the roll-out of the new organisational structure and the associated services of the new Work Ability and Health Solutions Centre. In 2023, the focus was particularly on building managers' trust in the new advisory system. At the same time, technical tools were put into operation as the basis for consistent portfolio management. This includes, for example, the focus on the further development of impact measurement, which is to be technically implemented in 2024 / 2025. The technical database for future data science applications was created across the Group in 2023 for the future data-centred management of the Work Ability and Health Solution Centre. The new database is also the basis for deriving effective measures. The interaction between the now regionally located consulting capacities and the active key account management should ensure the sustainable and measurable value contribution of the Workability and Health Solution Centre for the ÖBB Group for the coming years.

Outlook for 2024

The following measures will be implemented in the four strategic fields of action in 2024 based on the strategic direction of the Work Ability and Health Solution Centre as a data- and evidence-based in-house consultant:

Strategic field of action – maintaining employability:
- Quality assurance – Healthy Leadership
- Piloting a proof of concept for data science applications on work ability and health in a business unit of the ÖBB Group

Strategic field of action – promoting employability:
- Piloting of an offer of low-threshold, health-promotion in the form of a health kiosk
- Implementation of specific prevention programmes in the form of 5-risk checks
- Further development of presence management
- Focus year on psychosocial health

Strategic field of action – restoring the ability to work:
- Professionalise company reintegration

Strategic field of action – integration of health management:
- Establishment of IT-supported portfolio management
- Implementation of Group guidelines for target group-orientated health communication
- Management consulting as part of the implementation of measures on the results of the 2024 employee survey with the aim of increasing the work ability index
- Coordination and content-related support for the revision of ÖBB32 as a guideline on the health suitability of employees in railway operations and their environment

Other significant measures
Health, Safety and Security (excerpt)

The warning app is being developed further | Technical support for train drivers when "approaching against stop" to reduce signal overruns.

Colorectal cancer screening focus in March | Cooperation with TRINICUM Diagnostics with free colorectal cancer screenings for ÖBB employees.

Safety First - Safe on Board | De-escalation and safety seminars for train attendants to prepare them for the "worst case scenario".

Use of exo-skeletons | Pilot project to relieve employees at three ÖBB-Technische Services-Gesellschaft mbH locations.

G.11. Diversity and equal opportunities

Management approach

The ÖBB Group is active in a socially diverse mobility market. At the same time, a broad range of professions is covered with over 40,000 employees. This ranges from manual shunting to highly complex financial management. Diversity and equal opportunities are the prerequisites for finding new employees in all these areas and attracting them to ÖBB. At the same time, diversity and equal opportunities strengthen the company's innovative potential and resilience. ÖBB, therefore, as one of the largest employers in the country, wants to be a role model for equal opportunities for all employees, for the promotion of diversity and inclusion and for work-life balance, thereby appealing to and inspiring people inside and outside the Group.

Equal opportunities are a key factor in modern corporate management and a prerequisite for sustainable business success. ÖBB is committed to comprehensive equal opportunities – regardless of language, gender and gender identity, age, sexual orientation, origin or religion. They treat everyone with respect and no discrimination of any kind is tolerated. This is particularly true for people with disabilities, who are targeted not only as customers but also as future employees. Diversity management goes beyond equal opportunities and uses the diversity of employees to the benefit of all stakeholders, consequently making ÖBB more diverse and thus more productive as well as more resilient.

The implementation of measures in the area of diversity and equal opportunities is undertaken by the Inclusion & Diversity Solution Centre in alignment with the objectives. The Diversity Charter 2026, which sets out the objectives, is an integral part of the diversity operational strategy. The Equality Policy forms the basis for ensuring equal treatment and equal opportunities for employees. The Charter of Inclusion is a commitment by ÖBB to creating a barrier-free and inclusive working environment.

Objectives to 2026

- ÖBB aims to increase the proportion of women in the entire Group (domestic and abroad) to 17% by 2026. The proportion of women in management positions is to be successively increased.
- The aim is to increase the proportion of women in apprenticeship training (national) incl. foundation apprentices to at least 20% and beyond.
- ÖBB wants to increase the share of women in further education programs (national) at ÖBB akademie to 25%.
- ÖBB creates an inclusive working environment for people with disabilities and aims to achieve a 4 % share of employees with disabilities in Austria by 2026.

The Inclusion & Diversity Solution Centre, which was founded in July 2023, provides support in achieving these goals with its services and educational programmes. This includes training managers and team leaders in equal treatment – rights and duties, diversity & inclusive leadership and employee training, for example in disability management. In addition, there are existing programmes for career development in digitalised form, coaching for women, the cross-mentoring programme across industries and the ÖBB networking events. The Women's Career Index (FKi) was re-indexed in 2023. The ÖBB Group was able to improve in all index areas in Austria and, with an overall index of 80 points, is well above average in the benchmark with other FKi-indexed companies in the DACH region.

Key figures at a glance		2023			2022	
Reporting date 31.12 GRI 405-1	Woman	Man	Diverse	Woman	Man	Diverse
Supervisory Board members / share in per cent (all Group companies excl. employee representatives)	19 / 59.4	13 / 40.6	0 / 0.0	18 / 58.1	13 / 41.9	0 / 0.0
Supervisory Board members / share in per cent (all Group limited liability companies excl. employee representatives)	12 / 44.4	15 / 55.6	0 / 0.0	8 / 28.6	20 / 71.4	0 / 0.0
Total ÖBB Group employees Headcount / share in per cent[1]	7,260 / 16.1	37,781 / 83.9	0 / 0.0	6,715 / 15.1	37,653 / 84.9	1 / 0.0
Managers Share in per cent[1]	147 / 19.1	621 / 80.9	0 / 0.0	136 / 18.0	618 / 82.0	0 / 0.0
Apprentices / share in per cent [2]	421 / 20.6	1,621 / 79.4	0 / 0.0	414 / 20.9	1,564 / 79.1	0 / 0.0
Number of external admissions Headcount / share in per cent	1,152 / 25.3	3,406 / 74.7	0 / 0.0	1,021 / 25.7	2,954 / 74.3	1 / 0.0
thereof under 30 years of age	*520*	*1,648*	*0*	*500*	*1,432*	*1*
thereof 30 to 50 years of age	*525*	*1,410*	*0*	*445*	*1,179*	*0*
thereof over 50 years of age	*107*	*348*	*0*	*76*	*343*	*0*
ÖBB akademie employees Headcount / share in per cent	598 / 42.0	827 / 58.0	0 / 0.0	295 /38,6	470 / 61.4	0 / 0.0
Employees with disabilities in percent		2.7			2.8	
Number of employees with disabilities	82	580	0	75	603	0

[1] Domestic and abroad

[2] incl. foundation apprentices.

Age structure in the Supervisory Boards

In 2023, no person (py: 0) on the Supervisory Boards of all Group companies excluding employee representatives was under 30 of age, eleven people (py: 11) were between 30 and 50 years of age and 21 people (py: 18) were over 50 years of age. No person (py: 0) on the Supervisory Boards of the Group's limited liability companies (excluding employee representatives) was under 30 years of age, 15 people (py: 14) were aged between 30 and 50 and 11 people (py: 14) were over 50 years of age. GRI 405-1

Highlights 2023

Equal treatment

In 2023, the scope of application of the ÖBB Equal Treatment Policy, which has been in effect in the national ÖBB Group since 2011, was also extended to ÖBB's foreign companies with more than 100 employees. The series of workshops between regional equal opportunities officers and apprentices on the topic of equal treatment was continued. Dialogue events were also organised with the youth representatives in order to identify relevant topics/problems and exchange experiences. Besides the development of skills in equal treatment issues, the issue of "sexual harassment in the workplace" was given particular attention. For example, the Rail Cargo Group organised an online seminar on the topic of " Sexual harassment in the workplace" for 70 managers in May. Not only were case studies discussed, but also the internal contact points, guidelines and prevention options.

Advancement of women

Women’s Career Index (in-depth interviews and measures in sub-societies)

ÖBB had itself indexed with the “Diversity for Success” women’s career index for the first time in 2021 in order to close the leaky pipeline and ensure good career development for female employees.

The indexing of all subgroups led to the identification of topics that were discussed and defined in the joint presentation of results and the subsequent in-depth exploration. These topics included recruiting processes, career development, specific staffing decisions, commitment and flexibility / working hours. The distilled measures were defined and assigned milestones. The implementation of the measures is subject to continuous monitoring.

In 2023, all ÖBB subgroups were indexed again, taking into account the results of the last indexation and the effectiveness of the measures taken. This enabled previous developments to be highlighted and potential new recommendations for action to be identified. The existing career development programs were again offered in both analogue (on-site) and digital form and were used more frequently than average. These include coaching for women, the cross-industry cross-mentoring programme and the ÖBB networking events. In the latter, discussions centred on relevant topics such as “finances”, “gender pay gap and pay transparency”, “self-presentation and empowerment” and “women and politics”. One of the highlights was the mobility talk on inclusive mobility and the mobility guarantee, organised in cooperation with the VCÖ. More and more programmes to promote women are also being created in the subgroups, such as “Women @ Train Tech” at ÖBB-Technische Services-Gesellschaft mbH or the first women’s network meeting at Österreichische Postbus Aktiengesellschaft.

Compatibility programmes (new compatibility strategy, childcare and “Alles Clara”)

An important factor of employer attractiveness is the compatibility of work and private life. ÖBB offers childcare throughout Austria during holidays and on window and national holidays, kindergartens close to the company as well as Nannies4ÖBB-Kids and the RailMap* work-life balance for this purpose. The pilot project with the digital platform for care and support counselling “Alles Clara” was continued to support ÖBB employees in caring for a close relative. In 2023, a new work-life balance strategy was also developed, which is intended in particular to expand the offer for employees in the regions.

Parent network meetings were again organised at regular intervals to maintain contact and provide information on relevant/current reconciliation offers, with a focus on topics such as “Children on the Internet” or “Austrian sign language for children”.

Diversity Charter 2026 (target-performance comparison)

The goals of the Diversity Charter 2026 deal with increasing the proportion of women and the advancement of women (equality plan). In comparison to 2022, the proportion of women in the ÖBB Group as a whole rose to 16.1% in 2023 (+1.0% compared to the previous year), while the proportion of women in management positions rose to 19.1% (+1.1% compared to the previous year). This is also reflected in the proportion of new female employees at the company; the proportion of female external hires (domestically) totalled 25.3% in 2023 (-0.4% compared to the previous year). The proportion of female apprentices fell by 0.3% compared to the previous year to 20.6%. GRI 405-1

Percentage of women for the companies in the Sustainable Finance Framework GRI 2-4	2023	2022	Target 2026
ÖBB-Personenverkehr AG	34.3	32.8	38.9
Rail Cargo Austria AG	36.6	36.1	40.5
Österreichische Postbus Aktiengesellschaft	10.5	9.7	14.4
ÖBB-Technische Services-Gesellschaft mbH	7.9	7.2	10.2
ÖBB-Produktion Gesellschaft mbH	5.6	5.1	7.2
Rail Equipment GmbH & Co KG	30.2	31.0	34.4

Landmark projects

As part of collaborations/initiatives, girls, women and female switchers were once again specifically targeted in 2023.

Diversity Council

In 2023, the Diversity Council was founded to bring diversity issues to all regions and every province in Austria. Diversity partners were nominated by the sub-companies as contact persons for the Council. Their Council work shows that interest in and demand for the services of the new Inclusion & Diversity solution centre is high, particularly among employees in the regions. After the first meeting, the contact persons were trained and then began their work.

Campaign "You are our potential."

"You are our potential." is an internal awareness-raising initiative. It aims to increase the visibility of employees with visible and invisible disabilities (e.g. chronic illnesses) and raise awareness among managers and employees alike. This initiative facilitates participation and breaks down barriers. The aim of the campaign was also to increase the proportion of employees with disabilities (degree of disability greater than or equal to 50%) from 2.7% (ÖBB domestic) to 4%, as set out in the ÖBB Diversity Charter 2026. The campaign also aims to increase employee satisfaction. The aim is to make it easier to talk openly about disabilities and chronic illnesses and to create a low-barrier working environment. Communication takes place via news articles, postings on Viva Engage, screens and events. The new network attracted particular attention from employees with disabilities. The new Diversity Council, which is made up of employees from the various regions, ensures that knowledge is shared across the organisation.

Inclusion

Another strategic goal is to continually increase the number of employees with special needs. The implementation of disability management at ÖBB-Holding AG marks a fundamental step towards the successful implementation of the "Employees with Disabilities" program. This is accompanied by disability awareness training for managers and employees as well as training on accessible communication. There are currently 662 employees in the ÖBB Group with health-related limitations with a degree of disability of more than 50%. A specialist in disability management and accessibility at the workplace as well as the group's disability liaison officers are available to provide personal support. Practical knowledge transfer has taken place since 2022 through webinars on topics such as "Barrier-free recruiting", "Inclusion management" and "Barrier-free communication". The e-learning programme "Disability Management" ensures a minimum level of qualification for managers and employees. In addition, further qualification offers were added to the ÖBB training catalogue in 2023.

The further steps set out in the Charter for Inclusion have been implemented. The 2026 action plan was presented on 03.12.2021. It sets out the implementation of measures to increase the proportion of employees with disabilities in the Group domestically. The basic measures include the "Inclusive Workplace" checklist for evaluating barrier-free and diversity-sensitive workplaces or the cooperation with the myability-jobbörse. These measures should help to ensure that as many people with a facilitated disability as possible apply for suitable jobs. In 2022 / 2023, site inspections were conducted in selected railway bistros and in Lassallestrasse. The results were recorded digitally and measures to improve accessibility in the workplace were derived. Also in 2023, a cooperation was initiated with Specialisterne Austria. The aim is to attract people on the neurodivergent spectrum to the ÖBB Group and support them during their induction period. Moreover, a further cooperation partner was found in NEBA (Netzwerk Berufliche Assistenz) to recruit people with disabilities for ÖBB and support them during onboarding at the company.

As an inclusive mobility service provider, ÖBB is in regular contact with representatives of organisations for people with disabilities and politicians on the topic of "accessibility and barrier-free travel". Current projects, needs and approaches to solutions are discussed with them. Among other measures, a dialogue event was also held in September 2023 at the ÖBB headquarters. The top management discussed mobility needs and the current status of barrier-free travel with ÖBB with representatives from politics, the Austrian Disability Council (ÖBR) and the Ombud for the Disabled.

ÖBB is once again launching a special initiative in 2023 to mark International Sign Language Day (23.09) under the motto "Accessibility benefits everyone". On 21.09.2023, a public event was held at Vienna Central Station for passers-by, travellers and ÖBB employees. The aim was to use sensing journeys and encounters with people with disabilities to raise awareness and break down barriers – especially those in the mind. Moreover, Vienna Central Station was radiant in blue on International Sign Language Day (23.09.2023). This sent a signal that Austrian Sign Language is an officially recognised language and part of a lively and diverse linguistic landscape.

Intercultural competencies

ÖBB is facing a generation change in the company and Austria in the midst of a socio-demographic population trend. In this context, tapping the potential of the labour force with a multicultural background is a key challenge and economic goal. This applies equally to the composition of the workforce and to the handling of the mobility market. Improvements to our intercultural fitness are being addressed at various different levels. This includes training on the topic of intercultural collaboration, cooperation with organisations such as Volkshilfe and the Austrian Integration Fund, as well as internal discussion events on cultural diversity within the Group. The apprenticeship training of unaccompanied refugee youths with asylum status is also particularly noteworthy. This initiative has already been promoted since 2012 with the Lobby.16 association and since 2016 also with the support of the AMP. The focus is also placed on female young people with asylum status.

Intercultural competence was also addressed as part of the International Day against Racism. This takes place as part of a workshop with the youth representatives on the topic of "Antiracism and civil courage". The aim was to show the youth representatives and apprentices ways of raising their voices against racism. And on the occasion of ÖBB's 100th anniversary, the company, which employs people from over 90 countries, demonstrated its diversity in many of its statements.

Active community building pilot project in cooperation with Volkshilfe)

Employees and travellers from different cultures are a great enrichment for ÖBB. The debate among passengers and with ÖBB staff is the motivation for launching the "Safe and Respectful – Travelling Together" program. The aim of this program is to enter into exchange with gatekeepers in the individual communities and to promote dialogue. In 2023, the focus of ÖBB-Personenverkehr AG Ost-Region was on the Black Community.

More than 3,700 colleagues from more than 95 countries working in the ÖBB Group are involved - and the trend is on the rise. This diversity of cultures and languages should be actively utilised. The language learning exchange makes it possible to find language learning partners and organise a free language exchange (tandem) with them in their free time.

Outlook for 2024

The strategic objectives are to increase the proportion of women in the Group as a whole and the proportion of employees with disabilities. The Women's Career Index (FKi) was once again surveyed and corresponding conclusions drawn in order to consistently and sustainably promote the first-mentioned goal. The second objective set out fundamental measures to create a low-barrier working environment for employees with disabilities. In addition, cooperation and training programmes (including with AMS, ÖIF and various NPOs) contribute to raising awareness and empowerment. These include the qualification of managers, existing career development programmes in digitalised form, coaching for women, the cross-mentoring programme across all sectors, ÖBB networking events and the new network for employees with disabilities.

The opening of the Inclusion & Diversity solution centre in July 2023 marks another important step towards modern working models, generational change and the future. The Solution Centre supports the implementation of ÖBB's diversity strategy with its services. It harmonises inclusion and diversity work within ÖBB and aims to promote and further establish a respectful, open working culture with equal opportunities for all employees within the ÖBB Group.

Other significant measures

Diversity and equal opportunities (excerpt)

The ÖBB run | Participation in the ASICS Austrian Women's Run.

Sexual orientation | Organisation of first network meetings by QBB in the regions.

Cooperation with the Austrian Integration Fund (ÖIF) | ÖBB is cooperating with the Austrian Integration Fund as part of the "Compass – Career paths for immigrant women 100 women, 100 opportunities" project to familiarise immigrant women with career paths and job opportunities.

"Being Pride" | 2023, the rainbow month was celebrated in full at ÖBB.

Female Power Walk on International Women's Day | Action on International Women's Day 2023 for more equality.

SHE goes DIGITAL | The project invites girls, women returning to work and women aged 50+ to discover the opportunities offered by digitalisation.

G.12. Compliance | Transparency | Data Protection | Human Rights

ÖBB is one of the largest companies in Austria and is publicly owned. This results in a special responsibility in the areas of compliance / transparency, data protection and human rights. The Group Compliance department has been centrally installed at ÖBB-Holding AG to ensure consistent and uniform prevention of economic crime and corruption in particular. Similarly, the topic of "data protection" is centrally located in the Group Law department at ÖBB-Holding AG.

Key figures at a glance	2023	2022
Number of employees who have completed the training "EU General Data Protection Regulation 2018" and comparable e-learnings	4,379	2,767
Number of employees who have completed the "EU General Data Protection Regulation 2018" training course	1,601	2,037
Data protection in practice for managers (NEW 2021)	102	9
Data protection in practice for employees (NEW 2021)	2,676	721
Reports based on data breach notification duty (ÖBB Group) GRI 418-1	3	3
Completion rate of the e-learning compliance, which is made available to employees with IT access and is also established in the onboarding process, among other areas, in per cent	>90%	>90%

Data Protection

A public company such as ÖBB attaches great importance to acting responsibly and preventively. The absolute confidentiality of information must be ensured, especially for business partners, employees and customers.

ÖBB employees and managers need effective and adequate support in complying with data protection in this respect. For this reason, the ÖBB-Group has set up a comprehensive data protection management system (DSMS). The system is based on a multi-level structure consisting of the data protection policy document, the corporate directive on data protection, data protection documentation and a data protection manual.

The DSMS is also geared towards a continuous improvement process in line with the international standards ISO 9001 and ISO / IEC 27001. This is done in accordance with the basic idea of the Plan-Do-Check-Act model (PDCA - Plan, Do, Check, Act). In each ÖBB-Group company, a data protection officer is entrusted with monitoring compliance with legal and internal regulations. They advise both management and employees on all data protection issues. Mandatory training sessions are held to familiarise employees with the basics and new developments in data protection. In addition, data protection audits are performed to subject the existing system to regular review. GRI 2-26

Highlights Data Protection 2023

Approx. 120 employees were informed, sensitised and kept up to date on the topic of data protection during eleven half-day and two-hour training sessions, most of which were held in person.

Risk assessment update on data protection

The medium-term objective is to subject all registered processing activities in the Group to a data protection risk assessment. It assesses – in contrast to IT risk management - not the business risks, but the risks to the rights and freedoms of the natural persons whose data is processed.

More than half of the total entries contained in the registers of processing activities had undergone a risk assessment by the end of the year.

Outlook Data Protection 2024

Certification of the DSDM

ÖBB-Holding AG teamed up with the IT division to evaluate the requirements for certification of the DSMS (data protection management system) in accordance with ISO 27701 as early as 2023. Certification is scheduled for 2024. The prerequisite is a certification of the ISMS (information management system) in accordance with ISO 27001, which was successfully completed in 2023.

Revision of the data protection information for employees

Data protection information has been available on the HR portal for employees since the entry into effect of the GDPR. The information discloses essential aspects of data processing within the scope of the employment relationship. This information is to be fundamentally revised in 2024.

Transparency

The ÖBB Group bases the design and communication of its corporate governance on international standards and best practice methods as well as the Public Corporate Governance Code of the federal government. A key tool is transparent, timely and detailed reporting on many of ÖBB’s subject areas, as well as their assessment and certification by external bodies.

The ÖBB Group has functioning control bodies or mechanisms that perform their tasks. The duties of the Supervisory Board are defined by law, the Articles of Association and the Rules of Procedure for the Supervisory Board. The most senior supervisory body (Supervisory Board) holds ordinary meetings five times a year and additional extraordinary meetings as required. Standardised reports on the topics of “Human Resources”, “Compliance”, “Internal Audit”, “Data Protection”, “Risk Management”, “Internal Control System”, “Security”, “Sustainability” and “Diversity” in particular are regularly submitted to the Supervisory Board as part of these reports – in addition to the financial and activity reports as part of the report submitted by the Executive Board to the Supervisory Board at almost every Supervisory Board meeting. Critical issues are also addressed with ad hoc reports to the Supervisory Board and information to the owner. GRI 2-15, 2-16

Compliance

Effective, efficient and transparent design of business processes is of great importance to the ÖBB-Group. To implement them, an organisation is needed that takes appropriate measures and thus makes a significant contribution to the sustainable success of the company. As a result, a comprehensive compliance management system has been implemented in the ÖBB-Group that is based on internationally recognised standards.

All corporate bodies and employees of the ÖBB Group are included in the definition of public officials in the Criminal Code, which means that the stricter provisions of the Criminal Code on Corruption apply. Accordingly, behaviour with integrity is all the more indispensable. The Code of Conduct of the ÖBB-Group serves as the core of the compliance approach. This binding Code of Conduct describes the ethical principles and general principles on which the ÖBB-Group bases its business activities. ÖBB employees are obliged to inform their employer immediately and demonstrably as soon as they become aware that a conflict of interest could arise. The higher the official function of the person, the more critical the assessment standards need to be in avoiding conflicts of interest. The ownership structure of the ÖBB Group also necessitates compliance with the Federal Public Corporate Governance Code, which also lays down measures for the avoidance and disclosure of conflicts of interest. GRI 2-24, 2-15

Long-term and sustainable awareness-raising on compliance-related topics is achieved through regular training sessions tailored to the respective target group and corresponding risks. These training courses are supplemented by a comprehensive, Group-wide e-learning program. In addition, individual consultations are offered to management and all employees.

The Compliance area systematically follows up every compliance-relevant tip-off. Whistleblowers report facts with a suspicion of white-collar crime or corruption to the compliance organisation at any time. This process of communication takes place by telephone, by post, by e-mail and also in person, but in any case confidentially. Anonymous reporting is also a possibility. In addition, an electronic whistleblower system was introduced. GRI 2-24, 2-25, 2-26

In addition, audits and risk analyses are performed independently of events. Furthermore, Compliance supports the legal departments of the ÖBB-Group in the area of competition law. The ÖBB-Group endeavors to evaluate the compliance management system on an ongoing basis and to further develop it in consideration of new legal requirements. Compliance attends selected events in order to gain early knowledge of compliance-relevant developments. The involvement of Compliance in the integrity officer network of the Federal Office for the Prevention and Combating of Corruption was continued.

Highlight Compliance 2023

As one of the core tasks of Compliance is to raise awareness of the contents of the Code of Conduct among ÖBB Group employees in the long term and sustainably, the newly designed e-learning programme was rolled out in Hungarian in 2023.

Outlook Compliance 2024

In 2024, the redesigned e-learning programme is to be rolled out in English in the foreign companies. This serves to further raise the awareness of ÖBB Group employees for compliance risks that may arise in specific situations in their day-to-day work.

Human rights

The ÖBB-Group acts in accordance with legal requirements in Austria, in Europe and at all company locations outside Europe. The fundamental rights granted under the Constitution, in particular the principle of equality under the Federal Constitutional Law, as well as the European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR) apply. Independent courts monitor compliance with these rights. The ÖBB Group, as a member of the Chamber of Commerce, is also committed to its principles of "human rights, environmental standards, social standards" and is aware of its own social responsibility.

In addition, there are further tangible requirements and measures in the area of human resources with regard to equal opportunities, diversity and inclusion (see Chapter G.11). Continuous development is also essential for the ÖBB Group in the far-reaching area of human rights. In 2023, levers for potential improvements were identified on the basis of an analysis of the market environment and a screening of international frameworks. This was based, for example, on the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights and the International Labour Organisation (ILO) Convention. The potential identified is then discussed with the subject matter experts and then implemented step by step in existing policies.

ÖBB-Operative Services GmbH & Co KG, a subsidiary of ÖBB-Infrastruktur AG, is an internal service provider primarily responsible for cleanliness and safety at railway stations. It is particularly important in your working environment to treat all people with whom you interact as a company – both employees and customers – with dignity and respect. It is based on respect of human rights. All employees at ÖBB-Operative Services GmbH & Co KG are trained to withdraw from dangerous situations and to regard de-escalation as the most important premise for action. The internal work instructions and the internally developed standards of conduct also reflect this approach.

The Rail Cargo Group employs approx. 5,900 people in 15 countries. The Management Boards of Rail Cargo Group and the respective Managing Directors signed the "Children's Rights, Human Rights and Forced Labour Policy" in 2019. Accordingly, the human rights policy introduced in 2019 is intended to ensure the human rights of all employees at all sites and to rule out labour practices that violate human rights.

This includes four focus areas:
- Employees are to have the right to agree without coercion to the General Terms and Conditions of Employment and they may voluntarily terminate their employment at any time with reasonable notice.
- Child labour, human trafficking and forced labour are in no way practiced, supported or tolerated in the activities of Rail Cargo Group.
- The unwilling service of an employee, the exploitation of children as well as their use for dangerous work, corporal punishment or abuse is not tolerated.
- Employees in their positions are, without exception, legally employed. Ensuring compliance with local laws for employment, study, internship or apprenticeship.

A risk analysis for human rights violations was conducted in the Rail Cargo Group in 2020 to further develop this human rights policy and implement it in measures. Where priorities were identified, measures were also defined. One of the measures, awareness-raising and training on the topic of "human rights within the company", was rolled out in 2021. In 2023, a review of the 2020 risk analysis took place. GRI 2-23

Safeguarding human rights in the supply chain

In addition to the existing GTCs, a new Code of Conduct for Suppliers was implemented in 2021 as part of the Strategic Group Procurement project. As a result of this commitment, 100% of new contracts with suppliers have been concluded via the ÖBB procurement platform since 2022, in compliance with ethical principles and general principles. These include the prevention of corruption and anti-competitive behaviour, respect for human rights and the promotion of diversity and equal treatment, as well as the prohibition of forced labour. Evidence is also obtained from strategic suppliers as part of the independent CSR assessment and information on improving the management approach is shared. GRI 308-1

Other significant measures

Compliance | Transparency | Data Protection | Human Rights

(excerpt)

DATA PROTECTION

Risk assessment update on data protection

TRANSPARENCY

Environmental data externally audited | In 2023, work began on rolling out an internal control system for the Rail Cargo Group's key environmental data. An external partner (TÜV SÜD) is commissioned to collect and verify the plausibility of the environmental data on site, at the location or in the company as part of the external audits in accordance with ISO 14001 using a risk-based approach.

Confidential reporting and whistleblower system | Since April 2023, the confidential reporting system has enabled all Rail Cargo Group employees in Austria to confidentially report issues relating to topics such as "employee protection", "environment", "waste", etc., as well as issues that cannot be mapped via standard processes, supplemented by the whistleblower system, which is available to all stakeholders.

COMPLIANACE

Optimisation of conduct and regulatory conformity & compliance as part of ÖBB's corporate culture

Regulations and Procedures | Detailed explanations of the Code of Conduct and related external legislation.

Face-to-face trainings | Conducting comprehensive face-to-face trainings and video conferences for employees (incl. apprentices) in the ÖBB Group.

E-learning Compliance | The partially complex matter of preventing white-collar crime and corruption is explained in a practical manner using examples from everyday professional life. E-learning is made available to employees and is also established in the onboarding process. In 2023, it was launched in Hungarian.

Hazard analysis | Identification of risks such as corruption, white-collar crime, breaches of competition and antitrust law, or conflicts of interest.

Consultations | Ongoing consultation of management and employees on compliance-relevant topics.

HUMAN RIGHTS

Human rights in the Rail Cargo Group | Risk analyses and measures for companies outside the EU.

Human rights training via EcoVadis | In 2023, the companies' sustainability contacts and lead buyers in particular had the opportunity to complete training on human rights topics such as "Modern Slavery" via the EcoVadis platform.

G.13. Social Responsibility

Management approach

ÖBB is convinced that success cannot be measured solely in economic terms and that companies, as part of a society, must also bear social responsibility for its development.

ÖBB is committed to this social obligation with its integrated sustainability strategy and stands for ethical and responsible cooperation. ÖBB's commitment is to strengthen people, the environment and the economy in the region in order to make a positive contribution to society together with trustworthy partners.

ÖBB fulfills its social responsibility with a wide variety of projects (internal and external) and helps its employees in specific areas where they are needed. The commitment ranges from the support of associations and groups of people to fundraising campaigns and the investment of employee resources for charitable purposes. Besides its own projects, ÖBB supports cultural and social institutions as well as initiatives and activities through donations.

Objectives

- ÖBB stands for ethical and responsible cooperation between all people and for prudent dealings with its partners.
- ÖBB also intends to promote support for social projects in the future.
- ÖBB wants to make a positive contribution to society and create an awareness of social responsibility among its employees through targeted cooperation and partnerships.

Key figures at a glance	2023	2022
Donations collected by ÖBB for Licht ins Dunkel in EUR thousand	70,840	60,150

Highlights 2023

Acute and long-term assistance in emergencies

The Orphans and Support Association of the ÖBB Group (WUV) was founded on 17 April 1919 and operates throughout Austria as a non-profit association. The WUV primarily supports half and full orphans of ÖBB employees. In addition, the WUV also helps financially in acute emergencies through no fault of its own and supports large families on low incomes, for example with a Christmas grant. Events and holiday camps are also organised several times a year for and with the children of the families concerned. The Management Board of the WUV decides on the granting and extent of support at monthly meetings. WUV members are active and retired ÖBB employees. The association is financed on the one hand by the membership fees of the approx. 49,000 members (minimum contribution 50 cents per month) and on the other hand by fundraising campaigns such as the Trainees4mobility Charity Oktoberfest in 2023, the donation for participation in the employee survey (MAB) and the BCC office furniture sale.

There for one another 365 days a year

ÖBB has been a partner and supporter of Licht ins Dunkel since 2009. A major highlight in 2023 was the auction of an apprentice project by Österreichische Postbus Aktiengesellschaft in favour of the association. Specifically, it was a VW Beetle, built in 1965, which was professionally dismantled and restored by Postbus apprentices from the northern region. The vintage car generated proceeds of approx. TEUR 42.0 for a good cause at an auction held between 18.11 and 16.12. 2023 for the benefit of Licht ins Dunkel. This and other internal and external fundraising measures has resulted in a total amount of approx. TEUR 70.8 being donated to Licht ins Dunkel. The cooperation with Licht ins Dunkel represents the ÖBB Group's largest cross-company social commitment, totalling approx. EUR 1.4 million over a period of 15 years.

"We before I" – one of the core values at the ÖBB. This is the reason why ÖBB employees once again helped where help was needed in 2023. Following the devastating earthquakes in Turkey and Syria, a search and rescue team with members of the ÖBB company fire brigade from Vorarlberg also travelled to the disaster area. The Rail Cargo Group also supported the transport of 300 tonnes of relief supplies, including generators, mobile toilets, food, clothing, hygiene articles, heaters, sleeping bags and tents. The trips went to Edirne in the west of Turkey. In March 2023, another Rail Cargo Group special train brought 30 STRABAG office containers and three sanitary containers with other relief supplies to the Adiyaman region. This cross-company collaboration resulted in the construction of a container village for approx. 30 families.

Inform sustainably, act greener

Sustainability and climate change mitigation are deeply rooted in ÖBB's DNA and are continuously strengthened through various internal activities. In view of the ongoing energy crisis, the second part of the internal awareness campaign with useful energy-saving tips was implemented at the beginning of the year. The "ÖBB Energy Talk" with energy expert Karina Knaus from the Austrian Energy Agency (AEA) enabled interested employees to obtain more detailed information on the topic.

The first internal ÖBB environmental fair was held in the summer to promote the green idea within the company. Besides the information stands on ÖBB's numerous sustainability and environmental protection projects and a lecture by future alchemist Stefan Stockinger, visitors can also expect stations that invite them to join in, experience and try things out. In autumn 2023, ÖBB hosted an internal awareness week for the second time under the name "Green Awareness Week". Employees were able to deepen their knowledge of the circular economy at various online and on-site events and also take a look at the bigger picture. The project was supported by the expertise of colleagues and external partners such as Zero Waste Austria and Too Good To Go. The two highlights of the week were the second ÖBB cinema evening and the first ÖBB clothes exchange. The road movie "Wastecooking – Cooking what others waste" was shown at the ÖBB cinema evening. The ÖBB Clothes Swap gave colleagues the opportunity to exchange discarded items of clothing. In 2023, colleagues from the Rail Cargo Group once again joined forces with the Greenheroes for "World Clean Up Day" on 16 September.

Out and about on two wheels for health and the climate

Public transport and the bicycle are the climate change mitigation dream team par excellence. Various bicycle-related activities were organised in 2023 to further promote integrated mobility – especially among our own employees. Employees had the opportunity to have their bikes checked and prepared at two locations in Vienna in the spring, ensuring they are safeon the road for the upcoming season.ÖBB has also supported the "Austria cycles" campaign since 2021. This promotes climate-friendly mobility for employees and also has a beneficial effect on their health. The ÖBB bee and flower cycling event once again took place as part of the cooperation partnership. In 2023, a new record of 685,366 km was set and the 15th ÖBB Blühwiese (flowering meadow) was established for more biodiversity. The so-named "Fold & Ride" tours in and around four Austrian capitals also showed how easy it is to combine cycling and travelling by train with a folding bike.

Award-winning sustainability

The great success of the previous year was followed in June 2023 by the second edition of the "Green Marketing Award" – co-initiated by ÖBB-Werbung GmbH – as the first Austrian advertising prize for sustainable marketing. The total of 79 submissions were judged by an expert jury in the categories "think different", "be aware", "innovate", "b-2-be" and, for the first time, in the "new momentum" category. The gold, silver and bronze awards were presented this year at the gala in the ÖBB general cargo hall at Vienna's old Nordwestbahnhof railway station. Naturally, the gala was once again organised by ÖBB-Werbung GmbH in accordance with the guidelines of the Austrian Ecolabel for Green Meetings and Green Events. ÖBB received a silver award for the "Rail Bees" project in the "be aware" category. In 2023, ÖBB also received awards in other areas. The company was once again named Austria's most sustainable brand in the Sustainable Brand Ranking and nominated for the German Sustainability Award in the "Mobility Services" category. One year after receiving the Austrian Ecolabel for Green Meetings and Green Events in April 2023, ÖBB-Werbung GmbH was also honoured with the special prize in the Green Events category of the Austrian Event Award.

Outlook for 2024

#WirFahrenGruen - next year as well

Raising internal awareness of sustainability and climate change mitigation will also be a top priority next year. This year's success means that the ÖBB Bee and Flower Cycle is to take place again in cooperation with "Österreich radelt" – in the usual or adapted form. The success of the first two editions of the "Green Marketing Award" means that this award for sustainable marketing will also be presented again in 2024. Marketing cases are therefore to be submitted again next year in four different categories.

The long-standing collaboration with Licht ins Dunkel is being continued in 2024 and supported with internal and external measures around the Christmas period. Österreichische Postbus Aktiengesellschaft has already announced its intention to donate a vintage car - restored by apprentices – for a good cause in 2024, as it did in 2022 and 2023. The aim is to auction the object in favour of Licht ins Dunkel in a high-profile auction.

Cooperations and memberships (excerpt)

International Union of Railways (UIC), Community of European Railways (CER), Xrail, respACT, Greenpeace, RailSponsible, Rail Freight Forward, Institutional Shareholder Services (ISS ESG), klimaaktiv, WIMEN, CEOs FOR FUTURE, Caritas Vienna, Licht ins Dunkel, Österreich radelt, CombiNet,... GRI 2-28

Other significant measures

Social Responsibility (excerpt)

Girls just wanna have Bahn! | Participation of ÖBB in the Vienna Daughters' Day 2023.

Making wishes come true | ÖBB employees fulfil a seriously ill child's dream of driving a real locomotive.

Sleeves up, we're cleaning up! | ÖBB employees collect approx. 300 litres of rubbish on Vienna's Danube Island in the world's largest bottom-up citizens' movement for a clean environment.

Cycling for bees and flowers | Enthusiasts established the 15th ÖBB Blühwiese (flowering meadow) by cycling for more biodiversity and species diversity during the intensive campaign in cooperation with "Österreich radelt".

ÖBB Housing | As housing has become very expensive in recent years, ÖBB provides its employees with modern and affordable rental flats.

Sustainable neighbourhood development at Nordwestbahnhof | Together with the City of Vienna, high-quality living space for 16,000 people is being created at the former Nordwestbahnhof freight station.

G.14. Reliable and Attractive Employer

Management approach

At ÖBB, more than 42,000 dedicated employees and approx. 1,800 apprentices ensure that ÖBB trains and buses reach their destinations every day. This makes ÖBB one of the largest employers and an important stimulus for the job market in Austria with additional locations abroad. ÖBB is aware of the central importance of its employees. As even in times of increasing digitalisation and automation, the team's initiatives and know-how are the company's most important assets.

ÖBB is taking on thousands of new staff over the next few years as the generations retire. ÖBB wants to be a reliable and attractive employer in order to attract the best talent to the company. A unique corporate culture is designed to help employees develop as best they can within the company.

A wide range of exciting and meaningful jobs in over 130 professions make ÖBB one of the top employers in the country. The company has put together an all-inclusive package for its employees to ensure that this remains the case, and this package is continually being further developed. Many offers of learning and development, work-life balance or health promotion are available. Diversity in practice as well as long-term career prospects and very good social benefits make ÖBB interesting for job seekers beyond the borders of the company.

Objectives

- ÖBB's focus on sustainable mobility means that it offers meaningful jobs (Green Jobs) for employees and for society as a whole. The clear goal is to remain among the top ten employers in Austria by 2030.
- ÖBB wants to take on approx. 3,000 new employees per year by 2028, and in doing so stronglyincrease the proportion of women throughout the Group. The target figure is 17% by 2028.
- The work culture is characterised by respect and trust, and employee satisfaction is to be kept above 70 points until 2030.
- ÖBB wants to hold the employee early attrition rate[60] (in Austria) below 15% by 2030.
- All generations should be offered both a diverse, interesting and exciting working environment and a wide range of development opportunities. This increases the quality and productivity of work as well as competitiveness.

Employees as per employment contract as at 31.12.	2023			2022		
GRI 2-7, 405-1	Woman	Man	Diverse	Woman	Man	Divers[1)]
Number of employees of the ÖBB-Group[1)]		**45,041**			**44,369**	
Total number of employees as per employment contract[1)]						
Employees	5,001	12,452	0	4,580	11,588	0
Workers	1,317	10,945	0	1,172	10,210	1
Employees with tenured position	593	12,882	0	637	14,415	0
Apprentices	349	1,502	0	326	1,440	0
Early attrition rate[2)] (%)		18.8			17.9	

[1)] ÖBB-Group total (domestic and abroad).
[2)] Employee attrition within two years of service.
Note: Work is underway to collect basic data for further clarification.

Leasing employees

In the 2023 financial year, an average of 532.8 (py: 577.5) external leased employees (FTE) were employed in the ÖBB Group (in Austria and abroad). The two largest occupational groups are "vehicle technology - rail" and "cleaning and security". GRI 2-8

[60] Attrition within two years of service.

Full and part time

In 2023, 32,774 (py: 32,713) men and 4,758 py: (4,355) women were employed full-time in the ÖBB Group in Austria, and 1,609 (py: 1,534) men and 1,311 (py: 1,155) women were employed part-time. GRI 2-7

Employees as per employment contract as at 31.12.	2023			2022		
GRI 2-7	Woman	Man	Diverse	Woman	Man	Diverse
Number of employees at the ÖBB-Group*)		**45,041**			**44,369**	
Employees - ÖBB-Group*)	**7,260**	**37,781**	**0**	**6,715**	**37,653**	**1**
Employees*)	3,810	9,054	0	3,375	8,182	0
Workers*)	1,317	10,945	0	1,172	10,210	1
Employees with tenured position*)	593	12,882	0	637	14,415	0
Apprentices*)	349	1,502	0	326	1,440	0
Employees – national	**6,069**	**34,383**	**0**	**5,510**	**34,247**	**1**
Employees	*949*	*1,590*	*0*	*817*	*1,368*	*0*
Workers	*352*	*3,512*	*0*	*341*	*3,406*	*1*
Employees with tenured position	*0*	*0*	*0*	*0*	*0*	*0*
Apprentices	*349*	*1,502*	*0*	*326*	*1,440*	*0*
Employees – national under 30 years of age	***1,650***	***6,604***	***0***	***1,484***	***6,214***	***1***
Employees	*2,321*	*5,980*	*0*	*2,042*	*5,496*	*0*
Workers	*636*	*5,619*	*0*	*562*	*5,130*	*0*
Employees with tenured position	*45*	*933*	*0*	*87*	*1,383*	*0*
Apprentices	*0*	*0*	*0*	*0*	*0*	*0*
Employees - national between 30 and 50 years of age	***3,002***	***12,532***	***0***	***2,691***	***12,009***	***0***
Employees	*540*	*1,484*	*0*	*516*	*1,318*	*0*
Workers	*329*	*1,814*	*0*	*269*	*1,674*	*0*
Employees with tenured position	*548*	*11,949*	*0*	*550*	*13,032*	*0*
Apprentices	*0*	*0*	*0*	*0*	*0*	*0*
Employees – national over 50 years of age	***1,417***	***15,247***	***0***	***1,335***	***16,024***	***0***

*) ÖBB-Group total (domestic and abroad).

Note: Work is already underway to collect basic data for further clarification.

ÖBB as a reliable and attractive employer

ÖBB’s four corporate values - “We before I”, “Convincing services for our customers”, “Taking the initiative” and “Living safety” - are to be implemented and lived by the employees. The value of safety in particular is to be firmly established as a top strategic priority for the coming year in order to maintain this focus.

Over 130 different professions are united under the ÖBB corporate umbrella. The job world is as big as it is versatile. ÖBB is the largest climate change mitigation company in the field of mobility in Austria and stands for meaningful jobs in a future-oriented industry. Besides the classic railway-specific jobs such as train driver, train attendant, shunter or dispatcher, specialists are now urgently sought in all areas of the company throughout Austria. ÖBB sees this as an opportunity to actively shape generation change. A special focus is therefore also on job profiles such as postal bus driver, construction and electrical technician, mechatronics technician, skilled worker, as well as on economic jobs, various positions in the real estate sector and, of course, all those who continue to drive the digitalisation of the ÖBB Group with their IT jobs.

A Group-wide referral programme called “ÖBB Jobanbahner:innen” was established for the first time in 2023 in order to actively position these mission-critical functions on the labour market. Open positions in the core areas are filled more quickly as colleagues motivate suitable people from their social environment to apply. This is an important step towards the future, as applications already show that a third of all long-term hires are attributable to a recommendation.

Continued strong demand for personnel was also met by an increased external presence on the labour market. In 2023, the motto of the year was "Always On" as an employer. This not only means presence in terms of advertising campaigns, but also at potential customer touchpoints. Employer appearances of this kind include, for example, careers fairs, events of various sizes, school partnerships, cooperation with the AMS and other educational institutions as well as various university partnerships. The content of ÖBB's careers website has also been optimised for the best possible findability in order to achieve long-term success on the market.

The digital employer branding campaign "Always On" was also launched in February 2023. In contrast to previous campaigns, which were visible on as many media channels as possible over a short period of time, this campaign focussed on purely online formats throughout the year. The online display of job profiles on desktop and mobile devices was adapted to the search behaviour of potential applicants. The digital format made it possible to make adjustments to the playout frequency during the year depending on demand planning and to reach the desired target groups in concrete terms. In the period from January to September 2023, for example, the online campaign helped to achieve an average increase of approx. 46% in applications for the advertised occupational groups (compared to the same period in the previous year). This tangible success therefore justifies a continuation of the "Always On" campaign in the coming year.

In August, the current image campaign focused on the new self-image for climate-friendly mobility with the self-confident question "AND WHAT ARE YOU DRIVING?". The most natural response should be to think of a climate-friendly mobility offer from ÖBB. The next step was to further develop this self-image in the way employees are addressed, without losing the meaningful component and thus the current USP on the labour market in the wording. This derivation was successful using the question "AND WHAT ARE YOU DOING?".

ÖBB awards, certifications and distinctions

ÖBB's strong positioning and its far-reaching measures are also recognised externally. For example, they rank among the country's leading employers and won the coveted "Employer Branding Award" in gold with this year's campaign. The major national successes in 2023 also include awards such as the overall victory of the Quality Award "Best Employer in Austria" as part of the Market Institute study. ÖBB has been awarded the Kurier "Favourite Employer" seal of approval for four years now and also achieved first place in the "Transport and Logistics" industry ranking in 2023.

Numerous activities on social networks are also proving successful. ÖBB is one of the "Top Companies 2023" on LinkedIn and is therefore one of the 25 best employers in Austria for professional development. A recommendation rate of 75% has been recorded on kununu over the last two years. Trend, kununu and statista also award the "Top Employer" seal of approval every year, which ÖBB received again in 2023, in 1st place in the Vienna ranking.

These and numerous other awards and certifications once again confirm that ÖBB is one of the most attractive employer brands in Austria.

Strategically orientated employer branding

The year 2023 marked an important milestone in the strategic direction of Group-wide employer branding. The start of the "100 years of ÖBB" anniversary year saw the Group-wide employer branding programme pick up speed in the first quarter and build on the strategic course already set. This development led to more intensive integration and coordination with Group Recruiting.

An employer branding dashboard was then set up as part of the bundling of HR. It enables internal stakeholders to track ongoing employer branding measures transparently and in real time, depending on the target group and purpose. This transparency helped to make co-operation with the defined interfaces within the ÖBB Group more efficient and coordinated.

ÖBB's future Group-wide activities continue to aim for the most standardised implementation possible. At the same time, individual adjustments are to be made in close cooperation with the specialist departments within the subgroup companies. In this way, ÖBB can ensure the best possible approach for its target groups and retain employees in the long term.

In the anniversary year 2023, more than 150 event days were used to test various approaches and measures under the motto "Always On" in order to be even better coordinated for the coming year. The immense number of measures taken by ÖBB made it possible to get closer to a wide range of target groups and gather direct feedback for planning for 2024.

Overall, it has been demonstrated that Group-wide and coordinated employer branding is of great importance in order to consolidate ÖBB's position as an attractive employer throughout Austria and to retain talent in the long term.

ÖBB as a diverse company

Women are promoted at ÖBB with specific coaching and mentoring programs. The ÖBB akademie actively supports them in reaching management positions through special offers, for example in the area of leadership or team coordination. Special additional offers are also available for participants in the trainee program. Various gender and diversity training courses throughout the Group raise awareness among the entire team. The Women's Career Index (FKi) is then used to evaluate how the readiness for change and women's careers are actually doing and what can still be optimised.

ÖBB is diverse and diversity is important to the ÖBB Group. Companies that promote diversity are attractive employers and bring sustainable expertise to their teams. The efforts and measures to develop and create a respectful, open working culture with equal opportunities for all employees were recognised by the "Leader in Diversity 2023" award from a pan-European research team from statista, commissioned by the Financial Times.

ÖBB proudly bears the seal of approval for innovative DEI activities (Diversity, Equality, Inclusion), as well as the BGF seal of approval, which confirms its position in the area of workplace health promotion.

Number of employees taken on by the ÖBB Group / rate of admissions in per cent[1]		2023			2022	
GRI 401-1	Woman	Man	Diverse	Woman	Man	Diverse
Employees[2]		**5,035 / 11.2**			**4,691 / 10.6**	
Employees	645 / 16.9	904 / 10.0	0 / 0.0	597 / 17.7	797 / 9.7	0 / 0.0
Workers	377 / 28.6	1,986 / 18.1	0 / 0.0	291 / 24.8	1,725 / 16.9	1 / 100.0
Employees *with tenured position*	0 / 0.0	1 / 0.0	0 / 0.0	0 / 0.0	0 / 0.0	0 / 0.0
Apprentices	130 / 37.2	515 / 34.3	0 / 0.0	133 / 40.8	432 / 30.0	0 / 0.0
Employees – national		**4,558 / 11.3**			**3,976 / 10.0**	
Employees	*285 / 30.0*	*376 / 23.6*	*0 / 0.0*	*265 / 32.4*	*326 / 23.8*	*0 / 0.0*
Workers	*105 / 29.8*	*757 / 21.6*	*0 / 0.0*	*102 / 29.9*	*674 / 19.8*	*1 / 100.0*
Employees with tenured position	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Apprentices	*130 / 37.2*	*515 / 34.3*	*0 / 0.0*	*133 / 40.8*	*432 / 30.0*	*0 / 0.0*
Employees – national under 30 years of age		***2,168 / 26.3***			***1,933 / 25.1***	
Employees	*334 / 14.4*	*458 / 7.7*	*0 / 0.0*	*302 / 14.8*	*406 / 7.4*	*0 / 0.0*
Workers	*191 / 30.0*	*952 / 16.9*	*0 / 0.0*	*143 / 25.4*	*773 / 15.1*	*0 / 0.0*
Employees with tenured position	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Apprentices	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Employees - national between 30 and 50 years of age		***1,935 / 12.5***			***1,624 / 11.0***	
Employees	*26 / 4.8*	*70 / 4.7*	*0 / 0.0*	*30 / 5.8*	*65 / 4.9*	*0 / 0.0*
Workers	*81 / 24.6*	*277 / 15.3*	*0 / 0.0*	*46 / 17.1*	*278 / 16.6*	*0 / 0.0*
Employees with tenured position	*0 / 0.0*	*1 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Apprentices	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Employees – national over 50 years of age		***455 / 2.7***			***419 / 2.4***	

[1] The rate of new hires was calculated on the basis of the data as at 31.12: Number of employees who joined the ÖBB Group divided by the number of employees by employment contract * 100.
[2] ÖBB-Group total (domestic and abroad)

A high-performance HR organisation as a problem solver for generation change and labour market challenges

The year 2023 was an outstanding year for recruitment in the HR organisation. More than 4,500 positions (including apprentices) were filled domestically in 2023. In 2023, a total of over 81,500 candidates (domestic and abroad) applied to ÖBB.

This is a significant increase compared to 57,000 applicants in 2022, which confirms the performance portfolio of the measures. ÖBB also scored highly among the applicants as one of the most sustainable mobility service providers in Austria.

October 2022 also saw the final centralisation of the entire recruitment process at ÖBB-Business Competence Center GmbH. This measure helps to meet the challenges posed by generational change within the Group and enables a powerful and focused response to labour market challenges.

An essential part of not only managing these feats of strength, but also making them sustainable, is the use of defined standards in recruiting. The introduction of defined recruiting standards plays a key role: they ensure an efficient, professional application process and guarantee equal treatment and compliance with all standards and regulations. In addition, the promotion of women in the application process is emphasised in order to increase diversity and improve the quality of staffing, which in turn should reduce or counteract early turnover. ÖBB attaches particular importance to training its recruiters to improve the quality of the recruitment process.

Employees who left the ÖBB Group / rate of departures in per cent[1]		2023			2022	
GRI 401-1	Woman	Man	Diverse	Woman	Man	Diverse
Employees[2]		**4,398 / 9.8**			**3,983 / 9.0**	
Employees	336 / 8.8	514 / 5.7	*0 / 0.0*	290 / 8.6	451 / 5.5	0 / 0.0
Workers	178 / 13.5	1,135 / 10.4	*0 / 0.0*	164 / 14.0	990 / 9.7	0 / 0.0
Employees with tenured position	44 / 7.4	1,541 / 12.0	*0 / 0.0*	38 / 6.0	1,478 / 10.3	0 / 0.0
Apprentices	20 / 5.7	80 / 5.3	*0 / 0.0*	26 / 8.0	82 / 5.7	0 / 0.0
Employees – national		**3,848 / 9.5**			**3,519 / 8.9**	
Employees	*126 / 13.3*	*200 / 12.6*	*0 / 0.0*	*111 / 13.6*	*156 / 11.4*	*0 / 0.0*
Workers	*58 / 16.5*	*395 / 11.2*	*0 / 0.0*	*55 / 16.1*	*338 / 9.9*	*0 / 0.0*
Employees with tenured position	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Apprentices	*20 / 5.7*	*80 / 5.3*	*0 / 0.0*	*26 / 8.0*	*82 / 5.7*	*0 / 0.0*
Employees - national under 30 years of age		***879 / 10.6***			***768 / 10.0***	
Employees	*153 / 6.6*	*230 / 3.8*	*0 / 0.0*	*137 / 6.7*	*210 / 3.8*	*0 / 0.0*
Workers	*84 / 13.2*	*470 / 8.4*	*0 / 0.0*	*66 / 11.7*	*437 / 8.5*	*0 / 0.0*
Employees with tenured position	*1 / 2.2*	*7 / 0.8*	*0 / 0.0*	*0 / 0.0*	*13 / 0.9*	*0 / 0.0*
Apprentices	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Employees - national between 30 and 50 years of age		***945 / 6.1***			***863 / 5.9***	
Employees	*57 / 10.6*	*84 / 5.7*	*0 / 0.0*	*42 / 8.1*	*85 / 6.4*	*0 / 0.0*
Workers	*36 / 10.9*	*270 / 14.9*	*0 / 0.0*	*43 / 16.0*	*215 / 12.8*	*0 / 0.0*
Employees with tenured position	*43 / 7.8*	*1,534 / 12.8*	*0 / 0.0*	*38 / 6.9*	*1,465 / 11.2*	*0 / 0.0*
Apprentices	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*	*0 / 0.0*
Employees – national over 50 years of age		***2,024 / 12.1***			***1,888 / 10.9***	

[1] The rate of departures was calculated on the basis of the data as at 31.12: Number of employees who left the ÖBB Group divided by the number of employees by employment contract * 100.

[2] ÖBB-Group total (domestic and abroad)

Collective tariff agreements

The percentage of employees in Austria and abroad who are covered by collective labour agreements is 67% (py: 62%). This low percentage is largely explainable by the historical situation in terms of employment law. Admissions from 2005 onwards are 99% subject to collective agreements. GRI 2-30

Appraisal interview (MAG)

Approx. 36.9% of domestic employees had the option of a MAG in 2023, with an implementation rate of approx. 86.4%. GRI 404-3

ÖBB Workers Council

The ÖBB Group has had a Group Workers Council since 2004, which is currently reconstituted every five years. It combines the competences of all ÖBB Group works council bodies and represents the common interests of employees at Group level. It formulates positions and strategies and develops solutions for Group-wide challenges in the activities of the Workers Council. The Group Workers Council is the point of contact for all relevant employee concerns vis-à-vis Group management. The Group Workers' Council negotiates cross-company issues with the Group management on behalf of the workers' councils within the framework of the Labour Constitution Act. In addition, the Group representation is actively involved in all issues relevant to employees through its activities in various functions in the trade union movement and politics.

In addition, since 2011 there has been an agreement between the Executive Board of ÖBB-Holding AG and the Group Workers' Council for the establishment of a European Workers' Council (EWC) for the ÖBB Group in accordance with EU Directive 2009/38/EC and the establishment of an office for the EWC.

Employee survey 2023 (ES)

The employee survey provides the company management and executives with valuable feedback on the employees' identification with the company, job satisfaction and the effects of workloads. It is therefore an indispensable element for improving the quality of leadership and employee loyalty and so for the success of the company.

The survey takes place on average every two years. All employees and apprentices in the ÖBB Group were invited to take part in the survey from 2 to 22 October 2023. The participation target was set at 60%. This value was actually surpassed with a participation rate of 63%.

The answers to the questions are summarised in three important topics:
- **Identification:** ÖBB wants to position itself as an attractive employer - one that employees enjoy working for and with whose values, actions and behaviour they identify.
- **Job satisfaction:** Without satisfied employees, there is no successful company. ÖBB's top priority continues to be to sustainably increase job satisfaction in the long term.
- **Ability to work:** The aim is to positively influence the health and ability to work as well as the performance and productivity of ÖBB employeesin the daily work process. This requires measuring the extent to which resources and stresses affect employees' ability to work.

The results in the area of "identification" were almost the same as in the last survey (2021). In 2018, the value was 69 index points, in 2021 73 index points and finally in 2023, 71 index points. A total of 71 points was achieved on the topic of "job satisfaction". The value is now up 3 points on the 2018 result after peaking at 72 points in 2021. Since 2021, the focus has also been on the employees' ability to work. This reduced by one index point to 75 when compared to the pandemic year of 2021.

These results of the employee survey will help ÖBB to develop measures in the coming year and as such improve the results or maintain them at a high level.

HR-IT-Transformation – recruiting and talent management

In 2023, the HR-IT-Transformation (H-IT-T) programme was initiated as a multi-year project to press ahead with the path to modern, fast HR management with efficient processes and digital solutions.

The aim is to offer applicants the opportunity to make contact and apply as easily as possible e.g. automatic suggestions of suitable positions based on applicant profiles. Recruiters should also be better supported in their daily work. The aim is to better handle the increased quantity of job interviews with increased quality by having more time for value-adding activities. This should further reduce processing and throughput times in the interests of a speedy and efficient application process.

A complete reorganisation of HR IT solutions for talent management will bring forward-looking, system-supported HR capabilities such as sourcing, modern forms of learning and succession planning into the Group. They are implemented in end-to-end workflows along the entire employee lifecycle (end-to-end solutions). This reorganisation also includes the establishment of a Group-wide talent management process landscape, including corresponding standards and governance – taking into account competency models, performance management tools and HR development instruments.

The HR IT Transformation programme includes plans to introduce a comprehensive performance management system. It is designed to digitally support employee appraisals and collect feedback. In addition, the introduction of a system for structured succession planning and for the visualisation and promotion of talent is planned. The focus in this context is the Group-wide, targeted analysis of strengths and skills requirements so that key positions may be filled internally to ensure a perfect fit. In addition, attractive career paths are to be created. Digital support in the form of implementation in the “SAP Success Factors HR IT” systems is essential for the realisation of effective talent management processes.

The alignment with industry standards, the streamlining of HR processes and the focus on state-of-the-art solutions make the transformation a key lever for efficient HR management and a major contribution to positioning the company as an attractive employer on the labour market.

Résumé and outlook 2024

The whole of 2023 was geared towards the “100 years of ÖBB” anniversary and came to a worthy conclusion in autumn 2023 with the joint centenary event. This was another opportunity for ÖBB to position “our ÖBB” as an attractive employer, both internally for colleagues and externally for guests.

The recruiting focus was expanded to include foreign activities in addition to the national market. The wide-ranging measures have already resulted in a record number of over 65,000 applications. This speaks for the entire team’s commitment to attracting new talent to the Group.

The “Always On” strategy is therefore being continued in 2024 for the ÖBB Group as an employer in order to respond to the ongoing tight labour market. ÖBB endeavours to plan this sustainably and use resources as efficiently as possible. Goodies are only purchased sustainably and as plastic-free as possible, and wherever possible, digital media are preferred to printed materials.

In 2024, the focus is once again on mission-critical functions, as the number of open positions is expected to be particularly high in this area. The “Jobbahner:innen” programme is also being continued to provide support.

The qualitative standard of applications is also to be raised in addition to the quantitative number of applications. Targeted sourcing management and actively approaching potential new colleagues is another factor that plays a contributory role.

A particular focus in 2023 was also the conduct of the Group-wide employee survey. As a result of the high participation rate, it was possible to achieve considerable success, enabling the introduction of targeted measures in the area of employee satisfaction.

Other significant measures

Reliable and attractive employer (excerpt)

How will we work in the future? | At the Alpbach Forum, ÖBB focussed on the “working world of tomorrow”. Flexible working hours was the main topic of discussion. A FlexiFriday model has been piloted in parts of the ÖBB Group since autumn 2023, which makes a 4-day week possible by eliminating core working hours on Fridays.

Group-wide onboarding | In the “Group-wide onboarding” project, the Group-wide onboarding process for certain target groups was developed as a minimum standard in 2023. The most important work packages included process design and process description, the design and implementation of a buddy system and the piloting of a Group-wide onboarding day.

RCG Europe Week | Approx. 15 apprentices take advantage of the RCG Europe Weeks in 2023. The apprentices once again had the opportunity to work at the Rail Cargo Group’s international locations, demonstrate their intercultural skills and gain experience.

G.15. Generational change

Management approach

In the next few years, about one fifth of the employees will leave ÖBB for reasons of age. That is the reason for ÖBB's search for approx. 3,000 new employees every year. This generation change brings many challenges, but also opportunities.

In addition, ÖBB fundamentally wants to offer all generations working for the company an attractive and productive working environment. Four generations are already working in the company at the same time – from the baby boomers to generations X, Y and Z bringing with them different expectations and demands. And for all of them, ÖBB must position itself as a top employer in the long term - this is an essential prerequisite for being able to fulfill all tasks optimally as the number 1 mobility service provider.

ÖBB has developed professional, strategic tools and offers for this massive change in values. The aim is to attract as many employees as possible to the company and retain them in the long term. This is intended to improve the quality and productivity of work and thereby increase competitiveness. Because the company has to be fit for the leap into a digitalised professional world and a fully liberalised market.

Objectives

- Since 2019, ÖBB has been able to systematically survey all employees throughout the Group who have expertise and experience that is critical to the company's success.
- In 2023, more knowledge transfer coaches were trained, and Group-wide networking and the deepening of expertise was also further expanded. In addition, the Knowledge Management in Teams programme was piloted to support employees in securing knowledge on a daily basis.
- The model of "age-appropriate part-time work" is intended to enable as many employees as possible to make a slow transition while retaining knowledge within the company.

Age-appropriate part-time work enables older employees to remain healthy and productive in working life for longer. This also extends the time span for them to pass on their knowledge to the next generation. Age-appropriate part-time work is currently available to men at either 54 or 56 years of age and to women at 52.5 years of age. GRI 404-2

Key figures at a glance	2023	2022
Employees who utilised the statutory partial retirement option under Section 27 AIVG , GRI 402-2	505	498
Applications processed*)	81,763	57,421
Share of female applicants (%)	*28*	*28*
Share of male applicants (%)	*70*	*71*
Share of applications from diverse / inter / not specified (%)	*2*	*1*

*) ÖBB-Group total (domestic and abroad).

Preserving valuable knowledge.

The know-how and extensive knowledge of long-serving employees is a valuable resource that should be safeguarded. In 2023 alone, approx. 3,848 employees in Austria left the company. 505 employees though, made use of the option of partial retirement. They are all to receive targeted support in passing on their knowledge to the next generation in an orderly manner - for example, with the help of the knowledge transfer tandems.

Employees have been trained as knowledge transfer coaches since 2019 for this purpose. The training program comprises three modules over a period of 4.5 days. They provide advice to managers and support knowledge transfer processes with their know-how on the subject of knowledge management and knowledge transfer. The community of knowledge transfer coaches is constantly being expanded, and expertise is further developed and deepened through regular networking. The range of knowledge management tools is also being continuously expanded: the “Knowledge Management Toolbox” was introduced in 2022. This is a collection of methods and tools that facilitate knowledge transfer and knowledge retention. In addition, the knowledge management self-check was made available to employees from 2023. It helps to systematically identify knowledge management needs on the basis of a self-assessment. The range of training courses was also expanded in 2023 with the pilot for the “Knowledge Management in Teams” programme and the “Knowledge Management Compact” training course. Knowledge Management in Teams was piloted in 2023 consisting of an approx. 5-day programme enabling employees to develop knowledge management skills in real terms. In addition to the knowledge transfer coaches deployed across divisions, the target group here are employees who work specifically on the operational knowledge retention of their division. Knowledge Management Compact presents a one-day compact training programme aimed at managers and employees. This training course teaches the basics of knowledge management.

ÖBB can retain expertise and many years of experience that are critical to success and transfer them to modern structures with measures such as these.

Hybrid und flexible

In 2023, ÖBB filled over 5,000 positions (including apprentices) in Austria and abroad. In total, over 81,500 interested people applied to ÖBB in 2023, more than a quarter of them were women. The younger generations, starting with the “millennials,” have already grown into a digital and flexible working world. Hybrid working is just as natural for them as optimal conditions to reconcile family and job, as well as to pursue leisure interests or to be able to continue their education.

Time off and creative changes in the area of responsibility should not be the exception for the employees of tomorrow, but the norm. For example, ÖBB has been offering its employees significantly more flexible working time models since 2021, among other things with a new company agreement on teleworking.

Outlook for 2024

As the demand for knowledge management training is growing rapidly, all programmes will continue to be offered in 2024. The “Knowledge Management in Teams” programme piloted in 2023 will be evaluated and, if necessary, adapted for continuation in 2024. At the same time, the aim is to make access to the programmes more accessible and to strengthen target group-oriented communication in this regard. For example, an e-learning programme for managers on the subject of knowledge transfer is being rolled out. The continually growing group of knowledge transfer coaches receives further training as part of Group-wide networking events. The positive impact of their work in terms of active knowledge management is made visible through communication initiatives.

An evaluation of knowledge management is planned for 2024 in order to establish an even more targeted knowledge management system based on the experience gained. As part of this, an evaluation will be conducted to determine which key figure should be collected in the future in conjunction with knowledge management and the area or process from which it will be derived. The performance indicator "Knowledge transfer tandems completed” was no longer collected in 2023.

Other significant measures

Generational change (excerpt)

Fit4TechWoman | This entry-level programme is designed to get female apprentices, pupils and students in particular interested in the maintenance sector. Over the course of a year, mentors from various technical disciplines give them an insight into the technical world of ÖBB.

Refugee Talents | From the 2023 / 24 apprenticeship year, ÖBB-Infrastruktur AG’s apprenticeship training programme will also support young refugees from Ukraine, who will be trained in both technical and commercial professions. Moreover, ÖBB, in cooperation with the Public Employment Service Austria (AMS) and NGOs, is specifically looking for refugee women who are interested in apprenticeships.

G.16. Economic driver, Value-adding Investments and Sustainable Financing

Management approach

Every euro spent on rail expansion generates two euros for the national economy. Investments in the rail system and in ÖBB are therefore a particularly sustainable form of infrastructure development with positive effects for economic growth and employment. The companies directly commissioned benefit from the investments, as do the national suppliers and their employees, who in turn boost consumption. Better development of regions also means greater prosperity for them and an upgrading as a business location. And finally, ÖBB is making a contribution to the energy transition with its sustainable mobility offering.

ÖBB is therefore focusing on making the railways and public transport more attractive, with the aim of creating added value for the environment, society and the economy. By 2040, ÖBB wants to double the performance of the railway system by expanding the rail infrastructure, digitalising rail operations and using modern vehicles. The essential tool for implementation is the framework plan. As a planning and financing instrument of the federal government, it contains the presentation of all new infrastructure construction projects including their investment sums as well as the planned expenditure for the maintenance of the rail network. The framework plan covers a period of six years and is supplemented and adjusted annually on a rolling basis by one year. More detailed information on the corporate strategy is provided in chapter C.5.

Objectives

- ÖBB's goal is to remain the clear number 1 in Austria as a mobility and logistics provider and to be one of the mayor players in Europe.
- The goal is to also double the performance of the rail system by 2040 (based on 2018).

Key figures at a glance	2023	2022
Investments of the ÖBB Group in Euro million	4,504.3	3,920.2
Investments of the ÖBB-Infrastruktur sub-group in Euro million	3,364.6	3,262.3
Investments of the ÖBB-Personenverkehr sub-group in Euro million	913.8	476.7
Investments of the Rail Cargo Austria subgroup in Euro million	170.5	141.6

Highlights 2023

Doubling the performance capability of the rail system

The strategic focus of ÖBB is to double the performance of the rail system by 2040 compared to 2018. This is to be achieved on the one hand by expansion on the infrastructure side with the expansion in accordance with the framework plan and the continuation of the future target network 2040. In addition to this, innovative technological measures such as digitalisation and automation will be relied on, but the use of residual capacities already available today will also be fully exploited. A higher priority is being given to longer and more efficiently loaded trains and higher seat utilisation with reference to rolling stock. The timetable is also to be optimised in a further step in order to achieve the aim of doubling the number of passengers.

The framework plan is the primary tool for the implementation of the objectives. The new 2024 to 2029 framework plan will see approx. EUR 3.5 billion invested in the railway infrastructure each year. A large number of projects will already be completed by the early 2030s. The success stories also include the extension of the western line and the expansion of the infrastructure in the lower Inn valley. A success that is to be continued with the construction of the Brenner Base Tunnel or the southern route with Semmering Base Tunnel and Koralm railway, currently undergoing expansion. This will enable significant increases in capacity and reductions in journey times. Investments and financing measures in the respective subgroup companies are broken down in more detail in chapter C.4. GRI 201-4

ÖBB secures locations and regions

The framework plan is not only shaping the railways of tomorrow, however; the local economy is already benefiting from the investments today. ÖBB generates several billion euros in added value for the country every year. The result of approx. EUR 1.0 billion in railway investments is to create and secure approx. 15,000 to 17,000 jobs in Austria. In addition, two jobs at ÖBB create and secure another job outside the railway. The investments mean an upgrading of the business location. These open up the regions and enable more growth and prosperity. The fact that investments in ÖBB's railway infrastructure are a particularly sustainable form of investment was also confirmed in 2023 by the independent rating agency ISS ESG. ÖBB-Infrastruktur AG once again achieved top status.

Austria has an innovative railway industry that ranks among the absolute top internationally and has enjoyed great success in exports. This is also a result of the commitment to rail in Austria and the associated financial expenditure. In this way, the tax funds made available to ÖBB for the expansion of the railway in Austria are well invested. Investments in the railway are valuable, long-term investments that boost the economy through improved infrastructure and mobility routes. In addition, the railway expansion means secure orders for the economy and as a result secure jobs. This is accompanied by enormous relief for the environment. GRI 2-23, 201-1, 203-1

Österreichische Postbus Aktiengesellschaft

Postbus significantly contributes to value creation in the regions as a reliable employer at its 200 locations. Österreichische Postbus Aktiengesellschaft provides about 77% of Austria's communities with public mobility.

Outlook for 2024

In the coming year, ÖBB will continue to focus on the expansion and modernisation of regional railways as valuable feeder services for a better infrastructure in rural areas. Infrastructure facilities for freight transport will also continue to be expanded in 2024, thus creating the preconditions for a sustainable economy. These investments are considered both a climate saver and an economic driver for the national and regional economy. In the Target Network 2040 (BMK together with ÖBB and SCHIG mbH), which is currently being elaborated, the strategic course for a future-proof railway network until the year 2040 is to be set. The planned expansion steps and service increases are an essential building block and an important basis for fulfilling the goals of the Mobility Master Plan 2030. ÖBB's forecasts for both passenger and freight transport have been included in the calculations of the Mobility Master Plan 2030.

Other significant measures

Economic driver, Value-adding Investments and Sustainable Financing (excerpt)

A train/future partnership in German local transport | The acquisition of Go-Ahead Verkehrsgesellschaft Deutschland GmbH is intended to increase the international potential of passenger transport even further.

Export Prize 2023 Bronze for Rail Cargo Group | Rail Cargo Group 2023 was awarded the Export Prize – Bronze in the Traffic and Transport category for transporting over 2 million tonnes of grain by rail from Ukraine (Ukraine-Russia war) in 2022.

Rail4Regions | The aim of Rail4Regions is to better connect regional rail networks to international freight corridors and to find solutions for goods that have an affinity for transport by rail but are transported by road.

Serbia in own traction | The expansion of own traction to Serbia in 2023 means that the Rail Cargo Group is now able to handle transport services in 13 countries and, for the first time, outside the European Union under its own management. The result is an optimisation of transport and networks and thus a real alternative to road transport.

EU funding for rail | Austrian rail projects were able to secure funding totalling approx. EUR 400.0 million in the EU call for funding as part of the Connecting Europe Facility (CEF) in July 2023.

G.17. Learning and development

Management approach

The people of Austria are the most diligent rail passengers in the European Union. ÖBB is thus one of the most successful rail companies internationally. At the same time however, dynamic, technical and societal changes are underway that present special challenges. The best possible learning and development of employees is the deciding factor in ÖBB's continued success. Only a highly trained and motivated team is able to offer customers an optimum range of mobility services. For this reason, ÖBB attaches great importance to sound apprenticeship training as well as to target group-specific training and development measures.

Objectives

- Comprehensive and precise personnel development is of central importance to the ÖBB-Group.
- It pursues the goal of offering all employees professional and personal development opportunities - oriented to the needs of ÖBB customers.
- One focus is on the ongoing digitalisation of training.
- Female workers are to be promoted to a greater extent.

Key figures at a glance	2023	2022
ÖBB employees attending training courses at the ÖBB akademie GRI 404-2	1,425	765
Women / Men GRI 404-2	*598 / 827*	*295 / 490*
ÖBB employees attending ÖBB bildung further training courses (Training Catalogue) GRI 404-2	10,356	6,915
Course titles offered in the ÖBB training and development catalogue	269	115
of which in a digital format[1]	*138*	-
Participant hours for training and further education (total excl. railway-specific training) in hours GRI 404-1	781,107	918,772
of which women GRI 404-1	*108,562*	*107,282*
Participant days for railway-specific training courses (days)[2]	126,631	115,606
Different apprenticeships in the ÖBB Group	27	27

[1] Figure has only been reported separately since 2023.
[2] Excl. audit hours and modified data basis compared to previous year's report.

Personnel Development

ÖBB lives by the maxim "An employer is only attractive if it offers its employees professional and personal development opportunities". Accordingly, ÖBB attaches great importance to challenging and promoting employees. This includes apprenticeship training as well as strategically relevant and target group-specific training and development measures through the ÖBB akademie and ÖBB bildung (training and development catalogue). Human resource development has experienced an additional boost in the direction of digitalisation as a result of the corona pandemic. In addition to e-learning, the offers of the ÖBB akademie and ÖBB bildung (training and development catalogue) were converted to other virtual learning formats - such as webinars or apps. This conversion remains sustainable: In the future, face-to-face training will continue to be expanded as digital concepts or so-called blended learning concepts. Attendance units are combined with digital learning, depending on the target group and didactic criteria.

Virtual world

The MetaVeresum, also known as the Metaverse, is a combination of real and virtual worlds. This is a relatively new term that has been coined primarily for online games. It is therefore a virtual place where real people meet and interact with each other. This extension of the real world is designed to allow participants to physically immerse themselves in the virtual world.

ÖBB sees the potential here in three areas of application, which are currently being evaluated in the form of a proof of concept. The provision of virtual training rooms for interactive yet location-independent learning and development is of central importance in this context. Other areas of application include the provision of 3D models in this virtual environment in the form of VR-supported e-learning, as well as the possibility of holding live online training sessions.

Learning and development offered at the ÖBB Business Competence Center.

The part of the learning and development offer is coordinated in the ÖBB Business Competence Center GmbH. The ÖBB akademie, which is located there, offers comprehensive strategically relevant learning and development opportunities for all areas of personnel development. The range extends from offers for newcomers to management level - whether it is to deepen specialist knowledge or to learn leadership skills. 1,425 (py: 765) participants took advantage of the extensive programme in 2023, including 827 (py: 470) participants and 598 (py: 295) participants. In 2023, a total of 36 (py: 31) training courses and 46 (py: 15) training sessions and workshops were held – for managers, team coordinators, working group leaders, experts, specialists and other employees. This corresponds to approx. 35,331 (py: 28,870) participant hours offered as part of the ÖBB academy.

Targeted securement of potential specialists

In September 2023, 18 university graduates started the new intake of the "TRAINees4mobility" trainee programme. In the course of this program, they are specifically prepared for their future specialistand expert functions - not least as a contribution to the generation change. Almost at the same time – in October 2023 – 13 trainees successfully completed the one-year programme and started their new job in their target position.

ÖBB Training

ÖBB bildung (training and development catalogue) offers a comprehensive and flexibly bookable range of approx. 269 (py: 115) courses (138 of which are digital courses). These are tailored to the needs of the individual job profiles and have a strong practical orientation. The ÖBB bildung (training and development catalogue) was able to support a total of 10,356 participants in 2023 (py: 6,915).

Digitalisation for the top training of the future.

Technological progress is changing rail-specific professions and thus also ÖBB's learning and development programs. More and more parts of learning and development are now performed via digital learning offerings, which can greatly reduce the need for travel.

135 new e-learnings, e-trainings and learning apps were available in 2023. Technical training will continue to be implemented in electronic formats where appropriate. This not only contributes to a sustainable use of resources, but it also promotes the development of skills and abilities in the use of digital media as well as self-directed learning.

In addition, the use of a mobile app to promote language skills was rolled out across the Group. The focus here is on language practice, in six languages. The Group's learning management systems are also constantly being evaluated and further developed. The focus here is on the learning experience of employees. A tender for the purchase of a learning experience system was successfully completed in 2023. It will be rolled out in 2024. The digital service will also be expanded to include a digital coaching platform in future. An invitation to tender was issued in 2023. The roll-out is planned for early 2024. Extended reality (XR) technology as a combination of real and virtual environments and human-machine interaction will play an important role in future education and training, especially in the railway-specific field. In 2023, HR development focussed on the topics of "virtual classrooms", "3D models" and the use of artificial intelligence in content creation.

Women in focus

Female employees play a particularly important role in the company's strategy for the future. Their share of the workforce is expected to further increase - from the current 16.1% to 17.0% by 2026. For this reason, training and development measures continue to focus on the advancement of women. In 2023, the share of women in further training programmes at the ÖBB akademie increased again. The share increased by three per cent and stood at 42.0% (py: 38.6%). Nevertheless, the number of women on the courses declined once again. This was 29.5% in 2023 (py: 33.6%). Nevertheless, evaluations and surveys show that women at ÖBB benefit from specific training and coaching opportunities. The proportion of women on individual training programmes is significantly higher at 48.5%.

Railway-specific learning and development

Railway-specific learning and development is organised by the Learning and development Department of ÖBB-Infrastruktur AG as a Group-wide competence centre. In 2023, ÖBB employees made use of 126,631 participant days. More than 100 specialist training staff organise and conduct out in-company learning and development in railway professions. Approx. 257 different learning and development programmes are provided in the training tracks of operations management and shunting, traction technology training or safety in the track area. This has also included railway technology training since 2023. GRI 403-5, 403-7

Other Group companies, subsidiaries and business units also offer additional specific training courses. To round off its range of in-service training courses, ÖBB also cooperates with external educational institutions. GRI 404-2

Potential technicians (career beginners) have the opportunity to join ÖBB-Infrastruktur AG directly with the "infra:techrotation" programme. In October 2023, seven new technicians started work in their role and are supported by an internal training programme designed specifically for this programme. The aim of this programme is to cover personnel requirements in the technical area in a targeted and needs-based manner and to prepare the new technicians for their future tasks in their first year.

Apprenticeship program in the ÖBB Group

The ÖBB Group is one of the largest technical apprentice instructors in Austria and offers 27 apprenticeship professions nationwide. ÖBB is currently training approx. 2,000 young people to become highly qualified specialists. The subgroups ÖBB-Personenverkehr AG and Rail Cargo Austria AG mainly offer apprenticeships in commercial professions. In contrast, ÖBB-Infrastruktur AG and Österreichische Postbus Aktiengesellschaft primarily train apprentices in technical vocational fields. GRI 2-7, 401-1

The training has received international and state awards. In 2022, for example, ÖBB-Infrastruktur AG was awarded the "VET Excellence Award" by the European Commission. ÖBB-Infrastruktur AG also holds the seal "state-awarded apprenticeship company" at national level, the Viennese quality seal "TOP apprenticeship company" since 2015, and the designation "excellent apprenticeship company" in Tyrol and Vorarlberg. The graduates regularly win numerous prizes and awards at vocational competitions each year. For example, apprentices from the Vienna training workshop took first place in the "Industry 4.0" category at SkillsAustria and successfully participated in the WorldSkills.

The apprenticeships in the ÖBB portfolio are currently becoming "greener" and more digital. In the future lab of the apprenticeship training at the Vienna site, a virtual reality training designed by apprentices and trainers was implemented. It reproduces Vienna's main railway station and enables virtual training on railway technology there. In addition, augmented reality is also used in apprenticeship training. This enables, among other things, virtual representations of complex technical components, e.g. electric motors. For example, instructors at the Graz training workshop have programmed an application in which ÖBB train components and facilities can be displayed virtually in real size or on a scale independent of location. Young skilled workers at ÖBB are also currently being introduced to new manufacturing technologies in a forward-looking manner, such as in the area of additive manufacturing. The first apprentice groups are currently producing their own 3D printer. In this way, they make themselves fit for the future and in particular have access to cost-saving and more flexible options in maintenance and servicing.

ÖBB also promotes the "Apprenticeship with Matura" and thus open up an opportunity for apprentices to gain further qualifications. Besides professional training, the promotion of social competence is also of great importance. Under the motto "Women & Girls into Technology!" the apprenticeship training is committed to making technical training even more attractive for women and girls. It is showing an effect. In 2022, the share of women in the new intake of apprentices was 24.2%. The new "Next Level Apprenticeship" apprenticeship campaign and the accompanying redesigned website www.nasicher.at are designed to get young people excited about ÖBB.

A newly structured application process enables online-based applications for apprenticeships at ÖBB. Investments are also currently being made in new buildings and conversions in the area of apprentice training: the Bludenz and Knittelfeld training workshops were reopened in 2020. The Innsbruck training workshop was renovated and extended by an additional building. In St. Pölten, the local apprentice residence was also newly built and opened in 2021. At present, the Attnang-Puchheim training workshop is still being renovated and extended by an annex. Approx. EUR 44.0 million was made available for this purpose.

Résumé and outlook 2024

After the corona-related slump in participation in learning and development in 2020, the number of participants in education and training will continue to rise in 2022 and 2023. This upward trend is probably also due to the increasingly flexible design of access to education through e-learning and hybrid learning opportunities.

In 2024, ÖBB will continue to focus increasingly on digital and hybrid learning formats, especially in the virtual environment and on the use of artificial intelligence. This corresponds with the idea of the ongoing digitalisation of the education sector and the promotion of self-directed learning. The focus continues to be on targeted competence development and maintaining the employability of all staff members. The establishment of agile learning in ÖBB's development ecosystem in conjunction with Learning 4.0 – the corresponding technology behind it – should contribute to the creation of a smart learning environment. The continued development of the IT system landscape is increasingly focussing on the aspect of "moving away from learning management towards learning experience".

The digitalisation of the Group-wide ÖBB bildung (training and development catalogue) will therefore continue to progress. The fact that approx. 100,000 training hours per year are already being completed virtually via e-learning, including in specialised training, confirms ÖBB's intentions.

Management development – holistic, targeted, flexible and self-determined

Leadership is a substantial contribution that makes us successful as ÖBB. The initiatives launched in 2022 to strengthen leadership and management skills were continued and supplemented in 2023. The entire management development programme was reorganised as part of a Group-wide project. The aim of management development continues to be to enable managers in the ÖBB Group to meet the challenges in their management work and area of responsibility in a targeted, flexible and, above all, self-determined manner. A survey on the specific challenges and needs among all managers themselves made a significant contribution to developing the programmes in line with requirements. As a result, almost 30 new programmes will be added to the Group-wide management development programme from 2024. The "ÖBB Leadership Navigator" was also developed as part of the project. It is designed to provide managers with a comprehensive, structured and quick overview of specific training initiatives and measures.

The two "Executive Update" events have made an important contribution to management development. The motto of the event was "APPLY – GET – KEEP" and the special role of managers in employee recruitment and retention was discussed and addressed.

Other significant measures

Learning and development (excerpt)

Leadership development NEW | Launch of the concept for a Group-wide leadership development programme with a flexible leadership development journey. It is intended to further develop leadership behaviour and provide more confidence in the "new world of work".

Metaversum (digital learning) | "Proof of Concept" – evaluation of the provision of virtual training rooms for interactive, location-independent learning and development – digital learning in the metaversum. These include, for example: Provision of 3D models in a virtual environment in the form of VR-supported e-learning and the option of holding live online training sessions.

XR technology | Extended Reality (XR) technology plays a particularly important role in learning and development in the railway sector. In 2023, the topics of "virtual classrooms", "3D models" and the use of artificial intelligence in content creation were examined in more detail.

Sustainability training | As of December 2023, five of the six planned sustainability training courses for ÖBB employees will be available on the topics of "Climate change - causes and consequences", "Sustainability - an introduction" or "Sustainability and politics", "Sustainability and companies" and "Sustainability in everyday life". GRI 2-17

Learning through play – serious games | The serious game "CoreCargo" lets you interactively experience the most important processes of the Rail Cargo Group. A further international roll-out is planned for 2024 as well as further development towards sustainability (impact of climate change on the Rail Cargo Group's business model).

Service Design Learning Nuggets| As part of the onboarding of new Rail Cargo Group employees, 17 Service Design Learning Nuggets including various modules such as freight wagon accounting, transport concept presentation, construction site planning, etc. are available. They explain the complex interrelationships in service design in an comprehensible manner.

H. Non-financial opportunities and risks GRI 2-23, 3-3

As an important corporate management tool, opportunity and risk management accompanies all relevant business processes and financial positions of the main Group companies. To this end, it is necessary to identify opportunities and risks in good time and to manage them proactively by means of suitable measures in order to safeguard existing and future potential for success and growth.

All identified opportunities and risks are subjected to ongoing qualitative and quantitative assessment with regard to their potential impact and probability of occurrence on the basis of updated valuations or empirical values. This is the prerequisite for taking targeted management measures, whether to safeguard opportunities or counteract risks.

Opportunity and risk management process

The ÖBB-Group defines opportunities and risks in principle as events or developments that might cause a positive or negative deviation of results from the assumptions made during planning. The revision of the opportunity and risk portfolio is therefore performed synchronously with the planning processes. The binding Group policy and the opportunity/risk management manual, which is also binding throughout the Group, define the rules, scope and minimum requirements of opportunity and risk management for all business units involved.

The first and foremost objective of the risk policy is unrestricted safeguarding of business operations. Consequently, risks may only be taken if they are calculable and associated with an increase in income and in the company value. This process is supported by risk management software. Individual risks are reviewed and consolidated in the Group-wide opportunity and risk platform. In this context, a report is prepared for the Executive Board of ÖBB-Holding AG, which depicts the most important risks as well as corresponding countermeasures or opportunities. This ensures that the Supervisory Board and Audit Committee of ÖBB-Holding AG and of the Group companies are provided with detailed information regarding the current opportunity and risk situation.

Impact assessment of business activity

ÖBB is Austria's largest mobility and logistics service provider. It builds and operates infrastructure on behalf of the Republic, is one of the largest clients for the national economy, is a mayor employer and one of the largest apprentice trainers in the country. As a result, its operations have an impact on both financial and non-financial concerns of those surrounding it. The following table shows the main risks to the impact of business activities and the measures taken. This view is supplemented in the following pages with those risks and measures that are relevant for the economic success of the company.

Presentation of the main risks and risks and opportunities of business activities (Sustainability area) and measures taken to minimise impacts on economic, environmental and social concerns

Impact	Risks	Measures (excerpt)	Opportunities	Building block of the ÖBB sustainability strategy
Economy Ecology Social topics	Non-achievement of set climate change mitigation targets	– Implementation of the ÖBB climate change mitigation strategy to reduce the CO_2 footprint in the three areas of mobility, buildings and Scope 3 – Implementation of the decarbonisation strategy	Reduction of CO_2 emissions	1. Climate change mitigation 7. Innovation and Technology 8. Sustainable Finance
Economy Ecology Social topics	Increased CO_2 emissions due to increased cooling or heating of buildings and rail vehicles due to periods of extreme cold and heat	– Thermal refurbishment of buildings: Group 2030 / 2040 building refurbishment plan – Efficient use of air-conditioning systems, but also pushing alternative solutions (vertical and horizontal forms of greenery - natural shading)	Reduction of CO_2 emissions	1. Climate change mitigation 2. Climate change adaptation 8. Sustainable Finance
Economy Ecology Social topics	Short- and long-term pollution of the environment by diesel-driven trains	– Implementation of the ÖBB climate change mitigation strategy to reduce the CO_2 footprint in the mobility sector – Implementation of the decarbonisation strategy	– Conversion to alternative drives – Reduction of CO_2 emissions – More independency from diesel fuel price increases	1. Climate change mitigation
Social topics	Exposure to noise emissions	– Promotion of fixed noise barriers and dams – Continuous on-board retrofitting of all ÖBB (existing) freight wagons in operation with low-noise brake pads – Incentive for railway undertakings (RUs) to switch to low-noise freight wagons on the ÖBB rail network through a noise bonus on the infrastructure usage charge (IBE) – Continuous on-board retrofitting of all ÖBB (existing) freight wagons in operation with low-noise brake pads – targeted training and information for employees on noise reduction in rail operations and maintenance (e.g. rail grinding)	– Reducing the negative impact on the health of neighbouring residents – Impairment due to noise emissions is no longer perceived as a "problem"	3. Emissions (excl. CO_2)

Impact	Risks	Measures (excerpt)	Opportunities	Building block of the ÖBB sustainability strategy
Ecology Social topics	Accidents with personal injury or environmental damage	– Regular safety briefings and training for traction vehicle drivers – Further development Warn App – Master plan for the reduction of signal overruns – Conducting dangerous goods checks in accordance with RID – 24h on call for dangerous goods – Emergency management and emergency exercises – Advice and training of employees on dangerous goods regulations	– Safety for customers, employees and neighbours – Preservation of biodiversity and "clean" areas of water and land/soil/air	3. Emissions (excl. CO_2) 4. Resource management 5. Biodiversity & Species Diversity 10. Health, Safety and Security
Ecology Social topics	Increased emissions of classic air pollutants (NO_2, NO_x,...) in transportation	– Ongoing renewal of the bus fleet and thus a switch to lower-emission buses – Alternative drive systems for buses, testing of hydrogen buses – Gradual conversion of diesel vehicles on the rails – Further electrification of routes	Reduction of emissions of NO_2, NO_x,...	3. Emissions (excl. CO_2)
Ecology Social topics	Increased light pollution and its negative impact on humans, animals and plants	– Use of lighting alternatives – Optimal use of lighting, through sensible planning / implementation	Light emissions do not constitute an impairment	3. Emissions (excl. CO_2)
Ecology Social topics	Exposure to electromagnetic fields	– Laying of return conductors during the construction of overhead line systems – Compliance with the necessary distances, e.g. for traction current transmission lines	Electro-smog does not constitute an impairment	3. Emissions (excl. CO_2)
Economy Ecology Social topics	Inefficient use of resources such as raw materials, water, land/soil	Resource-efficient approach to the use of raw materials, water, land / soil, for example, through: – Component preparation and reuse – Resource-conserving approach – Multiple uses of washing water – Promotion of the circular economy	Saving resources	4. Resource management
Economy Ecology Social topics	Reduction of biodiversity and species diversity due to construction activities and operation of railway facilities	– Sensible planning of targeted measures to avoid, reduce or compensate for negative environmental impacts – Consideration of specific environmental and nature conservation regulations in new construction and expansion projects to ensure additional protection of endangered species in addition to approval procedures – Biological monitoring of areas of interest – Placing bird caps and guards in front of the isolator	Biodiversity and species diversity.	4. Resource management

Impact	Risks	Measures (excerpt)	Opportunities	Building block of the ÖBB sustainability strategy
Economy Ecology Social topics	Reduction of biodiversity and species diversity through plant protection products	– Continuous optimisation measures of the spraying equipment through optical green detection – Research projects for the replacement of glyphosate or other plant protection products with efficient chemical, physical and mechanical alternatives.	Reduction of chemicals (less environmental impact)	5. Biodiversity and species diversity
Economy Ecology	Inefficient use of energy and especially renewable energy	– Lever five of ÖBB's climate change mitigation strategy (energy efficiency) and the decarbonisation path in the area of buildings	Efficient use of already limited energy resources	1. Climate change mitigation 3. Emissions (excl. CO_2)
Economy Ecology Social topics	No or too little consideration of sustainability criteria in ÖBB's procurement (jeopardising ÖBB's sustainability goals from the supply chain)	– Promotion of sustainable production suppliers – Consideration of sustainability criteria in the procurement process. – Supplier assessment through supplier management system – Commitment to the international sustainability initiatives Railsponsible and those of the ERPC – Transparency in the award criteria using TCO models (life cycle assessment)	Conserving resources (raw materials, energy,...)	1. Climate change mitigation 6. Sustainable Procurement
Economy Ecology Social topics	Outdated technologies cause resource inefficiency and environmental damage	– Europe´s Rail Joint Undertaking – Digital automatic coupling – Rail4Future project – MIKE – Alternative drives – Innovation Program Regional Railway Technology	Efficient use of resources and avoidance / reduction of environmental damage	1. Climate change mitigation 7. Innovation and Technology
Economy Social topics	Violation of human rights	Protect and demand respect for human rights from employees, partners and suppliers	Fair dealings with employees, partners and suppliers	6. Sustainable Procurement 11. Diversity and Equal Opportunity
Economy Social topics	Increased impediment to innovation and progress	– Introduction of appropriate tools and platforms to increase innovation potential, for example through idea workshops, innovation program, community creates mobility, open innovation platform, three-country camp – Creation of priority topics for the implementation of specific measures (integrated mobility, digitalisation of customer information, services at the station) – Digitalisation, other ways of communicating and obtaining information	– Conserving resources – Encourage inventiveness	7. Innovation and Technology 14. Reliable and Attractive Employer

Impact	Risks	Measures (excerpt)	Opportunities	Building block of the ÖBB sustainability strategy
Economy Ecology Social topics	Inefficient use of public funds	Objective assessment of the sustainability performance of contractors through the use of external rating agencies; requirement of sustainability certificates in the context of award procedures.	Transparent use of public funds	6. Sustainable Procurement 8. Sustainable Finance 16. Economic Driver
Economy Ecology Social topics	Lack of affordable and accessible mobility services	– Creating accessibility at the railway station, on trains and buses – Stakeholder dialogues and customer journeys to improve accessibility or convenience (usability) – Discounts and offers on trains and buses – Development of integrated mobility offers	Affordable and accessible mobility services, and the resulting environmental aspects (fewer resources,…)	9. Affordable and accessible mobility services 11. Diversity and Equal Opportunity
Economy Ecology Social topics	Loss of quality due to capacity bottlenecks	– Quality offensive with focal point campaigns – Procurement of rolling stock – Targeted customer communication and information	– Customer satisfaction, keeping performance promises – Reputation – Competitiveness	1. Climate change mitigation 9. Affordable and accessible mobility services 16. Economic Driver
Economy Social topics	– Increased risk of accidents (operational safety and occupational safety) – Increased number of occupational accidents	– Ongoing implementation of the “Safety on Rail” program – Further development Warn App – Master plan for the reduction of signal overruns – Further development of the safety culture (group wide safety campaign) and introduction of a new corporate value "Living safety”	Healthy and productive employees	7. Innovation and Technology 10. Health, Safety and Security 14. Reliable and Attractive Employer
Social topics	Increased safety risk in the area of public safety	– Use of bodycams – Targeted deployment of security personnel and double staffing of train attendants – Training on "self-perception and perception of others”	Safety for customers and employees	10. Health, Safety and Security 14. Reliable and Attractive Employer 17. Learning and development
Economy Social topics	– Negative impact on health and employee satisfaction – Increased number of early retirements due to physical/mental overloads	– Targeted health promotion for employees – Covid-19 prevention concept incl. testing and vaccination campaign – Creation of framework conditions to promote work capability, for example through healthy leadership and addiction prevention, consulting on work capability – Occupational reintegration – Respective consulting	Healthy and productive employees	7. Innovation and Technology 10. Health, Safety and Security 14. Reliable and Attractive Employer 15. Generation Change

Impact	Risks	Measures (excerpt)	Opportunities	Building block of the ÖBB sustainability strategy
Economy Social topics	Intercultural challenges in business	– Equal opportunities regardless of language, gender and gender identity, age, sexual orientation, origin and religion – Ensuring equal treatment – Increase intercultural competence through ÖBB language learning exchange, intercultural theme events,... – Disability-Management – Communication measures and further training programs	Promoting diversity and equal treatment	11. Diversity and Equal Opportunity. 14. Reliable and Attractive Employer
Economy Social topics	Unfair competition and corruption in business operations and the supply chain	– Comprehensive compliance management system established – Compliance officer for prevention and early detection – Code of conduct as a binding code of conduct with behavioural guidelines	Fair business practices and partnerships	12. Data Protection | Compliance | Transparency | Human Rights
Economy Social topics	Penalties for non-compliance with GDPR	– Group-wide data protection regulations – Data protection officer for prevention and early detection – Whistleblower system – Data protection training for employees	– No reputational damage and financial loss – Avoidance of financial loss	12. Data Protection | Compliance | Transparency | Human Rights 16. Economic Driver
Social topics	Highly stressful work environment	– Cultural development and corporate values of ÖBB – Management development; in-house consulting for managers on the topics of work ability and health	Fair and reliable employer	14. Reliable and Attractive Employer
Ecology Social topics	Increased threat to the business location	Further efficiency improvement programs in production (quality, attractiveness)	Safeguarding the business location	7. Innovation and Technology 14. Reliable and Attractive Employer 15. Generation Change 16. Economic Driver

Presentation of the main risks for the economic success of the company (area of sustainability) and measures taken / planned to counter risks

Type of Risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
Reduction of the CO_2 rail system advantage compared to other modes of transport	– Improvement of the ÖBB CO_2 balance through the ÖBB climate change mitigation strategy in the three areas of mobility, buildings and Scope 3 – Implementation of the decarbonisation strategy	– Increasing the CO_2 rail and bus advantage and as such making the rail system more attractive – Positioning of ÖBB as a climate change mitigation company (growth opportunity, prerequisites for future financing and investments	1. Climate change mitigation	ÖBB-Group
Growth opportunity through climate change mitigation is not being utilised	Further modal shifts from road and air transport to rail are the mayor levers for reducing CO_2 emissions in the Austrian transport sector. This requires: Making the railway system more attractive and expanding capacity, both through conventional expansion and through the use of new technologies	– Making the railway system more attractive – Increase in passenger numbers (rail and bus) – Increasing goods transportation by rail – Positioning of ÖBB as a climate change mitigation company (growth opportunity, prerequisites for future financing and investments	1. Climate change mitigation 7. Innovation and Technology 8. Affordable and Accessible Mobility	ÖBB-Group
Fair competitive conditions between rail, road and air transport not achieved (especially in connection with higher costs for climate-neutral mobility solutions)	Targeted awareness raising and advocacy (national / international)	– Level playing field with other sectors – Increasing the attractiveness of the railway system	1. Climate change mitigation 8. Sustainable Finance 16. Economic Driver	ÖBB-Group
Amendments to the legal framework (environmental aspects)	– Continued minimisation of light pollution – Promotion of stationary noise protection – Retrofitting rolling stock – Further reduce dust and fine particulate pollution – Further reduce the use of chemical herbicides	Long-term positioning as a sustainable company	1. Climate change mitigation 3. Emissions (excl. CO_2) 5. Biodiversity and species diversity 4. Resource management	ÖBB-Group
Price increases for renewable energies (increased demand)	One third of ÖBB's traction current already comes from in-house production (ÖBB hydro, wind and solar power plants). The aim is to increase the level of self-sufficiency to 80 per cent in order to be able to act more independently of the market	Increasing the level of self-supply with traction current (competitive advantage)	1. Climate change mitigation	ÖBB-Infrastruktur AG

Type of Risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
Rising energy prices resulting from the Ukraine conflict	Increase ÖBB's own productivity (quality, attractiveness) e.g. through efficiency enhancement programs	Increasing the level of self-sufficiency (competitive advantage)	1. Climate change mitigation 16. Economic Driver	ÖBB-Group
Cost drivers due to lack of an increase in energy efficiency	Increase ÖBB's own productivity (quality, attractiveness) e.g. through efficiency enhancement programs	– Cost savings through efficient use – Ensuring the availability of energy: efficient utilisation of already limited energy resources (renewable energy)	1. Climate change mitigation	ÖBB-Group
Impairment of business operations due to a supra-regional, prolonged power failure (blackout)	– Development of a blackout contingency plan – Development of company-specific procedural instructions for the blackout – Development of action plans for behaviour in the event of a blackout	– Maintain the need for mobility within the company (emergency service) – Ensure safety of action in the phases "shutdown - blackout - start-up". – Ensure clear and efficient communication structures – Clear regulations for customer safety and customer information	9. Affordable and accessible mobility services 10. Health / Safety / Security	ÖBB-Group
Impairment of business operations due to terrorist attacks or threats (e.g. bomb threats) and associated additional expenses or loss of sales	– Ongoing contact and close coordination with the respective authorities – Measures based on scenarios in the crisis management manual; If necessary, convene a crisis team in accordance with the ÖBB-Infrastruktur AG Crisis Management Manual	– Maintain the need for mobility within the company (emergency service) – Keep (consequential) damage to a minimum – Clear regulations for the safety of systems and goods – Clear regulations for the safety of employees and travellers – Coordinated press and public relations work	9. Affordable and accessible mobility services 10. Health / Safety / Security 14. Reliable and Attractive Employer	ÖBB-Group

Type of risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
Damage and losses due to natural forces and extreme weather events	– INGEMAR research project (intelligent natural hazard management and risk assessment) to respond more efficiently and proactively to natural events – infra:wetter: warnings, e.g. heavy rain, thunderstorms, snow amounts, etc., in different intensity levels via mail or SMS, which enable the best possible preparation and planning for the predicted weather scenarios based on user settings – The design of water-permeable surface sealants on forecourts and P & R facilities is intended to reduce heating. This means that less heat is released into the environment and rainwater can be absorbed or released more quickly during the increasingly frequent heavy rainfall events	– High route availability and maintenance of punctuality – Cost savings	2. Climate change adaptation 4. Resource Management 7. Innovation and Technology	– ÖBB-Infrastruktur AG – ÖBB-Immobilien GmbH
Dependence on intact infrastructure (system resilience)	Completed climate risk and vulnerability analysis to better monitor and manage potential hazards and expected damage.	High route availability and maintenance of punctuality	2. Climate change adaptation	ÖBB-Group
Cost drivers due to higher standards for air conditioning of buildings and vehicles	Efficient use of air-conditioning systems, but also pushing alternative solutions (vertical and horizontal forms of greenery - natural shading)	– Further positioning of ÖBB as a climate change mitigation company (growth opportunity, prerequisites for future financing and investments) – Cost savings – Increasing the well-being and work ability of employees	1. Climate change mitigation 2. Climate change adaptation	– ÖBB-Personenverkehr AG – ÖBB-Immobilien GmbH

Type of risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
Restriction of railway operations (capacity and speed) due to noise pollution	Set further noise protection measures or continue noise protection programs. The focus is clearly on infrastructure and rolling stock measures (e.g. quiet brake pads on freight wagons). Conduct targeted research and development to include testing of new technological approaches. In addition, promote stakeholder management	Prerequisite for further growth	3. Emissions (excl. CO_2)	ÖBB-Group
Supply bottlenecks, non-availability or prohibition of maintenance materials / spare parts / chemical substances	– Enquiry regarding the products concerned – Early stage procurement – Evaluation of possible alternatives – Ongoing monitoring of legal provisions / developments	– Maintaining the existing service and passenger operations – Pioneering role, influencing suppliers / manufacturers (value chain) – Additional positioning by ÖBB as a sustainable company (growth opportunity, prerequisites for future financing and investments)	1. Climate change mitigation 4. Resource management 6. Sustainable Procurement 7. Innovation and Technology 9. Affordable and accessible mobility services	ÖBB-Group
High raw material prices and shortage of materials as well as associated rising costs (e.g. due to Ukraine conflict)	Resource-efficient approach to the use of raw materials, water, land / soil, for example, through: – Component preparation and reuse – Resource-conserving approach – Multiple uses of washing water – Promotion of the circular economy with the aim of achieving greater independence from suppliers	Cost savings through circular economy	4. Resource management 6. Sustainable Procurement	ÖBB-Group
Impairment of the environment due to the spreading or leakage of harmful substances	– Special freight wagons for the transport of dangerous goods and procedural instructions – Development of a contingency plan – Development of procedural instructions with clear procedures in case of danger – Where possible, replacement of harmful substances in company operations (e.g. replacement of glyphosate).	– Image gain / reputation – Increase credibility – Role model effect	4. Resource management 5. Biodiversity & Species Diversity	ÖBB-Group

Type of risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
Lengthy approval procedures by authorities	– Sensible planning of targeted measures to avoid, reduce or compensate for negative environmental impacts – Consideration of specific environmental and nature conservation regulations in new construction and expansion projects to ensure additional protection of endangered species in addition to approval procedures – Biological monitoring of areas of interest – Placing bird caps and guards in front of the isolator	– Image gain / reputation – Faster authority procedures	5. Biodiversity & Species Diversity	ÖBB-Infrastruktur AG
Costs deviating from plan due to the use of crop protection agents	– Continuous optimisation measures of the spraying equipment through optical green detection – Research projects for the replacement of glyphosate or other plant protection products with efficient chemical, physical and mechanical alternatives. – Subject to financial reserves	Reduction of chemicals (less environmental impact)	5. Biodiversity and species diversity 16. Economic Driver	ÖBB-Infrastruktur AG
No or too little consideration of sustainability criteria in ÖBB's procurement (jeopardising ÖBB's sustainability goals from the supply chain)	– Promotion of sustainable production suppliers. – Consideration of sustainability criteria in the procurement process. – Moreover, ÖBB is a member of the industry-specific procurement platform.	– Unique selling proposition (credibility) – Leading the way – Transparency in investments – Efficient circular economy – Scope 3 carbon balance	6. Sustainable Procurement	ÖBB-Group
Credibility of the sustainability performance of contractors	– Objective assessment of sustainability performance of contractors by using external rating agencies – Requirement of sustainability certificates within the framework of the tender procedure.	– Credibility – Leading the way – Prerequisite for financing / subsidies	6. Sustainable Procurement	ÖBB-Group

Type of risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
Price increases through procurement of sustainably produced goods and products	Transparency in the award criteria using TCO models (life cycle assessment)	– Credibility – Leading the way – Efficient use of resources – Cost savings	6. Sustainable Procurement	ÖBB-Group
Capacity constraints	– Automation of rail transport (TARO project) – Digital automatic coupling – Conventional expansion of the rail infrastructure – Modernisation of the fleet	– Leading the way – Increase in productivity, capacity, quality and safety	7. Innovation and Technology	ÖBB-Group
Non-utilisation of existing technological possibilities (effects on productivity, safety and quality)	– Project "Greenlight" – Project "Raileye 3D" – Alternative drives – New regional service – Train preparation and shunting of the future	– Leading the way – Increase in productivity, capacity, quality and safety	7. Innovation and Technology	ÖBB-Group
Loss of technology leadership in the rail sector	– Participation in national as well as international research projects – Europe´s Rail Joint Undertaking	– Leading the way – Increase in productivity, capacity, quality and safety	7. Innovation and Technology	ÖBB-Group
– Increased risk of accidents (operational safety and occupational safety) – Increased number of occupational accidents	– Implementation of measures from the "Safety on rails" program – Master plan for the reduction of signal overruns – Support for train drivers when starting against a signal indicating a stop via a warning app – Implementation of technical improvements, e.g. further expansion using 500 Hz magnets – Further development of the safety culture (group wide safety campaign) and introduction of a new corporate value "Living safety"	Safeguarding the ÖBB Group as a safe, reliable and attractive employer	10. Health, Safety and Security 7. Innovation and Technology 14. Reliable and Attractive Employer	ÖBB-Group
Increased safety risk in the area of public safety	– Use of bodycams – Targeted deployment of security personnel and double staffing of train attendants – Training on "self-perception and perception of others"	– Safe (mobility) service provider for customers – Safe and attractive employer	10. Health, Safety and Security 14. Reliable and Attractive Employer 17. Learning and development	ÖBB-Group

Type of risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
ÖBB finds too few adequately qualified employees	– Job campaign: presence at various target group-specific job fairs Recruiting events – Employer-Branding	– Qualified and motivated employees – Promoting innovation by the different generations	14. Reliable and Attractive Employer 17. Learning and development	ÖBB-Group
Employee fluctuation	– Extensive range of internal and external training opportunities – Wide range of career opportunities within the company thanks to the possibility of moving within the Group – Fairness and flexible working time models – Measures to reconcile work and family: flexible working hours, teleworking, ÖBB child care – Mentoring programs for diverse target groups – Women’s advancement programs	– Know-how retention within the Group – Qualified and motivated employees – Promoting innovation by the different generations	14. Reliable and Attractive Employer 17. Learning and development	ÖBB-Group
Loss of know-how or specific expert knowledge is not optimally used or is lost	– Making more effective use of the interplay between old and young to combine long-standing knowledge with new ideas in the interests of the company’s success and to further develop the Group – Knowledge transfer tandems: departing employee with specialised knowledge and successor work in parallel for three to twelve months – Knowledge transfer coaches: internal training programme for knowledge transfer coaches – Age-appropriate part-time work models: transitional retention of expert knowledge by taking time out of working life	– New values – New ways of working – Reorganise selected processes and structures – Promoting innovation by the different generations – Knowledge transfer	14. Reliable and Attractive Employer 15. Generation Change 17. Learning and development	ÖBB-Group
Not well trained employees	Appropriate and targeted training and development opportunities	– Increasing the qualification of employees – Increasing the versatility of employees – Increase in productivity / promotion of innovative strength	17. Learning and development	ÖBB-Group

Type of risk	Measures set	Opportunity	Cross-reference to topics of the materiality matrix	Group company
Less investment volume available	– Raise awareness of the specific impact on the capacity of the rail system and the potential for modal shift. – Further efficiency improvement programs in production (quality, attractiveness)	– Increase in productivity, capacity and quality – Credibility and existing financing	1. Climate change mitigation 8. Sustainable Finance 9. Affordable and accessible mobility services 16. Economic Driver	ÖBB-Group
Worse conditions for ÖBB in future financing due to suboptimal sustainability assessments	Financial market aligns financing with sustainability criteria. ÖBB expedites its sustainability performance in a targeted manner and plans proactive ESG ratings. See also Sustainable Finance module	– Credibility – Growth opportunity, prerequisites for future financing and investment	8. Sustainable Finance 16. Economic Driver	ÖBB-Group
Investments do not bring the expected benefits	CAPEX, Manual of Profitability Calculations	Credibility and handling of funding	8. Sustainable Finance 16. Economic Driver	ÖBB-Group

I. Task Force on Climate-related Financial Disclosures (TCFD)

In this report, ÖBB is reporting for the second time on the basis of the recommendations of the Task Force on Climate-related Financial Disclosures, better known as TCFD. This is an initiative launched in December 2015 by the Financial Stability Board (FSB), an international body established with the support of G20 members to promote international financial stability. The purpose of the TCFD is to help identify the information needed by investors, lenders and insurance companies to appropriately assess and evaluate climate-related risks and opportunities. The TCFD published its conclusive recommendations on behalf of the FSB in 2017. These recommendations provide a framework for developing more effective climate-related financial information through existing reporting processes.

This report provides general climate-related information from ÖBB at the following points:
– Impact of climate change on ÖBB - see chapter G.2.
– Climate resilience and climate scenarios – see Chapters G.2., G.8.
– Key measures for adaptation to climate change in the ÖBB Group:
  • Strategic measures: Climate change mitigation and adaptation are components of the ÖBB sustainability strategy (with targets, strategic approaches, key figures and portfolio of measures) – see chapters G.1., G.2., H.
  • The ÖBB subgroups affected by climate change (first and foremost ÖBB-Infrastruktur AG) are also implementing various operational measures - see chapters G.1, G.2., H.

Specific recommendations of the TCFD on disclosure

The TCFD is an advocate for the disclosure of information on climate-related opportunities and risks of companies. They are required to demonstrate how they are positioned in terms of governance, strategy, risk management and measurable objectives to take advantage of key climate-related opportunities as well as mitigating risks.

ÖBB Group supports the recommendations of the TCFD on reporting specific climate-related information, discloses this information in accordance with the TCFD and also refers to relevant pages in the report with further more detailed information:

Department	TCFD-relevant detailed information	Chapter
Responsibilities and embedding in the company	Supervision / Controlling	
	Supervisory Board ÖBB-Holding AG and controlling ÖBB top management	G.
	Process / Tools	
	Opportunities and risk management	H.
	Sustainability management	G.
	Sustainability strategy	G.
Strategy	Group strategy (environment analyses)	C.5.
	Sustainability strategy	G.
	Climate change mitigation strategy / decarbonisation pathways	G.1.
Climate-relevant risk management	Opportunities and risk management	H.
	Climate change mitigation strategy / decarbonisation pathways (annual target comparison, monitoring, adaptation measures)	G.1.
Indicators und Objectives	Objectives Sustainability strategy Building Block 1 – Climate change mitigation	G.1.
	Objectives Sustainability Strategy Building Block 2 - Climate change adaptation	G.2.
	CO_2 footprint (greenhouse gas balance of ÖBB)	G.1.
	Key figures for Building Block 1 - Climate change mitigation	G.1.
	Key figures for Building Block 2 – Climate change adaptation	G.2.

J. GRI Index of Contents

The following GRI Content Index lists the standard disclosures, notes, sustainability components, materiality matrix topics and related Sustainable Development Goals (SDGs) reported by the ÖBB Group for the reporting year 2023 (01.01. to 31.12.2023). Reference to the relevant section of the group management report facilitates the locating of information for readers.

Application Declaration	ÖBB-Holding AG reports in accordance with the GRI standards for the period from 01.01.2023 to 31.12.2023.
GRI 1 used	GRI 1: Basic principles 2021
Applicable GRI sector standard(s)	Currently not applicable.

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
GENERAL STANDARDS					
GRI 1: Basic principles 2021					
GRI 2: General information					
Organisation and reporting practices					
2-1	Organisation profile				LB A. (P.1 - 3)
2-2	Entities taken into account in the organisation's sustainability reporting			The scope of consolidation of the management report 2023 of the ÖBB Group as part of the management report of ÖBB-Holding AG corresponds to that of the consolidated financial statements of ÖBB-Holding AG.	LB A. (P.1 - 3), G.
2-3	Reporting period, reporting frequency and contact position			Reporting year 2023 (01.01.2023 to 31.12.2023), annually, sustainability@oebb.at	LB A. (P. 1), G. (P. 59)
2-4	Rectification or restatement of information			Sustainable Finance Framework key figures for selected companies	G.1. (P. 73, P. 75), G.10. P. 115), G.11. (P. 124)

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
GRI 2: General information					
Organisation and reporting practices					
2-5	External testing			The sustainability report 2023 in the management report of the Financial Report 2023 was subjected to an independent external limited assurance review by Ernst & Young Wirtschaftspürfungs-gesellschaft m.b.H..	Appendix
Activities and employees					
2-6	Activities, value chain and other business relationships	6 – Sustainable Procurement	12		LB A. (P. 1- 3), B.3. (P. 12 f), G.6. (P. 91 f)
2-7	Employees	14 – Reliable and Attractive Employer 17 – Learning and development	5, 8, 10		LB: E. (P. 46 f), G.14. (P. 134 f), G.17. (P. 147)
2-8	Staff who are not employees	14 – Reliable and Attractive Employer	5, 8, 10		LB: E. (P. 46), G.14. (P. 134)
Company governance					
2-9	Management structure and composition				Corporate Governance Report, LB G. (P. 60 f)
2-10	Nomination and selection of the highest governance body				LB G. (P. 60 f)
2-11	Chairperson of the highest governance body			Legal regulations in Austria stipulate that the chairperson of the highest governance body is not permitted to be an executive in the same company.	Corporate Governance Report, LB G. (P. 60 f)
2-12	Role of the highest governance body in the supervision of impact management				LB G. (P. 60 f)
2-13	Delegation of responsibility for impact management				LB G. (P. 60 f)
2-14	Role of the highest governance body in sustainability reporting				LB G. (P. 59)

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
GRI 2: General information					
Company governance					
2-15	Conflicts of interest	12 – Compliance | Transparency | Data Protection | Human Rights			LB G.12. (P. 128)
2-16	Transmission of critical issues	12 – Compliance | Transparency | Data Protection | Human Rights		An exact number of critical issues is not reported across the Group.	LB G.12. (P. 128)
2-17	Accumulated knowledge of the highest governance body				LB G. (P. 60), G.17. (P. 148)
2-18	Assessment of the performance of the highest governance body				LB Note 32
2-19	Remuneration policy				Corporate Governance Report, LB Note 32
2-20	Procedure for the determination of the remuneration				Corporate Governance Report, LB Note 32
2-21	Ratio of total annual remuneration			Due to the extensive evaluation of the actual salary data to determine the median level of annual remuneration for employees, it is not possible to show the data for the 2023 financial year with a reporting deadline in mid-March 2024. A report will be programmed for 2024, which will enable the evaluation of the average level (median) in order to be able to show the ratios in the 2025 report (for 2024).	
Strategy, guidelines and practices					
2-22	Declaration of Application of the Sustainable Development Strategy		8		LB C.5. (P. 38 ff), G. (P. 63 f), G.6. (P. 91)
2-23	Declaration of commitment to principles and courses of action	10 – Health, safety and security 12 – Compliance | Transparency | Data Protection | Human Rights			LB G. (P. 59), F), G.10. (P. 120), G.12. (P. 129 f), G.16. (P. 143 f) H. (P. 149 ff),

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
GRI 2: General information					
Strategy, guidelines and practices					
2-24	Inclusion of political commitments	12 – Compliance | Transparency | Data Protection | Human Rights			Corporate Governance Report, LB G.6. (P. 91), G.12. (P. 128)
2-25	Process for eliminating negative impacts	10 - Health, Safety, Security 11 – Diversity and Equal Opportunity 12 – Compliance | Transparency | Data Protection | Human Rights			LB G.10. (P. 113), G.12. (P. 128 f)
2-26	Procedure for obtaining advice and reporting issues of concern	12 – Compliance | Transparency | Data Protection | Human Rights			LB E. (P. 48), F. (P. 58), G.12. (P. 127 ff),
Company governance					
2-27	Compliance with laws and directives			In 2023, no fines or non-monetary sanctions were imposed for significant violations of laws and regulations.	
2-28	Membership in associations and interest groups	13 – Social Responsibility	17		LB G.13. (P. 133)
Stakeholder involvement					
2-29	Approach to stakeholder engagement		17		LB: B.2. (P. 9), G. (P. 63)
2-30	Collective tariff agreements	14 – Reliable and Attractive Employer	8		LB G.14. (P. 138)

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
GRI 3: Key topics					
Information on key topics					
3-1	Procedures for identifying key topics				LB G. (P. 62 ff)
3-2	List of key topics				LB G. (P. 62 ff)
3-3	Management of key topics			"Team goal dialogue" to define Group-wide goals and focal points for the respective year (initial date at the beginning of the year + review date in the middle of the year)	LB G. (total) at the beginning of each chapter; H. (P. 149 ff),
KEY TOPICS					
GRI 200: Economic topics					
GRI 300: Ecological issues					
GRI 400: Social issues					
Building blocks 1: Climate change mitigation					
	Key topic				
3-3	Management of key topics	1 - Climate change mitigation			LB G. (P. 59 ff), G.1. (P. 66 ff), H. (P. 149 ff),
302	Energy				
302-1	Energy consumption within the organisation	1 - Climate change mitigation	7, 11, 12, 13		LB G.1. (P. 66, P. 73)
302-4	Reduction of energy consumption	1 - Climate change mitigation	7, 12		LB G.1. (P. 66)
305	Emissions				
305-1	Direct GHG emissions (Scope 1)	1 - Climate change mitigation	7, 11, 12, 13		LB G.1. (P. 73 f)
305-2	Indirect energy-related GHG emissions (Scope 2)	1 - Climate change mitigation	7, 11, 12, 13		LB G.1. (P. 73 f)
305-3	Other indirect GHG emissions (Scope 3)	1 - Climate change mitigation	7, 11, 12, 13		LB G.1. (P. 73 f)
305-5	Reduction of GHG emissions	1 - Climate change mitigation	7, 11, 12, 13		LB G.1. (P. 73 f)
203	Indirect economic effects				
203-1	Infrastructure investments and subsidised services	1 - Climate change mitigation 16 – Economic driver	5, 9, 11		LB C.1. P. 18 f., C.4. (P. 30 f), G.1. (P. 71 f), G.16. (P. 143 f)

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
Building blocks 2: Climate change adaptation					
	Key topic				
3-3	Management of key topics	2 – Climate change adaptation			LB G. (P. 59 ff), G.2. (P. 76 ff), H. (P. 149 ff),
201	Economic performance				
201-2	Financial implications of climate change for the organisation and other climate change related risks and opportunities	2 – Climate change adaptation		Climate change-related costs are not currently reported.	Chapter G.2 (S. 76 ff)
Building blocks 3: Emissions (excl. CO_2)					
	Key topic				
3-3	Management of key topics	3 - Emissions (excl. CO_2)			LB G. (P. 59 ff), G.3. (P. 79 ff), H. (P. 149 ff),
Building blocks 4: Resource management, waste, land / soil, water					
	Key topic				
3-3	Management of key topics	4 – Resource management			LB G. (P. 59 ff), G.4. (P. 83 ff), H. (P. 149 ff),
303	Water				
303-1	Water as a communal resource	4 – Resource management	6, 12		LB G.4. (P. 86)
303-5	Water consumption	4 – Resource management	6, 12		LB G.4. (P. 86)
306	Waste water and waste				
306-1	Waste generated and significant waste-related impacts	4 – Resource management	6, 12		LB G.4. (P. 84 f)
306-2	Management of significant waste-related impacts	4 – Resource management	6, 12		LB G.4. (P. 84 f)
306-3	Accrued waste	4 – Resource management	6, 12		LB G.4. (P.85)
306-4	Waste diverted from disposal	4 – Resource management	6, 12		LB G.4. (P.85)
306-5	Waste forwarded for disposal	4 – Resource management	6, 12		LB G.4. (P.85)

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
413	Local communities				
413-1	Business locations with local community involvement, impact assessments and support programs	4 – Resource management 5 – Biodiversity and species diversity.	6, 12, 14, 15	Based on the legal requirement associated with the approval of the construction and operation of the facilities, this point is guaranteed.	LB G.4. (P. 83 ff), G.5. (P. 88 ff),
Building blocks 5: Biodiversity and species diversity					
	Key topic				
3-3	Management of key topics	5 – Biodiversity and species diversity.			LB G. (P. 59 ff), G.5. (P. 88 ff), H. (P. 149 ff),
304	Biodiversity				
304-2	Significant impacts by activities, products and services on biodiversity	5 – Biodiversity and species diversity.	14, 15		LB G.5. (P. 89)
413	Local communities				
413-1	Business locations with local community involvement, impact assessments and support programs	4 – Resource management 5 – Biodiversity and species diversity.	6, 12, 14, 15	Based on the legal requirement associated with the approval of the construction and operation of the facilities, this point is guaranteed.	LB G.4. (P. 83 ff), G.5. (P. 88 ff),
Building blocks 6: Sustainable procurement					
	Key topic				
3-3	Management of key topics	6 – Sustainable Procurement			LB G. (P. 59 ff), G.6. (P. 91 ff), H. (P. 149 ff),
203	Procurement practices				
204-1	Share of expenditure for local suppliers	6 – Sustainable Procurement	12		LB G.6. (P. 91)
308	Environmental assessment of the suppliers				
308-1	New suppliers screened against environmental criteria	6 – Sustainable Procurement 12 – Compliance | Transparency | Data Protection | Human Rights	12		LB G.6. (P. 92), G.12. (P. 130)
414	Social evaluation of the suppliers				
414-1	New suppliers screened against social criteria	6 – Sustainable Procurement	12		LB G.6. (P. 91)

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
Building blocks 7: Innovation & technology					
	Key topic				
3-3	Management of key topics	7 - Innovation & technology			LB G. (P. 59 ff), G.7. (P. 93 ff), H. (P. 149 ff),
Building blocks 8: Sustainable finance					
	Key topic				
3-3	Management of key topics	8 – Sustainable Finance			LB G. (P. 59 ff), G.8. (P. 96 ff), H. (P. 149 ff),
Building blocks 9: Affordable and accessible mobility services					
	Key topic				
3-3	Management of key topics	9 – Affordable and accessible mobility services			LB G. (P. 59 ff), G.9. (P. 108 ff), H. (P. 149 ff),
Building blocks 10: Health, safety, security					
	Key topic				
3-3	Management of key topics	10 - Health, Safety, Security			LB G. (P. 59 ff), G.10. (P. 113 ff), H. (P. 149 ff),
403	Occupational health and safety (2018)				
403-1	Management system for occupational health and safety	10 - Health, Safety, Security			LB G.10. (P. 1143 f, 119)
403-2	Hazard identification, risk assessment and incident investigation	10 - Health, Safety, Security			LB G.10. (P. 115, P. 118, P. 120)
403-3	Occupational healthcare services	10 - Health, Safety, Security			LB G.10. (P. 115, P. 119, P. 121)
403-4	Employee participation, consultation and communication on occupational health and safety	10 - Health, Safety, Security			LB G.10. (P. 118, P. 120)
403-5	Employee training on occupational health and safety protection	10 - Health, Safety, Security 17 – Learning and development			LB G.10. (P. 121), G.17. (P. 147)
403-6	Promoting the health of employees	10 - Health, Safety, Security			LB G.10. (P. 115, P. 119, P. 120)
403-7	Avoidance and minimisation of occupational health and safety impacts directly related to business relationships	10 - Health, Safety, Security 17 – Learning and development			LB G.10. (P. 114 ff) G.17. (P. 147)

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
403-9	Work related injuries	10 - Health, Safety, Security			LB G.10. (P. 115 f)
404	Training and further education				
404-2	Employee skills enhancement and transition assistance programs	10 - Health, Safety, Security 15 – Generation Change 17 – Learning and development	4		LB G.10. P. 121), G.15. (P. 141), G.17. (P. 145, P. 147)
418	Protection of customer data				
418-1	Substantiated complaints regarding violations of the protection and loss of client data	10 - Health, Safety, Security 12 – Compliance | Transparency | Data Protection | Human Rights		In 2023, there were three cases of personal data contraventions that required reporting to the Austrian data protection authority. The incidents were dealt with by ÖBB Information Security and, in cooperation with the specialist departments concerned, numerous further steps were taken to prevent similar incidents in the long term.	LB G.10. (P. 113 ff), G.12. (P. 127)
Building blocks 11: Diversity and equal opportunities					
	Key topic				
3-3	Management of key topics	11 – Diversity and Equal Opportunity			LB G. (P. 59 ff), G.11. (P. 122 ff), H. (P. 149 ff),
405	Diversity and equal opportunities				
405-1	Diversity in supervisory bodies and among employees	11 – Diversity and Equal Opportunity	5		LB G.11. (P. 123 f), G.14. (P. 134)
Building blocks 12: Compliance, transparent reporting, data protection and human rights					
	Key topic				
3-3	Management of key topics	12 – Compliance | Transparency | Data Protection | Human Rights			LB G. (P. 59 ff), G.12. (P. 127 ff), H. (P. 149 ff),
205	Combating corruption				
205-1	Operations audited for corruption risks		8	The compliance audits performed throughout the Group are recorded in the Compliance Annual Activity Report.	LB G.12.

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
206	Anti-competitive behaviour				
206-1	Legal proceedings based on anti-competitive behaviour, carteland monopoly formation		8	The ÖBB Group provides no reports on legal proceedings due to anti-competitive behaviour, cartel monopolies, as this information is subject to special confidentiality requirements (see exception: "Confidentiality Constraints")	LB G.12.
417	Marketing and labelling				
417-3	Infringements related to marketing and communication		8	At the time of the preparation of the sustainability report 2023 of the ÖBB Group as part of the management report of ÖBB-Holding AG, no indications of non-conformities in this area are known within the ÖBB Group.	
Building blocks 13: Social responsibility and cooperation					
	Key topic				
3-3	Management of key topics	13 – Social Responsibility			LB G. (P. 59 ff), G.13. (P. 131 ff), H. (P. 149 ff),
Building blocks 14: Reliable and attractive employer					
	Key topic				
3-3	Management of key topics	14 – Reliable and Attractive Employer			LB G. (P. 59 ff), G.14. (P. 134 ff), H. (P. 149 ff),
401	Employment				
401-1	Newly hired employees and employee fluctuation	14 – Reliable and Attractive Employer	8		LB G.14. (P. 137 f), G.17. (P. 147)
404	Training and further education				
404-3	Percentage of employees receiving regular performance and career development reviews	14 – Reliable and Attractive Employer	4	A detailed breakdown by gender and employee category is in progress for the coming years.	LB G.14. (P. 138)
Building blocks 15: Generational change					
	Key topic				
3-3	Management of key topics	15 – Generation Change			LB G. (P. 59 ff), G.15. (P. 141 ff), H. (P. 149 ff),

GRI	Title of disclosure	NH module	SDG	Notes	Reference / Page
404	Training and further education				
404-2	Employee skills enhancement and transition assistance programs	10 – Health 15 – Generation Change 17 – Learning and development	4		LB G.10. P. 121), G.15. (P. 141), G.17. (P. 145, P. 147)
Building blocks 16: Economic driver, value-adding investments and sustainable financing					
	Key topic				
3-3	Management of key topics	16 - Economic driver, Value-adding Investments and Sustainable Financing			LB G. (P. 59 ff), G.16. (P. 143 ff), H. (P. 149 ff),
201	Economic performance				
201-1	Direct economic value generated and distributed	16 - Economic driver, Value-adding Investments and Sustainable Financing	8		LB G.16. (P. 143 f)
201-4	Financial support from the public sector	16 - Economic driver, value-adding investments and sustainable financing	8		LB B.2. (P. 9 ff), C.1. (P. 18 ff), G.16. (P. 143)
203	Indirect economic effects				
203-1	Infrastructure investments and subsidised services	1 - Climate change mitigation 16 - Economic driver, value-adding investments and sustainable financing	5, 9, 11		LB C.1. P. 18 f., C.4. (P. 30 f), G.1. (P. 71 f), G.16. (P. 143 f)
Building blocks 17: Learning and development					
	Key topic				
3-3	Management of key topics	17 – Learning and development			LB G. (P. 59 ff) G.17. (P. 145 ff), H. (P. 149 ff),
404	Training and further education				
404-2	Employee skills enhancement and transition assistance programs	10 – Health 15 – Generation Change 17 – Learning and development	4		LB G.10. P. 121), G.15. (P. 141), G.17. (P. 145, P. 147)

K. Notes on the Management Report

This management report contains statements and forecasts referring to the future development of the Group and the economic environment. Any and all forecasts were based on the information available at the time of consolidation. Actual developments may therefore differ from the expectations described in the Management Report.

Vienna, dated 21.03.2024

Members of the Executive Board

Ing. Mag. (FH) Andreas Matthä

Chairman of the Board of Management (CEO)

Group Strategy, Corporate Development and Organisation, Group Communications/Newsroom, Group Law and Executive Board Secretariat, Systems Engineering and Group Production, Corporate Affairs, Strategic HR Management

Mag.ª Manuela Waldner

Chief Financial Officer (CFO)

Group accounting, Accounting and Taxes, Group Controlling, Group Finance, Strategic Group IT Management, Strategic Group Purchasing

The traffic control centre is the "tower" of railway operations. Laura Haller and CEO Andreas Matthä follow the morning's transport movements and check the details.

Consolidated Financial Statements

Consolidated Financial Statements

Consolidated income statement 2023

Consolidated Income Statement 2023

	Note	2023 in TEUR	2022 in TEUR
Revenue	4	5,022,269.0	4,671,220.7
Change in finished goods, work in progress and services not yet chargeable		10,417.0	10,225.0
Other own work capitalized	5	560,579.9	497,653.8
Other operating income	6	2,213,036.9	2,218,588.2
Total income		**7,806,302.8**	**7,397,687.7**
Cost of materials and purchased services	7	-2,108,376.0	-2,038,422.2
Personnel expenses	8	-3,213,690.2	-2,946,644.1
Depreciation and amortisation	9	-1,382,369.9	-1,333,408.8
Other operating expenses	10	-520,184.3	-415,782.2
Earnings before interest and taxes (EBIT excluding investments accounted for using the equity method)		**581,682.5**	**663,430.5**
Earnings of investments accounted for using the equity method	17	1,947.8	2,421.8
Interest income	11	49,080.7	42,672.0
Interest expenses	11	-527,946.5	-457,037.4
Other financial income	12	12,886.4	17,233.6
Other financial expenses	12	-6,019.5	-75,474.5
Financial result (incl. earnings of investments accounted for using the equity method)		**-470,051.1**	**-470,184.4**
Earnings before income taxes (EBT)		**111,631.4**	**193,246.0**
Income taxes	13	-87,111.5	1,620.1
Net income		**24,519.9**	**194,866.2**
Consolidated net income attributable on a pro rata basis:			
to the shareholder of the parent company		20,012.2	189,902.4
to non-controlling interests		4,507.7	4,963.7

Consolidated Statement of Comprehensive Income 2023

Other comprehensive income 2023

	Note	2023 in TEUR	2022 in TEUR
Net income		**24,519.9**	**194,866.2**
Remeasurement gains (losses) on defined benefit plans		-10,976.6	14,993.3
Income taxes		361.4	-271.4
Items that will never be reclassified (“recycled”) subsequently to the income statement		**-10,615.2**	**14,721.9**
Unrealised income from cash flow hedges (power derivatives)	24	-174,275.8	261,936.5
Reclassification unrealised income from cash flow hedges (power derivatives)	24	-238,445.5	-200,586.0
Unrealised income from cash flow hedges (others)	24	-11,265.1	24,325.8
Reclassification unrealised income from cash flow hedges (others)	24	-691.2	14,866.0
Income tax effects from cash flow hedges	24	99,662.0	-20,218.8
Unrealised income from currency translation	24	2,314.6	-7,465.0
Items that were or may be reclassified (“recycled”) subsequently to the income statement		**-322,700.9**	**72,858.5**
Other comprehensive income after tax		**-333,316.1**	**87,580.4**
Comprehensive income		**-308,796.2**	**282,446.6**
Comprehensive income attributable on a pro rata basis:			
to the shareholder of the parent company		-313,367.5	277,482.9
to non-controlling interests		4,571.3	4,963.7

Consolidated Balance Sheet as of 31.12.2023

Assets	Note	Dec 31, 2023 in TEUR	Dec 31, 2022 in TEUR
Non-current assets			
Property, plant and equipment	14	36,443,726.2	33,959,296.6
Intangible assets	15	1,212,609.0	1,078,467.8
Investment property	16	292,489.9	234,839.2
Investments recorded at equity	17	73,208.7	72,795.2
Other financial assets	18	187,775.5	314,304.3
Other receivables and assets	20	78,722.2	85,719.3
Deferred tax assets	13	226,183.0	202,259.3
		38,514,714.6	**35,947,681.7**
Current assets			
Inventories	21	409,011.9	353,251.1
Trade receivables	20	735,117.2	591,992.5
Other receivables and assets	20	438,076.1	452,875.1
Income tax receivables	20	2,939.0	1,979.1
Other financial assets	18	160,325.0	421,748.6
Non-current assets held for sale	19	11,418.0	95.9
Cash and cash equivalents	22	593,165.5	198,372.1
		2,350,052.8	**2,020,314.4**
		40,864,767.3	**37,967,996.1**

Shareholders’ equity and liabilities	Note	Dec 31, 2023 in TEUR	Dec 31, 2022 in TEUR
Shareholders’ equity			
Share capital	23	1,900,000.0	1,900,000.0
Additional paid-in capital	24	141,812.2	141,812.2
Other reserves	24	-132,558.2	190,208.5
Retained earnings	24	1,283,509.1	1,274,109.9
Equity attributable to the shareholder of the parent company		**3,192,763.1**	**3,506,130.6**
Non-controlling interests	23	19,838.5	18,071.6
		3,212,601.7	**3,524,202.2**
Non-current liabilities			
Financial liabilities	25	31,202,525.1	27,916,861.0
Provisions	26	693,214.3	536,316.7
Other liabilities	27	25,443.9	26,493.3
Deferred tax liabilities	13	4,373.3	5,022.8
		31,925,556.6	**28,484,693.7**
Current liabilities			
Financial liabilities	25	2,331,700.1	2,409,660.3
Provisions	26	541,727.7	603,685.4
Trade payables	27	1,614,385.2	1,373,866.1
Other liabilities	27	1,232,396.1	1,565,488.2
Non-current liabilities held for sale	19	6,400.0	6,400.0
		5,726,609.0	**5,959,100.1**
		40,864,767.3	**37,967,996.1**

Consolidated Statement of Cash Flow 2023

Note		2023 in TEUR	2022 in TEUR
Net income		24,520	194,866
Non-cash expenses and income			
+ Depreciation and amortisation on property, plant and equipment intangible assets and investment property	9	1,529,325	1,488,909
+ Depreciation / - appreciation on non-current financial assets		1,313	-113
- Amortisation of investment grants	9	-149,379	-155,732
+ Losses / - gains on disposal of property, plant and equipment, intangible assets and investment property		-367	-20,411
+ Losses / - Gains from the disposal of asset groups held for sale		77	-2,459
- Gains on exchange rates / + losses on exchange rates		-5,894	3,134
- Other non-cash income / + other non-cash expenses		-981	388
+ Interest expenses	11	527,947	457,038
- Interest income	11	-49,081	-42,672
+ Tax income		87,112	-1,620
Changes in assets and liabilities			
- Increase / + decrease in inventories	21	-53,751	-38,365
- Increase / + decrease in trade receivables and other assets		329,723	-209,521
+ Increase / - decrease in trade payables and other liabilities and deferrals		-614,944	78,842
+ Increase / - decrease in provisions	26	90,636	145,563
- Interest paid		-589,524	-582,813
+ Interest received		50,324	16,065
- Income tax paid	13	-11,337	-8,227
Cash flow from operating activities a)		**1,165,718**	**1,322,872**
+ Proceeds from disposal of property, plant and equipment and intangible assets		46,503	38,757
- Expenditures for property, plant and equipment and intangible assets	14, 15	-4,217,242	-3,385,722
+ Proceeds from disposal of financial assets		500	0
- Expenditures for investments in financial assets		-1,202	-764
+ Proceeds / - Repayments of investment grants	14, 15	366,605	238,779
+ Proceeds from the disposal of financial assets		0	32,380
- Expenditures for the acquisition of consolidated companies and other business units		-191	-9,220
+ Dividends received		2,426	2,513
+ Cash received from the redemption of loans granted (from investing activities)		42	5,333
Cash flow from investing activities b)		**-3,802,559**	**-3,077,944**
- Payments to non-controlling interests		-2,324	-1,392
+ Proceeds from issue of bonds and loans	25.33	440,912	1,036,213
- Redemption of bonds and loans	33	-1,636,893	-1,948,435
- Cash payments from lease liabilities	33	-137,682	-126,137
+ Proceeds from other borrowings (from financing activities)	33	4,581,241	2,878,533
- Payments for the repayment of other loans	33	-207,102	-5,562
+ Proceeds from the repayment / – Payments for the granting of other loans		-5,221	0
Cash flow from financing activities c)		**3,032,931**	**1,833,220**
Funds at the beginning of the period		188,632	110,998
Foreign currency translation		-1,039	-514
Change in the funds resulting from cash flows (a+b+c)		396,090	78,148
Funds at the end of the period		**583,683**	**188,632**

*) see Note 33.

Information on the composition of cash and cash equivalents is provided in Notes 22 and 33.

Consolidated Statement of Changes in Equity 2023

	Equity attributable to the shareholder of the parent company							
			Other reserves					
in TEUR	Share capital	Additional paid-in capital	Cash flow hedge reserve	Foreign currency translation	Retained earnings	Total equity	Non-controlling interests	Total shareholders' equity
As of Jan 01, 2022	*1,900,000.0*	*141,812.2*	*191,933.0*	*-74,582.9*	*1,069,485.6*	*3,228,647.8*	*14,918.2*	*3,243,566.1*
Net income					189,902.5	189,902.5	4,963.7	194,866.2
Other comprehensive income			80,323.5	-7,465.0	14,721.9	87,580.4		87,580.4
Comprehensive income			**80,323.5**	**-7,465.0**	**204,624.4**	**277,482.9**	**4,963.7**	**282,446.6**
Dividends distributed to non-controlling shareholders							-1,810.4	-1,810.4
As of Dec 31, 2022	**1,900,000.0**	**141,812.2**	**272,256.5**	**-82,048.0**	**1,274,109.9**	**3,506,130.7**	**18,071.6**	**3,524,202.2**

	Equity attributable to the shareholder of the parent company							
			Other reserves					
in TEUR	Share capital	Additional paid-in capital	Cash flow hedge reserve	Foreign currency translation	Retained earnings	Total equity	Non-controlling interests	Total shareholders' equity
As of Jan 01, 2023	*1,900,000.0*	*141,812.2*	*272,256.5*	*-82,048.0*	*1,274,109.9*	*3,506,130.7*	*18,071.6*	*3,524,202.2*
Net income					20,012.2	20,012.2	4,507.7	24,519.9
Other comprehensive income			-325,015.5	2,248.8	-10,612.9	-333,379.7	63.6	-333,316.1
Comprehensive income			**-325,015.5**	**2,248.8**	**9,399.3**	**-313,367.5**	**4,571.3**	**-308,796.2**
Dividends distributed to non-controlling shareholders							-2,804.3	-2,804.3
As of Dec 31, 2023	**1,900,000.0**	**141,812.2**	**-52,759.0**	**-79,799.2**	**1,283,509.1**	**3,192,763.1**	**19,838.5**	**3,212,601.7**

The number of shares remains unchanged at 190,000.

Further details on the Statement of Changes in Shareholders' Equity are available in Notes 23 and 24.

Notes to the Consolidated Financial Statements as of 31.12.2023

A. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Österreichische Bundesbahnen-Holding Aktiengesellschaft (hereinafter ÖBB-Holding AG for short) and its subsidiaries form the Österreichische Bundesbahnen-Holding Aktiengesellschaft Group (hereinafter ÖBB Group).

ÖBB-Holding AG is a joint-stock company founded in 2004 pursuant to Section 2 (1) Federal Railways Act (Bundesbahngesetz) as amended by the Federal Railways Structure Act (Bundesbahnstrukturgesetz BGBl. I Nr. 138/2003) as the parent company of the ÖBB Group, with its registered office in Vienna and 100% of its shares being reserved for the federal government. The shares are managed by the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology. The address of the registered office is: Am Hauptbahnhof 2, 1100 Vienna, Austria. The ÖBB Group is registered in the commercial register under FN 247642 f at the Vienna Commercial Court. The consolidated financial statements are also filed there.

The ÖBB Group presents itself with ÖBB-Holding AG as the strategic lead company, which holds all shares in the three joint stock companies (subgroups) ÖBB-Personenverkehr Aktiengesellschaft, Rail Cargo Austria Aktiengesellschaft and ÖBB-Infrastruktur Aktiengesellschaft (henceforth AG instead of Aktiengesellschaft). The subgroups are now to be named the ÖBB-Personenverkehr subgroup, Rail Cargo Group and the ÖBB-Infrastruktur subgroup.

A subsidiary of ÖBB-Holding AG, ÖBB-Infrastruktur AG, is a public interest entity pursuant to Section 189a Z 1 lit a of the Austrian Commercial Code (UGB) and is therefore required to prepare subgroup financial statements in accordance with IFRS, as bonds issued by it are admitted to trading on the regulated market of the Vienna Stock Exchange. The subgroup financial statements of ÖBB-Infrastruktur AG are filed in the commercial register under FN 71396 w at the Vienna Commercial Court.

1. Accounting principles

ÖBB-Holding AG is required to prepare consolidated financial statements pursuant to Section 244 of the Austrian Commercial Code (UGB). The consolidated financial statements as at 31.12.2023 were prepared pursuant to Section 245a (2) UGB in conjunction with the "IFRS Regulation" in compliance with the International Financial Reporting Standards ("IFRS", "IAS") endorsed by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC", "SIC"), which were effective and endorsed by the European Union as at 31.12.2023 and endorsed by the European Union, as well as the additional requirements of Section 245a UGB. ÖBB-Holding AG presents these consolidated financial statements in accordance with IFRS as exempting consolidated financial statements in accordance with internationally recognised accounting principles pursuant to Section 245a of the Austrian Commercial Code (UGB).

The consolidated financial statements are prepared in Euro (EUR). All amounts indicated in these Notes are presented in EUR millions (EUR million) or thousands (TEUR), unless another currency unit is indicated. Rounding differences may occur as the rounded presentation includes figures not shown that are subject to precise internal calculation. In the interest of being reader-friendly, explicit gender-specific spelling has been omitted in some cases.

Disclosures on amended and new IFRS regulations

The following standards and interpretations were amended or became mandatory for the first time compared to the consolidated financial statements as at 31.12.2022 due to their endorsement into EU law or their coming into effect.

Revised and amended standards / interpretations		Effective as of[1]	essential impact on the Consolidated Financial Statements
IFRS 17	Insurance Contracts	Jan 01, 2023	no
IFRS 17	First time application of IFRS 17 and IFRS 9	Jan 01, 2023	no
IAS 1	Disclosures on accounting policies	Jan 01, 2023	no
IAS 8	Definition of accounting-related estimates	Jan 01, 2023	no
IAS 12	Deferred taxes relating to assets and liabilities from a single transaction	Jan 01, 2023	no
IAS 12	International tax reform – Pillar 2 model rules	Jan 01, 2023	yes

[1] Applicable for financial years starting on or after the date indicated.

Amendments to IAS 12 "International Tax Reform – Pillar II Legislation" (Global Minimum Taxation)

The amendments to IAS 12 contain a temporary, mandatory and immediately applicable exception to the recognition of deferred taxes resulting from the introduction of global minimum taxation; they also require specific disclosures in the notes on the impact of minimum taxation. Please refer to Note 3 regarding "Income Taxes and Deferred Taxes".

IFRS 17 Insurance Contracts (including the amendments from June 2020 and December 2021)

The new standard sets out the principles for the recognition, measurement, presentation and disclosure of insurance contracts and replaces IFRS 4 Insurance Contracts.

Outlook on future IFRS amendments

The following standards and interpretations were endorsed by the IASB and endorsed by the EU, except for those specified in Note 2. The option of applying individual standards early was not exercised. The potential impact of the new and amended standards is currently being evaluated.

Standards / interpretations		Effective as of[1]	expected essential impact on the Consolidated Financial Statements
Amended standards and interpretations			
IAS 1	Classification of debt as current or non-current	Jan 01, 2024	no
IFRS 16	Sale and lease back transactions	Jan 01, 2024	no
IAS 1	Classification of debt with covenants	Jan 01, 2024	no
IAS 7/IFRS 7	Supplier financing agreements	Jan 01, 2024[2]	no
IAS 21	Lack of exchangeability	Jan 01, 2025[2]	no

[1] Applicable for financial years starting on or after the date indicated.
[2] Not yet endorsed by the EU.

The amendment to IFRS 16 contains requirements for the subsequent measurement of leases under a sale and leaseback for seller-lessees. This is primarily intended to standardise the subsequent measurement of leasing liabilities in order to prevent inappropriate profit realisation. In principle, the amendment means that the payments expected at the beginning of the term must be taken into account in the subsequent measurement of lease liabilities in the context of a sale and leaseback arrangement. In each period, the lease liability is reduced by the expected payments and the difference to the actual payments is recognised in profit or loss. The effect of the amendments to IFRS 16 is currently being evaluated in the ÖBB Group.

There are no other standards that are not yet effective and are expected to have a material effect on the ÖBB Group in the current or future reporting period and on expected future transactions.

2. Consolidation and basis of consolidation

Consolidation principles

Reporting date

The reporting date for all fully consolidated companies included in the consolidated financial statements is 31.12.

Foreign currency conversion

Foreign currencies are translated in accordance with the functional currency concept. The functional currency of all subsidiaries included in the Consolidated Financial Statements is the respective national currency. The Consolidated Financial Statements are presented in Euro, the functional currency of the parent company.

Foreign currency transactions are first translated into the functional currency by the Group companies at the spot rate applicable on the date of the transaction. Monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at each reporting date at the respective spot rate. Translation differences from financial assets and financial liabilities are recognised in the financial expenses or financial income as relevant. Non-monetary items measured at historic acquisition and production cost denominated in a foreign currency are translated at the rate applicable on the date of the transaction. Non-monetary items measured at fair value denominated in a foreign currency are translated at the rate applicable at the time the fair value is determined.

The annual financial statements of the foreign subsidiaries included in the consolidated financial statements are translated as follows: Assets and liabilities are valued at the foreign currency reference rates of the Austrian National Bank (OeNB) on the reporting date. The items of the income statement. are translated at the annual average rates. Any differences arising from currency translation are recognised in other comprehensive income. As long as the subsidiary is included in the basis of consolidation, the translation differences are continued in other comprehensive income and thus in consolidated shareholders' equity. If subsidiaries leave the basis of consolidation, the corresponding translation differences are recognised in the consolidated net income.

As the principal market of the ÖBB Group is in Austria, sales in foreign currencies account only for a small proportion of transactions. The exchange rates of major currencies have developed as follows (Source: European Central Bank [ECB] reference rates pursuant to www.oenb.at):

	Reporting date rate		Annual average rate	
rounded in EUR	Dec 31, 2023	Dec 31, 2022	2023	2022
Bosnia and Herzegovina Convertible Mark (BAM)	1.956	1.956	1.956	1.956
Bulgarian Lev (BGN)	1.956	1.956	1.956	1.956
Croatian Kuna (HRK)	not specified	7.537	not specified	7.535
New Turkish Lira (TRY)	32.653	19.965	25.760	17.409
Polish Zloty (PLN)	4.340	4.681	4.542	4.686
Romanian Leu (RON)	4.976	4.950	4.947	4.931
Russian Ruble (RUB)	98.591	77.299	92.952	71.878
Swiss Francs (CHF)	0.926	0.985	0.972	1.005
Czech Korunas (CZK)	24.724	24.116	24.004	24.566
Hungarian Forint (HUF)	382.800	400.870	381.850	391.290
US Dollar (USD)	1.105	1.067	1.081	1.053

Consolidation

Subsidiaries (capital consolidation)

Subsidiaries are entities controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power of control over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control until the expiration of control.

Accordingly, the results of operations of the businesses acquired or sold during the reporting year are included in the Consolidated Statement of Comprehensive Income from the date of acquisition or until the date of disposal respectively.

If the Group loses control over a subsidiary, the assets and liabilities of the subsidiary and other components of equity are de-recognised.

Accounting policies are applied consistently by all subsidiaries in the ÖBB Group.

Corporate mergers

Company mergers are accounted for using the purchase method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value at the acquisition date, and the non-controlling interest in the company being acquired. Whenever a company merger occurs, the acquirer measures the shares of non-controlling shareholders in the acquired company at the corresponding share of the identifiable net assets of the acquired company. Costs incurred as part of the business combination are recognised as an expense and reported in other operating expenses.

When the Group acquires a business, it assesses the appropriate classification and designation financial assets acquired and liabilities assumed in accordance with the contractual terms, economic circumstances and conditions prevailing at the acquisition date. This also includes a separation of derivatives embedded in underlying contracts. When business combinations are achieved in successively, the acquirer's former equity interest in the acquiree is remeasured to fair value at the acquisition date and the resulting gain or loss is recognised in profit or loss. Any agreed contingent consideration is recognised at fair value at the acquisition date. Subsequent changes in the fair value of a contingent consideration that is an asset or liability are recognised either in profit or loss or in other comprehensive income in accordance with IFRS 9 "Financial Instruments". Contingent consideration classified as an equity instrument is not remeasured, its subsequent settlement is accounted for in equity.

Goodwill is initially recognised at cost, which is measured as the excess of the consideration transferred and the amount of non-controlling interests over the identifiable assets acquired and liabilities assumed. When this consideration is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the income statement. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

Impairment testing purposes require goodwill acquired in a business merger, from the acquisition date, to be allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. This applies regardless of whether other assets or liabilities of the acquired company are allocated to these cash-generating units.

When goodwill has been allocated to a cash-generating unit and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. The value of the portion of goodwill disposed of is determined based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Transactions with non-controlling shareholders without loss of control

Transactions with non-controlling shareholders without loss of control are treated as transactions with equity owners of the Group. Any difference arising on the acquisition of a non-controlling interest between the consideration paid and the relevant share of the carrying amount of the net assets of the subsidiary is recognised in equity. Gains and losses arising on the disposal of non-controlling interests are also recognised in equity.

Associated companies

An associated company is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over the decision-making processes.

Interest in associated companies are included in the Consolidated Financial Statements using the equity method of accounting, except for investments classified in accordance with IFRS 9 as equity instruments measured at fair value. Initial recognition is at acquisition cost. These are subsequently adjusted for changes in the ÖBB Group's share of net assets after the acquisition date and adjusted for impairment losses. Losses in excess of the investment in the associated company are not recognised if there is no obligation to make additional contributions.

Should the acquisition cost of the ÖBB-Group share be more than the fair values of the identifiable assets and liabilities of the associated company at the date of acquisition, such difference is accounted for as goodwill included in the value of the investment. Should the acquisition cost of the ÖBB Group share be less than the fair values of the identifiable assets and liabilities at the date of acquisition, the difference is recognised in the income statement in the period the acquisition occurred.

Joint ventures

A joint arrangement is an arrangement in which two or more parties under joint control hold the rights to the net assets under the agreement.

A joint venture is a contractual arrangement regarding an economic activity in which two or more parties have joint control. If these rights are included in the net assets of the agreement, and are not rights to its assets and liabilities for its debts, these joint ventures are included in the consolidated financial statements using the equity method.

Composition of and change in the basis of consolidation

The scope of consolidation includes, in addition to ÖBB-Holding AG, 64 (py: 65) other fully consolidated companies as well as ten (py: ten) associated companies and one (py: one) joint venture accounted for using the equity method, making a total of 76 (py: 77) companies. The companies included in the Consolidated Financial Statements are disclosed in Note 34.

The basis of consolidation is defined to enable the Consolidated Financial Statements to give a true and fair view of the net assets, financial position and results of operations of the ÖBB Group. The companies not included in the scope of full consolidation are companies with a low volume of business, with total turnover, assets and liabilities and each less than 1% of the Group values.

Change in the basis of consolidation in the years 2022 and 2023

The basis of consolidation developed as follows:

Basis of consolidation	Full consolidation	Consolidation using the equity method	Total
As of Jan 01, 2022	*67*	*11*	*78*
thereof foreign companies	*35*	*6*	*41*
Addition	0	1	1
thereof foreign companies	*0*	*1*	*1*
Disposal	-1	-1	-2
As of Dec 31, 2022	**66**	**11**	**77**
thereof foreign companies	*35*	*7*	*42*
Disposal (due to intragroup merger)	-1	0	-1
thereof foreign companies	*-1*	*0*	*-1*
As of Dec 31, 2023	**65**	**11**	**76**
thereof foreign companies	*34*	*7*	*41*

As at 01.07.2023, the affiliated fully consolidated company Rail Cargo Terminal – S. Stino S.r.l. (San Stino, Italy) was merged with the affiliated fully consolidated company Rail Cargo Terminal – Desio S.r.l. (Desio, Italy) with retroactive effect from 01.01.2023 and subsequently renamed Rail Cargo Logistics – Terminals Italy s.r.l. (Desio, Italy).

In the previous year, the shares in Güterterminal Werndorf Projekt GmbH (Vienna) were sold, which means that this company is no longer included in the consolidated financial statements as an affiliated, fully consolidated company. The company Breitspur Planungsgesellschaft mbH in Liqu. (Vienna) was deleted from the commercial register in 2023 and was in liquidation since December 2022, meaning that there was no longer any significant influence over this company and the company was no longer accounted for using the equity method as at 31.12.2022. The company was liquidated on 01.12.2023. In addition, RAILTOUR (SUISSE) SA (Zollikofen, Switzerland) was included in the consolidated financial statements for the first time as of 31.12.2022 using the equity method. The initial consolidation of this company resulted in a difference of approx. EUR 4.4 million in 2022, which was made up of hidden reserves of approx. EUR 1.8 million and goodwill of approx. EUR 2.6 million.

The presentation of goodwill is shown in the statement of changes in non-current assets in Note 15. The effects arising from the deconsolidation of subsidiaries and shares in subsidiaries are recognised in profit or loss under other operating income, other operating expenses and the result from companies accounted for using the equity method.

An overview of all Group companies is provided in Note 34.

3. Summary of significant accounting policies

Basis of preparation of financial statements

The consolidated financial statements are prepared on the basis of the principle of amortised cost. This excludes derivative financial instruments and equity instruments measured at fair value and personnel provisions accounted for using the Projected-Unit-Credit-Method (PUC method).

Property, plant and equipment and investment property

Property, plant and equipment and investment property in accordance with IAS 40 are carried at cost less depreciation and any impairment losses. Cost includes certain expenses incurred in the course of the construction or development of the rail infrastructure network, such as acquisition cost, material and personnel expenses, directly attributable fixed and variable overhead, the present value of obligations resulting from demolition, dismantling and removing the asset, restoration of sites, and borrowing costs directly attributable to qualifying assets. VAT charged by suppliers with a subsequent entitlement to input tax deduction is not included in acquisition or production cost. Property, plant and equipment under a finance lease are recognised at the lower of the present value of the minimum lease payments or fair value.

Significant parts of an asset are capitalised separately if they have different useful lives than the rest of the asset. This is not the case if their acquisition cost is insignificant in relation to the entire acquisition costs for the item.

Depreciation of property, plant and equipment and investment property is calculated on a straight-line basis over the estimated useful life of the asset and reported in the line item Depreciation and Amortisation in the Consolidated Income Statement. Expenses incurred in the carrying amount of an item of property, plant and equipment during its creation are shown as “Assets under Construction”. Leasehold improvements are also depreciated over the shorter of their estimated useful life or the term of the lease.

There were no significant changes to the useful lives in the 2023 financial year. The economic useful lives are as follows for financial 2023 and 2022:

	Years
Buildings	
Substructure	20–150
Power plants	80
Tunnels	80 and 150 respectively
Railway tracks	100
Other substructures	20 and 80 respectively
Superstructure	5–80
Roadbed and track	35–50
Security and telecommunications equipment	5–30
Automobiles and trucks	5–50
Technical equipment and machinery	
High-voltage and lightning equipment	5–50
Tools and equipment	4–20
Machinery	3–15
Other plant, furniture and fixtures	1–15

The following useful lives, which have not changed significantly compared to the previous year, form the basis for straight-line amortisation in the financial year 2023 with regard to the useful lives of the rights of use recognised in accordance with IFRS 16:

	Years
Rights of use for land and buildings	1–42
Rights of use for automobiles and trucks	1–10
Rights of use for technical equipment and machinery	1–14
Rights of use for other plant, furniture and fixtures	1–6

Residual carrying amounts and remaining useful lives are reviewed each year as of the reporting date.

Costs for maintenance measures and repairs are expensed as incurred, replacement, expansion, and value-increasing investments are capitalised. The distinction between maintenance measures and repairs that are expensed immediately and investments that are capitalised as mandatory is based on the rules of IAS 16 “Property, plant and equipment” and accounting principles derived from these for Group-specific circumstances. The cost and accumulated depreciation and amortisation of assets sold or retired are removed from the accounts, and resulting gains or losses are recognised in other operating income or expenses. The useful economic lifetimes and depreciation methods presented also apply to those assets that are reported in the item “Investment Property”.

Asset-related subsidies (investment grants)

Government Grants

Subsidies granted to the ÖBB Group (investment grants) are recognised in the financial statements if there is certainty that the payment will be made and the necessary conditions for the receipt of the subsidies are met. The asset-orientated grants, primarily investment grants, are deducted directly from the subsidised assets (property, plant and equipment or intangible assets) on the assets side. The depreciation expenses less income from the amortisation of these investment grants are recognised in the Consolidated Income Statement. In principle, investment grants are amortised over the useful life of the asset for which the grant was received. When assets are disposed of that were allocated investment grants, then these are recognised together with the sold or retired carrying amounts as other operating income or other operating expenses.

The development of the investment grants is shown in the statement of changes in fixed assets. The main investment contributors are the Republic of Austria, the former Eisenbahn-Hochleistungsstrecken AG and Schieneninfrastrukturfinanzierungs-GmbH.

Third-party grants

Grants towards the construction costs of property, plant and equipment (e.g. avalanche barriers), usually from government-related companies, are recognised in the balance sheet and deducted from the subsidised assets on the assets side. Grants awarded to third parties are recognised as intangible assets to the extent that they provide a benefit in future periods.

Grants paid to joint ventures (Galleria di Base del Brennero – Brenner Base Tunnel BBT SE) are recognised under intangible assets in the item “Investment grants to third parties”. As the federal government is financing the expansion of the Brenner Base Tunnel in full, it is providing corresponding investment grants (in the form of a 50-year annuity). These are also recognised under intangible assets in the item “Cost contributions to third parties” as cost contributions received.

Goodwill and other intangible assets

Goodwill

Goodwill represents the excess of the cost of the acquisition over the fair value of the ÖBB Group’s share of the net assets of the acquiree at the date of acquisition. Goodwill arising from the acquisition of a company is recognised under intangible assets. Goodwill recognised in the statement of financial position is subject to an annual impairment test and measured at its original acquisition cost less accumulated impairment losses. Reversals of impairment losses are not permitted. Goodwill is allocated to cash-generating units (CGU) for the purpose of impairment testing. The allocation is made to those cash-generating units and groups of cash-generating units that are expected to benefit from the combination in which the goodwill arose.

Other intangible assets

The ÖBB Group does not recognise any significant other intangible assets with indefinite useful lives. Depreciable intangible assets are recognised at cost less straight-line amortisation.

Intangible assets are amortised on a straight-line basis over its estimated useful life, and amortisation is recognised in the line item Depreciation and Amortisation in the Consolidated Income Statement.

Scheduled straight-line depreciation in the financial year 2023 is based on the following useful lives, which have not changed significantly compared to the py:

	Years
Investment grants	3–80
Concessions	2–20
Development costs	4
Software	2–20
Other intangible assets	5–20

In principle, investment grants are amortised over the useful life of the asset for which the grant was received.

Impairment of property, plant and equipment, intangible assets and as financial investments in property

Methodology

Property, plant and equipment, intangible assets and investment property with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Assets with an indefinite useful life (especially goodwill) are subject to mandatory impairment testing at least once a year. The impairment test is performed for all items of property, plant and equipment and intangible assets. In accordance with the provisions of IAS 36 "Impairment of Assets", an impairment loss is recognised if the carrying amount exceeds the higher value which results from the fair value less cost to sell and value in use. The fair value less cost of sale corresponds to the amount realisable in an arm's length sale transaction and is determined in accordance with IFRS 13. The value in use corresponds to the discounted estimated future net cash flows that are expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Impairment losses are recognised in the item 'Depreciation and Amortisation' in the consolidated income statement. The ÖBB Group determines the value in use as it can be assumed that the value in use is above the fair value less cost of sale.

The value in use corresponds to the estimated future net cash flows of the cash generating units ("CGU") based on the business plans derived from past results and the Management Board's best estimates of future developments. The growth rates assumed in the business plans (budget 2024 and medium-term planning 2025 to 2029) reflect the weighted average growth rates based on market estimates. Cash flow forecasts exceeding the period covered by the business plan are based on steady growth rates for subsequent years and are not in excess of the long-term weighted average growth rate for the industry and the country where the cash-generating unit operates. Cash flow projections beyond the business plan period are determined based on a constant growth rate for subsequent years and are not in excess of the long-term weighted average growth rate for the industry and country in which the CGU operates. Special effects after the business planning period that were already known and estimable at the time of the annual financial statements were taken into account in the calculation of the value in use.

If the recoverable amount is higher than the carrying amount, there is no impairment for the CGU concerned. If the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised for that unit.

The impairment is first allocated to goodwill (if any) and subsequently to the assets of the CGU on a pro rata basis, whereby the assets of the CGU may not be amortised below their recoverable amount. The reductions in the carrying amount represent expenses from the impairment of the individual assets.

Should there be an indication that an asset is no longer impaired, the impairment loss is reversed in full or in part through profit or loss, up to a maximum of the amortised cost. Reversal of impairment losses is not permitted in the case of goodwill.

At the end of the year, management reviews whether a triggering event for impairment has occurred.

Structure of the cash-generating units (CGU) and calculation premises

Each CGU consists of one, a part or a number of legally independent companies. The delimitation criteria for the CGU's are based on the structure of business operations and correspond to the business areas and business activities. This structure ensures that all material assets of the ÖBB-Group are tested for impairment.

The entire pool of traction units of ÖBB-Produktion Gesellschaft mbH is used jointly across the ÖBB Group and allocated to the CGU Cargo and CGU Intermodal of the Rail Cargo Group subgroup and the CGU Passenger Transport of the ÖBB-Personenverkehr subgroup in accordance with their utilisation as part of the impairment test.

Cash-generating units of the ÖBB-Personenverkehr subgroup

The ÖBB-Personenverkehr subgroup consists of four (py: four) CGUs: "ÖBB-Personenverkehr", which deals with rail passenger transport, "Postbus", which deals with bus passenger transport, "iMobility", which manages a mobility app, and "ÖBB-Technische Services", which deals with the maintenance of rolling stock. Apart from iMobility GmbH, each CGU consists of a number of legally independent companies. The delimitation criteria for the CGUs are therefore based on the structure of the operating business and correspond to the business areas and business activities of the ÖBB-Personenverkehr subgroup.

In the current reporting year, an indication of a possible impairment of assets was identified at the Postbus CGU due to sharp cost increases and inadequate value hedges in the contracts, which led to a short-term deterioration in the operating result, which is why an impairment test was conducted.

In the reporting year 2022, no indication of a possible impairment of assets was identified in any CGU of the ÖBB-Personenverkehr subgroup, which is why no impairment test was conducted.

Cash-generating units of the Rail Cargo Group

The following CGUs were determined for the Rail Cargo Group subgroup on the basis of the business model, business management and the existence of independent cash flows: "Cargo", "Intermodal" and "TS-HU".

The freight wagons and the other assets were allocated to the CGUs in accordance with their use.

The Cargo CGU contains goodwill, which is the reason for the mandatory annual impairment test being conducted. In the ÖBB Group, the impairment test for this CGU was conducted on the reporting date of 31.12.2023.

In the current reporting year, the development of container traffic in connection with the global economy at the Intermodal CGU and the planned sale of a minority interest at the TS-HU CGU also identified an indication of a possible impairment of assets, which is why an impairment test was carried out in each case. In the previous reporting year 2022, the Intermodal CGU was also recognised as an indicator of possible impairment and an impairment test was therefore conducted.

Cash-generating units of the ÖBB-Infrastruktur subgroup

No indicators of possible impairment were identified for either 2022 or 2023 for a CGU, which is why no impairment tests were conducted. There is currently no indication of impairment for the CGU Rail Infrastructure due to the following preamble to the grant agreements pursuant to Section 42 of the Federal Railways Act: "ÖBB-Infrastruktur AG is a railway infrastructure company whose tasks are in the public interest and are defined in more detail in Section 31 of the Federal Railways Act.

The basis for the financing of the company is Section 47 Federal Railways Act, according to which the federal government must ensure that ÖBB-Infrastruktur AG has the funds necessary to fulfil its tasks and maintain its liquidity and equity, insofar as the tasks are covered by the business plan pursuant to Section 42 (6) Federal Railways Act. The commitment regulated by the federal government in this provision is implemented specifically in the grant agreements pursuant to Section 42 (1) and (2) Federal Railways Act. It is the understanding of the contracting parties that the objective of the grant agreements, irrespective of the respective term of the contract, is to permanently ensure the value of the assets of the ÖBB-Infrastruktur AG subgroup used for the tasks pursuant to Section 31 Federal Railways Act, which also complies with the legal mandate of the Federal Railways Act".

More detailed information is provided in the chapter "Transactions and performance relationships with the Republic of Austria, framework plan for infrastructure investments and the liability of the Republic of Austria" in Note 32.

Parameters of the impairment tests

A weighted average cost of capital customary in the market is used for each CGU for discounting purposes, which reflects the interest rate demanded by the capital market for the provision of debt and equity capital vis-à-vis the CGUs. Specific risks are taken into account through premiums or discounts . The cost of capital of the CGUs includes, for example, pro rata markups for cash flow risks arising outside Germany if their share of the total cash flow of the CGUs is material.

In the ÖBB Group, business plans are to be prepared for a period of six years – due to the need for a six-year framework plan pursuant to the provisions of Section 42 (7) Federal Railways Act. The six-year business plans are used for the impairment test. In addition, long-term effects from various developments, projects and measures are taken into account in order to determine a sustainable result level for the perpetual annuity. The cash flow projections after the planning period (perpetuity approach) were based on the corresponding growth rates and accumulation rates for each CGU.

The cash flow assumptions for the impairment tests were taken from the calculations of the business plans. The long-term return was fixed independently of the CGU at a return equivalent to the cost of capital. Based on the assumption that the long-term growth of the CGUs is orientated towards the ECB's inflation target of 2%, growth was taken as 0% to 2.0% (py: 2.0% to 2.1%). The accumulation rates required for the assumed growth were determined using the Gordon / Shapiro growth model. This model methodically maps the dependency of growth, the sustainably achievable return and the reinvestment required.

More detailed information for CGUs subject to an impairment test in the reporting period or in the previous year is provided in the table below:

For the cash-generating units of ÖBB group	RCG subgroup – Cargo *)	RCG subgroup – Intermodal Cargo *)	RCG subgroup – TS-HU	PV subgroup – Postbus
Reporting year 2023				
Before tax				
Interest rate 2024 – 2029	8.4%	9.2%	9.8%	6.1%
Interest rate perpetuity	6.4%	7.2%	7.8%	6.1%
Growth – perpetual annuity	*2.0%*	*2.0%*	*2.0%*	*0.0%*
Accumulation rate	*29.4%*	*24.8%*	*22.3%*	*0.0%*
After tax				
Interest rate 2024 – 2029	6.8%	8.1%	9.0%	5.0%
Interest rate perpetuity	4.8%	6.1%	7.0%	5.0%

*) Specific risk premiums were taken into account for the cash flows in Austria, Hungary, the Czech Republic, Russia, China and Slovakia. The discount rates shown represent the weighted cost of capital of the CGU.

For the cash-generating units of ÖBB group	RCG subgroup – Cargo *)	RCG subgroup – Intermodal Cargo *)	RCG subgroup – TS-HU	PV subgroup – Postbus
Reporting year 2022				
Before tax				
Interest rate 2023 – 2028	8.4%	9.1%	n/a	n/a
Interest rate perpetuity	6.4%	7.0%	n/a	n/a
Growth – perpetual annuity	*2.0%*	*2.1%*	*n/a*	*n/a*
Accumulation rate	*29.3%*	*25.9%*	*n/a*	*n/a*
After tax				
Interest rate 2023 – 2028	6.9%	8.0%	n/a	n/a
Interest rate perpetuity	4.8%	5.9%	n/a	n/a

*) Specific risk premiums were taken into account for the cash flows in Austria, Hungary, the Czech Republic, Russia, China and Slovakia. The discount rates shown represent the weighted cost of capital of the CGU.

n/a not applicable

The pre-tax discount rates shown were calculated retroactively using the internal rate of return method and are provided for information purposes only. The determination of the value in use of the CGUs, however, is based on the after-tax discount rates.

Intra-group transfer pricing based on estimates in line with the market of the companies involved was taken into account in the cash flow forecasts.

In the Section "b. Impairment losses and reversals of impairment losses", the result of the impairment tests for the two reporting years is presented in Note 3. Notes 14 and 15 present the effects of the impairment test on property, plant and equipment and intangible assets, respectively.

Impairment of investments in associated companies and joint ventures

Subsequent to the application of the equity method to the carrying amount of the investment, IAS 28.40 and IFRS 11 require a review at each reporting date to determine whether there is objective indication that the carrying amount is impaired. If indicators are identified, the recoverable amount of the investment must be determined in accordance with IAS 36. If there is an impairment loss, the investment must be written down accordingly. If associated companies or joint ventures are affected by the impairment, then it is recognised in the item "Result from companies accounted for using the equity method". Please refer to the above paragraph "Impairment of property, plant and equipment, intangible assets and investment property" for information on any impairment of the shares in the joint venture Galleria di Base del Brennero – Brenner Base Tunnel BBT SE and the shares in associated companies.

If there are indicators that suggest an impairment of the investment in the company accounted for using the equity method, the carrying amount is then reviewed for impairment. The proportionate goodwill is not audited separately. The review is performed for the entire carrying amount of the investment. Impairment losses are therefore not allocated separately to the goodwill included in the carrying amount of the investment and can also be fully reversed in subsequent periods.

Non-current assets and liabilities held for sale and disposal groups held for sale

A reclassification from non-current assets to non-current assets held for sale and from non-current liabilities to non-current liabilities held for sale is only made if a corresponding Supervisory Board resolution has been passed and a sale is also expected within twelve months. Non-current assets and liabilities held for sale as well as non-current groups of assets and liabilities held for sale are measured at the lower of carrying amount and fair value less costs of sale. Assets classified as held for sale are not subject to further depreciation and are shown as a separate item in the statement of financial position. Gains or losses from the sale of these assets and liabilities are reported together with gains and losses from the disposal of property, plant and equipment and intangible assets as other operating income or expenses or in the other financial result as far as participations are concerned. See Note 19 for more information.

Financial instruments

Recognition and de-recognition

Financial assets and liabilities are recognised when the ÖBB Group becomes a party to the contractual provisions financial instrument. Financial assets are de-recognised when:

- all the contractual rights to the cash flows from the financial asset have expired or been settled or
- all opportunities and risks resulting from the asset have been transferred to another party or
- the power to control the financial asset has been transferred to another party in its entirety.

A financial liability may only be de-recognised from the statement of financial position when it has been extinguished, i.e. when the contractual obligation has either been settled or cancelled or has expired. Regular purchases and sales of financial assets are recognised at the settlement date (date of fulfilment), derivative financial instruments are recognised at the date of conclusion (trade date).

Financial assets and liabilities are initially recognised at the fair value of the consideration given or received. Transaction costs are included in the initial recognition, except in the case of financial instruments measured at fair value through profit or loss.

Classification and measurement of financial assets

The ÖBB Group classifies financial assets into the following measurement categories:

- measured at amortised cost
- measured at fair value through equity (FVOCI)
- measured at fair value through profit or loss (FVTPL)

The classification and measurement of financial assets with borrowing characteristics depends on the company's business model for managing financial assets and contractual cash flows.

The ÖBB Group only reclassifies debt instruments if the business model for managing these types of assets changes. As no debt instruments are currently held at fair value through other comprehensive income in the ÖBB Group, no further explanation is required.

Debt instruments measured at amortised cost

A debt instrument is measured at amortised cost if both following conditions are met:

- The asset is held within the framework of a business model whose objective is to collect contractual cash flows from the assets held.
- The contractual terms financial asset result in cash flows at specified points in time that represent only principal and interest payments on the outstanding principal amount.

Interest income from these financial assets is stated in the financial result using the effective interest method.

Trade receivables, other receivables and financial assets (e.g. securities) are measured at amortised cost less impairment.

Cash and cash equivalents
The ÖBB Group reports cash on hand and bank balances with remaining terms to maturity of up to three months since the date of acquisition as cash and cash equivalents. Money market deposits with terms of more than three months are classified as other current financial assets along with securities. Cash and cash equivalents are included in cash and cash equivalents for the cash flow statement. Please refer to Notes 22 and 33 for further details.

Trade receivables
Trade receivables are recognised from the date on which they arise. Any unconditional right to receive consideration is recognised as a receivable. Trade receivables without significant financing components are initially measured at the transaction price.

Equity instruments measured at fair value through profit or loss

The Group measures all equity instruments held at fair value through profit or loss.

Debt instruments measured at fair value through profit or loss

A debt instrument that is neither measured at amortised cost nor at fair value through other comprehensive income, is measured at fair value through profit or loss. The ÖBB Group holds no debt instruments that are recognised at fair value through profit or loss.

Derivatives
Derivative financial instruments are measured at fair value. Changes in the fair value of derivative financial instruments are recognised in profit or loss or in other comprehensive income, depending on whether the derivative instrument is used to hedge the fair value of an item recognised in the Statement of Financial Position ("fair value hedge") or fluctuations in future cash flows ("cash flow hedge"). For derivative financial instruments designated to protect items on the statement of financial position, changes fair value of the hedged risks and of the derivative financial instrument are recognised in profit or loss. For derivative financial instruments designated as cash flow hedges, changes in the fair value of the effective portion of the hedging instrument are recognised via other comprehensive income in equity ("cash flow hedge reserve"). The effects reported in the cash flow hedge reserve are recognised in profit or loss when the underlying hedged item affects profit or loss. Changes in the fair value of the ineffective portion of the hedge and changes in the fair value of derivative financial instruments not classified as a hedge are recognised in profit or loss immediately. The ÖBB Group makes use of hedge accounting. See Note 29.3 on hedge accounting.

Non-current derivative financial instruments (interest rate swaps for hedging purposes) are divided into a current and a non-current portion based on the discounted payment streams in the applicable time frames.

Impairment of financial assets (IFRS 9)

The Group assesses the default risk associated with debt instruments measured at amortised cost or at fair value through equity on a forward-looking basis. Default risk is the risk of financial losses if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amounts financial assets correspond to the maximum default risk.

IFRS 9 provides for a general impairment model (three-step model) and a simplified method for determining the expected loss.

General impairment model

In accordance with the general impairment model, a distinction is made between three stages of impairment. The amount of the impairment loss is measured in accordance with the allocation financial instrument to one of these three stages. The general impairment model is applied to all financial instruments with the exception of trade receivables.

Stage 1: expected credit losses within the next twelve months

Stage 1 basically includes all financial instruments at inception as well as financial instruments that have not experienced any significant deterioration in credit quality since inception. The expected loss corresponds to the present value of the expected payment defaults arising from possible default events within the next twelve months (12-month expected credit loss) after the reporting date.

Stage 2: expected credit losses over the entire term – no deterioration in credit rating

If there is a significant increase in the default risk but no objective evidence of impairment, the allowance for losses on loans and advances must be increased to the amount of the expected losses over the entire remaining term. There is a rebuttable presumption of a transfer from stage 1 to stage 2 if contractual payments are past due for more than 30 days.

Stage 3: expected credit losses over the entire term – impaired creditworthiness

If there is objective evidence that a financial asset is impaired, the impairment loss is transferred to Stage 3. If the contractual cash flows are past due by more than 90 days, there is a rebuttable presumption that there is objective evidence of default. In which case, the financial instrument must be transferred to Stage 3. The determination of whether a financial asset has experienced a material increase in credit risk is based on an estimation of probabilities of default conducted at least annually, which takes into account both external rating information and internal information about the credit quality financial asset.

The probability of default is taken into account at the time of the initial recognition of assets and the existence of a significant increase in the default risk during all reporting periods. In order to assess whether the default risk has increased significantly, the default risk with respect to the asset on the reporting date is compared with the default risk at the time of initial recognition. The available, appropriate and reliable forward-looking information is taken into account.

Irrespective of the above analysis, there is a significant increase in credit risk if settlement of the contractual cash flows is more than 30 days past due. A default on a financial asset occurs when the counterparty fails to make contractual payments within 90 days of the due date. Financial assets are written off when they are no longer expected to be realisable according to reasonable estimates. If receivables have been written off, enforcement measures are continued in order to realise the due receivable. Realised amounts are recognised in profit or loss.

Financial instruments with low credit risk

In the case of debt instruments with a low credit risk that have an investment grade rating, the ÖBB Group applies the relief provision from the allocation to the relevant stages and allocates these in all cases to Stage 1. ÖBB Group considers this to be applicable, if debt instruments have a rating of BBB- or higher at Standard & Poor's.

Simplified impairment model

Trade receivables

The ÖBB Group applies the simplified approach for trade receivables mandatory under IFRS 9, where expected credit losses over the term are recorded from the initial recognition of the receivables. In accordance with the simplified impairment model, a provision must be recognised for all instruments, irrespective of their credit quality, amounting to the expected losses over the remaining term. The simplified procedure is applied to trade receivables or assets that fall within the scope of IFRS 15 "Revenue from Contracts with Customers" and that do not contain a significant financing component. If objective indications of impairment exist (e.g. insolvencies), individual value adjustments are created.

The default risk for trade receivables is determined on a collective basis. The Group default risk is mainly influenced by the individual characteristics of its customers. For the trade receivables the estimated expected payment defaults were determined based on experience with actual payment defaults from the last eight years using the simplified impairment model. The historical default rates are adjusted, if applicable, for expected future changes in macroeconomic factors such as gross domestic product (GDP), the unemployment rate and insolvency rates.

Classification and measurement of financial liabilities

Financial liabilities are measured at amortised cost (FLAC) or at fair value through profit or loss (FVTPL). A financial liability is measured at FVTPL if it is classified as being held for trading or is a derivative.

Financial liabilities (FLAC) are initially measured at their fair value and subsequently at amortised cost using the effective interest method.

Financial liabilities (FVTPL) are measured at fair value, and any gain or loss from the subsequent measurement is recognised through profit or loss.

Fair value of financial instruments

The carrying amounts of cash and cash equivalents, trade receivables and payables, receivables due from and liabilities due to related companies approximate their fair values. The fair value hierarchy level applied is 3, with the exception of cash and cash equivalents.

The fair value of non-current financial receivables, other financial assets without quoted market prices, financial liabilities and swap agreements is based on the present value of future cash flows, discounted at the ÖBB Group's estimated current interest rate at which comparable financial instruments may be concluded. Existing credit risk is considered when determining the fair values. This is fair value at hierarchy Stage 2.

The fair value of listed securities and bonds is allocated to either fair value hierarchy level 1 or 2 (Note 29.6).

The fair value of equity instruments is determined using multiples where appropriate and allocated to fair value hierarchy level 3.

Inventories

Inventories include, in the first instance, stocks of materials and spare parts used for the company's own rail network expansion, the maintenance and fault clearance of rail network operations and the technical servicing of the rolling stock, and, in the second instance, realisation properties.

Material stocks and spare parts are valued at the lower of acquisition or production cost and net realisable value, whereby acquisition and production costs are determined using the moving average price method. The net realisable value is determined on the basis of the estimated selling prices in a normal business development less the costs still to be incurred until completion. Internally produced inventories and refurbished reusable materials are capitalised at production cost. Appropriate loss allowances are made for non-current stock material and excessive manufacturing costs attributable to own production. For spare parts and materials, replacement costs are deemed to be the best available measure of their net realisable value.

Inventories also include properties no longer used for operational purposes that are being developed for subsequent sale ("realisation properties"). These are former station and railway facilities as well as service buildings that were used for permanent operations. These include substantial projects such as the areas of the former Südbahnhof and the Vienna North freight terminal, which are being developed on a major scale. Realisation properties are held for sale in the ordinary course of business or are in the process of production or development for such sale.

Realisation properties are capitalised at acquisition or production cost and valued at the lower of book value and net realisable value as at the reporting date. The net realisable value is the estimated selling price less the production costs still to be incurred and any costs of disposal.

Provisions

Provisions are recognised when the ÖBB Group has a present obligation (legal or constructive) arising from a past event and it is probable that the settlement of the obligation will result in an outflow of resources and the amount of the obligation can be measured with sufficient reliability.

The amount of the provision recognised is the best estimate at the reporting date of the expenditure required to settle the present obligation. In doing so, the inherent risks and uncertainties must be taken into consideration in the obligation. If a provision is measured based on estimated cash flows for the fulfilment of the obligation, such cash flows are discounted if the interest effect is material.

If it can be assumed that some or all of the provision necessary for the fulfilment of the economic benefits will be reimbursed by an outside third party, this claim is recognised as an asset when the reimbursement is virtually certain and its amount can be reliably estimated. See Note 26.2 for further details.

Leases

Lessee

At the inception of the contract, the ÖBB Group assesses whether the contract constitutes or contains a lease. This is the case when the contract conveys the right to control the use of an identified asset for a specified period of time, in return for a fee. In order to assess whether a contract contains the right to control an identified asset, the ÖBB Group uses the definition of a lease in accordance with IFRS 16.

On the commencement date, the Group records an asset for the right of use granted and a lease liability. The right of use is initially measured at cost, which is equal to the initial measurement of the lease liability, adjusted for payments made on or before the commencement date, plus any initial direct costs and the estimated costs of dismantling or removing the underlying asset or the site on which it is located, less any incentives received under the lease.

Subsequently, the right of use is amortised on a straight-line basis from the commencement date to the end of the lease term unless ownership of the underlying asset is transferred to the ÖBB Group at the end of the lease term or the cost of the right of use reflects the fact that the ÖBB Group will exercise a purchase option. In that case, the right of use is amortised over the useful life of the underlying asset, which is determined in accordance with the rules for property, plant and equipment. In addition, the right of use is continuously adjusted for impairment where necessary and adjusted for certain remeasurements of the lease liability.

For the first time, the lease liability is discounted at the present value of the lease payments not yet made at the inception of the lease, using the interest rate applicable to the lease or, if this interest rate cannot be readily determined, using the ÖBB Group’s incremental borrowing rate.

The lease payments included in the measurement of the lease liability comprise:

- fixed payments, including de facto fixed payments;
- variable lease payments linked to an index or (interest) rate, initially measured on the basis of the index or rate applicable on the commencement date or (interest) rate;
- amounts expected to be paid under a guaranteed residual value; and
- the exercise price of a call or renewal option if the ÖBB Group is reasonably certain to exercise it, and penalties for early termination of the lease unless the ÖBB Group is reasonably certain it will not terminate the lease prematurely.

The lease liability is measured at the amortised carrying amount using the effective interest method. It is remeasured if future lease payments change due to a change in an index or (interest) rate, if the ÖBB Group adjusts its estimate of the expected payments from a guaranteed residual value, if the ÖBB Group changes its estimation regarding the exercise of a purchase, extension or termination option, or if a de facto fixed lease liability changes.

If the lease liability is remeasured in this way, the carrying amount of the right of use is adjusted accordingly or, if the carrying amount of the right of use has been reduced to zero, the adjustment is recognised in profit or loss.

In the Statement of Financial Position, the ÖBB Group reports rights of use that do not meet the definition of an investment property under property, plant and equipment, and lease liabilities under financial liabilities.

Information on the accounting policies for cross-border leasing transactions is provided in Note 30.3.

Short-term leases and leases based on low-value assets

The ÖBB Group has made use of the relief not to recognise rights of use and lease liabilities for leases based on assets of low value (up to EUR 5,000.00), short-term leases and intangible assets. The ÖBB Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease.

Lessor

The ÖBB Group also acts as lessor and classifies each lease as either a finance lease or an operating lease at the inception of the lease.

In order to classify each lease, the ÖBB Group has made an overall assessment of whether the lease substantially bears all the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is an operating lease. In making this assessment, the ÖBB Group considers certain indicators, such as whether the lease will last for most of the useful life of the asset.

If it acts as an intermediary lessor, the ÖBB Group accounts separately for the head lease and the sublease. It classifies the sublease on the basis of its right of use under the head lease, rather than on the basis of the underlying asset. If the head lease is a short-term lease to which the ÖBB Group applies the exceptions described above, it classifies the sublease as an operating lease.

Lease payments under operating leases are recognised by the Group as income in revenue on a straight-line basis over the term of the lease.

Employee benefit commitments

The ÖBB Group has only entered into pension obligations granted under individual contracts, including for a former member of the Board of Management. There are otherwise, only defined contribution plans for pensions. In this case, the ÖBB Group makes payments into private-sector or public-sector pension schemes and employee provision funds on the basis of statutory or contractual obligations. Apart from the contribution payments, there are no further payment obligations. The regular contributions are recognised as personnel expenses in the respective period.

All other obligations (severance payments for employees whose employment began before 01.01.2003 and anniversary bonuses) result from unfunded defined benefit plans and are accrued accordingly. The ÖBB Group calculates the provision using the projected unit credit method (PUC method) in accordance with IAS 19 ("Employee Benefits"). The remeasurement of net defined benefit obligations contains only actuarial gains or losses. Future obligations are valued according to actuarial principles and are based on an appropriate estimate of the discount factor and salary increases as well as fluctuation. In accordance with this method, the Group recognises actuarial gains and losses from provisions for severance payments in other comprehensive income and those from provisions for anniversary bonuses in personnel expenses.

Following legal amendment, employees hired in Austria after 01.01.2003 are covered by a defined contribution plan with regard to obligations from severance payments. Contributions are paid into a defined contribution plan.

See Note 26.1 for further details.

Changes in existing provisions for decommissioning, restoration and similar obligations

In accordance with IAS 16 "Property, Plant and Equipment", the acquisition cost of property, plant and equipment also includes the initial estimated cost of dismantling and removing the item and restoring the site where it is located. Provisions for decommissioning, restoration and similar obligations are measured in accordance with the provisions of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". The effects of changes in the measurement of existing decommissioning, restoration and similar liabilities are accounted for in accordance with IFRIC 1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities". The regulations provide that any increase in such obligations reflecting the passage of time should be recognised in profit or loss. Measurement changes resulting from changes in the estimated timing or amount of the outflow of resources required to settle the obligation or from a change in the discount rate are added to or deducted from the cost of the related asset in the current period. The amount deducted from the acquisition cost of the asset is not to exceed the carrying amount.

Contract assets and contract liabilities

Contract assets relate to the ÖBB-Personenverkehr Group’s conditional claims for consideration for the complete fulfilment of contractual services. Claims from contract assets, less amounts already charged to the customer, are also reported in the trade receivables item. The amount is charged to the customer when the Group has fulfilled its performance obligations.

Contract liabilities relate to payments received prematurely, i.e. before the contractual performance obligation has been fulfilled. These are recognised as revenue as soon as the ÖBB-Personenverkehr Group has fulfilled its contractual performance obligations.

In both reporting years, contract assets and contract liabilities were identified and reported under trade receivables and other liabilities, respectively. Further details are given in Notes 20 and 27.

Revenue recognition

ÖBB-Personenverkehr recognises revenue when it meets a performance obligation by transferring a promised good or service to a customer. An good or service is considered to be transferred when the customer obtains control of the good or service.

The sales proceeds correspond to the contractually agreed transaction price. In most cases, the consideration is due when the legal title is transferred. In rare cases, deferment of payment may be agreed, but generally not to exceed twelve months. No significant financing component is therefore taken into account in the transaction price.

If significant financing components exist, they are recognised in the statement of comprehensive income separately from revenues from contracts with customers if, at the inception of the contract, it is expected that the period between transfer and payment for the goods or services will be more than one year. There are no other significant variable components of the transaction price.

If costs that can be capitalised arise in connection with the initiation of a contract or in connection with the fulfilment of a contract with a customer, and the contract term is more than one year, they are capitalised. The ÖBB Group does not have any contracts for which the contract term exceeds one year and for which capitalisable costs, which have not already been capitalised in accordance with IAS 16, have been incurred to a significant extent when initiating or fulfilling the contract. Accordingly, no contract initiation or fulfilment costs were capitalised.

Description of the most important revenue items from contracts with customers

ÖBB-Infrastruktur subgroup

Infrastucture usage charge (IBE)

An infrastructure charge is levied on the railway undertakings (RUs) for the use of the rail infrastructure of the ÖBB-Infrastruktur-Group. The contracts contain the orders placed by the individual RUs and are concluded by the ÖBB-Infrastructure-Group with the RUs. These orders are based on the Network Statement (SNNB), which contains a list of individual services for each working timetable period (e.g., for train paths, train movements and other services, transport stations, shunting). The charges per service and any surcharges- or discounts are published in the Network Statement. They are applied on a non-discriminatory basis to all RUs (without granting discounts).

The basic provisions for calculating and setting infrastructure usage charges (route levy) and service charges are contained in Sections 67 to 69b Railways Act. The basis for the charges tariff is the definition of the services to be provided to the RU. A key service of the ÖBB-Infrastruktur subgroup is the so-called “train path” product (minimum access package). The basic access package includes the main range of services without which orderly access to the railway infrastructure would not be possible.

The track access charges are published annually in the SNNB of ÖBB-Infrastruktur AG in conformity with the law. RUs have been ordering their train paths for the working timetable periods since December 2017 on the basis of the published Network Statement. The services are invoiced on a monthly basis and are based on the ACTUAL-accounting and settlement. The services ordered are charged to the customer one month in arrears. The customer receives the benefit from the company performance and uses the service while it is being provided. Any claims for reimbursement that are uncertain both in terms of reason and amount, depend on future events and may lead to an impending outflow of resources in the future are recognised in accordance with IAS 37. The amount of the possible recovery is estimated and a corresponding provision is created.

The services rendered are invoiced monthly retrospectively. The record of accounting for the month of December takes place in the year of delivery. No accruals or deferrals are therefore required.

Energy deliveries and network usage charges

The performance obligation of the ÖBB-Infrastruktur subgroup consists of the supply of traction current to power traction units, auxiliary operations, wagon equipment and customers' fixed installations. A distinction is made between annual order quantities, repeat order quantities and short-term order quantities. Furthermore, the traction current network of the ÖBB-Infrastruktur subgroup is made available for the supply of traction current. The network usage charge is invoiced in accordance with the applicable network usage conditions. The charges are published annually by ÖBB-Infrastruktur AG in conformity with the law.

The transaction price is specified in the contracts. The fixed contracted quantity is determined for peak and off-peak tariffs as well as for energy recycling, based on the notification by the customers. The energy price per MWh is determined for these peak and off-peak tariffs.

The agreed tariffs are the stand-alone selling prices. This is the respective price at which the ÖBB-Infrastruktur subgroup also sells this service to all other customers. The network charge in particular is a regulated price with no possibility of any divergence. All performance obligations are provided at the same time as the supply of energy, which is why there is no need to apportion the transaction price.

The supply of traction power and the service of network utilisation and conversion are continuous, i.e. the customers receive the benefit of the company service and use the service while it is being provided. The transfer of control takes place at the time of utilisation by the customers.

The services rendered are invoiced monthly retrospectively. The record of accounting for the month of December takes place in the year of delivery. No accruals or deferrals are therefore required.

Rental revenue

Rental income is recognised for the letting and leasing of properties and cars and is allocated to IFRS 16. These are fixed-price contracts for which revenue is recognised in the reporting period in which the services take place. The customer receives and consumes the service at the same time. Rents are recognised on an accrual basis in accordance with the provisions of the relevant agreement. Turnover rents are rents that are charged depending on the turnover generated by the tenant and are realised when it is possible to determine the amount of income with sufficient reliability.

Proceeds from realisation properties

Realisation properties relate to properties that are no longer used for operational purposes and are being developed for subsequent sale. These are former station and railway facilities that were used for permanent operations. These include substantial projects such as the areas former Südbahnhof, the Vienna North freight terminal and the Nordwestbahnhof, which are being developed on a major scale. Proceeds are recognised when authority to dispose over the property transfers to the customer.

The sales proceeds correspond to the contractually agreed transaction price. In most cases, the consideration is due when the legal title is transferred. In rare cases, deferment of payment may be agreed, but generally not to exceed twelve months. No significant financing component is therefore taken into account in the transaction price.

Rail Cargo Group subgroup

The Rail Cargo subgroup's turnover with external customers is predominantly generated from freight transport services, public services and the leasing of vehicles.

Freight transport services are transport services of goods in freight wagons by rail or forwarding services, whereby all services are based on contracts.

Transport services by rail are provided as single-wagon transport or block trains, depending on the extent of the transport order. Waybills are the basis for rail transportation. These are transport documents that contain all relevant data from the place of dispatch and receipt to the type of goods, the weight and the customer tariff. Invoicing to the customers is effected directly after the service has been rendered by means of an integrated automatic invoicing program. The customer agreement forms the basis for invoicing. A customer tariff is used to agree on the invoicing conditions, such as volume and distance components, as well as the corresponding prices. More than 60% of the payment is received immediately after invoicing, the rest after a maximum of 30 days.

In addition to rail transport, forwarding services also include additional services such as pre-carriage and onward-carriage by truck, container lifts, interim storage, customs clearance, etc. Invoicing takes place immediately after the contractual service is rendered. Invoices are payable within 30 to 45 days.

Services of general economic interest comprise income from charges contractually agreed with the Republic of Austria for services in the production forms of single-wagon transport, unaccompanied combined transport and "rolling highway". The payments are made as monthly down payments, the year-end settlement takes place in the following year.

All of the above performance obligations have in common that they will be predominantly realised at a certain point in time.

Revenue from the leasing of vehicles relates to the use of the Group's own freight wagons by other railway administrations within the framework of the RIV agreement for the international exchange of freight wagons (Regolamento Internazionale die Veicoli). International settlement takes place in the following months.

Royalties such as rents are recognised on an accrual basis in accordance with the provisions of the relevant agreement.

ÖBB-Personenverkehr subgroup

Tariff revenues

Customers have the option of purchasing tickets that entitle them to use the services of the ÖBB-Personenverkehr subgroup. This applies to national and foreign journeys with ÖBB by bus and train. The invoice for the ticket is generally due immediately in accordance with the "Handbook for Travelling with ÖBB in Austria". If customers opt for a customer card, the invoice is due at different times depending on the type of contract. The ÖBB-Personenverkehr subgroup defines the allocated amounts and records the actual kilometres covered in the period if it is probable that the customers have redeemed the tickets. Customers have the opportunity to purchase customer cards with an extended validity period (up to one year).

Revenues from the customer cards are allocated to the individual regions with a specific key, and for the individual periods of a year. Revenue is deferred on the liabilities side of the statement of financial position to the extent that it is income for a specific period after that date.

Federal government public service compensation

The traffic service orders federal government result from the public service contracts concluded with Schieneninfrastruktur Dienstleistungsgesellschaft mbh (SCHIG) pursuant to Section 48 BBG on the basis of Regulation (EC) 1370/2007 from 2010. In most cases, the compensation is payable by the 10th of the following month. Revenue is recognised during the year when the invoicing is completed. A year-end statement takes into account the actual service performed plus the quality bonus minus the default.

Revenue from traffic service orders with federal states and communities

The transport service orders with federal states and communities include income from fees for transport service orders contractually agreed with the federal states and communities. Most invoices (over 85% of sales volume) are issued monthly (individual contracts differ and provide for annual, semi-annual or quarterly payments) and are payable within a maximum of 30 days. Revenue is recognised during the year when the invoicing is completed. Revenue is deferred on the liabilities side of the statement of financial position to the extent that it is income for a specific period after that date.

Rent and lease

ÖBB-Personenverkehr AG receives a compensation based on the kilometres travelled for the use of wagons by third party RUs within the framework accumulation rateIC (Regolamento Internazionale delle Carrozze; English: International Coach Regulations). The billing is mainly based on the number of kilometres driven and is invoiced monthly. Revenue is recognised when the invoicing is completed. Revenue is deferred on the liabilities side of the statement of financial position to the extent that it is income for a specific period after that date.

Maintenance/repair

Revenue from maintenance/maintenance results from revenue generated by the bus workshops and the Technical Services workshops with third parties. Repairs are carried out for the customer and then invoiced to the customer. The invoice is sent to the customer after completion of the repair order. Revenue continues to be recorded during repair work (from the time it is taken from the warehouse to work time). Once the order has been completed, an invoice is created and processed in the IT-system. Revenue is accrued in accounts payable to the extent that it is revenue for a period subsequent to that date.

Other revenue

Other revenue includes revenue from telecommunication services, repair services, cleaning and security services and services related to the operation of the container terminals, commissions from ticket issues, services from the travel agency at the station as well as income from services in community and transition stations and the resolution of damage claims with internal and external partners. Invoices are issued in accordance with the contractual agreements. Revenue is recognised when the invoicing is completed. Revenue is deferred on the liabilities side of the statement of financial position to the extent that it is income for a specific period after that date.

Performance-related grants

Grants related to expenses awarded to the ÖBB Group are recognised in profit or loss and in line with the timing of expenses immediately upon fulfilment of the preconditions.

The federal grant pursuant to Section 42 (1) and (2) Federal Railways Act for operations management, inspection, maintenance, fault clearance and repair as well as for expansion and reinvestment (annuity subsidy) is a government grant, as the federal government wishes to promote the expansion of the railway infrastructure through this subsidy, with the result that the ÖBB-Infrastruktur subgroup presents these grants under other operating income. Such grants are not netted against the subsidised expenses in the income statement. See the explanations in Note 32 with regard to the special features of federal grants.

Interest and dividends

Interest is recognised using the effective interest method in accordance with IFRS 9. Dividends are recognised when the shareholder’s right to receive payment is established.

Borrowing costs are capitalised for significant qualifying assets in accordance with IAS 23 “Borrowing Costs”. See Note 14 for further details.

Research and development costs

In accordance with IAS 38 “Intangible Assets”, research costs refer to original and planned research performed to gain new scientific or technical knowledge and understanding, and they are recognised as expenses in the period in which they were incurred. Development costs are defined as costs incurred for using research findings to achieve technical and commercial feasibility. Should it not be possible to separate development costs from research costs, then development costs are recognised as expenses in the period in which they are incurred, in accordance with IAS 38. Should the capitalisation requirements of IAS 38 be met, development costs are recognised as intangible assets.

Tax position

Pursuant to Section 50 (2) Federal Railways Act as amended by Federal Law Gazette No. 95/2009, ÖBB-Infrastruktur AG has been exempt from federal taxes with the exception of value-added tax, from federal administrative levies and from court and judicial administrative levies since 2005, insofar as these levies and charges result from the performance of the respective tasks provided for in the Federal Railways Act (partial tax exemption).

Essentially, the following areas of ÖBB-Infrastruktur AG have been classified as subject to income tax:

- Income from the electric power business
- Provision of non-railway infrastructure-related services
- Management (including development and sale) of real estate that does not constitute railway assets within the meaning of Section 10a Railway Act
- Investment management

In December 2005, a contract on group taxation was concluded with ÖBB-Holding AG as head of the tax group and the majority of the ÖBB Group companies as group members. To date, no foreign company is part of the corporate tax group. Rules on tax equalisation were agreed between the head of the tax group and the group companies. The positive tax assessments determined in accordance with these provisions are calculated in accordance with the “stand-alone” method (calculated from the tax independence of the individual group members for calculating the levy). A positive tax result is generally charged at the applicable corporate income tax rate for the year financial statements. In the event of a negative result, the group parent must pay a tax allocation to the group member to the extent that the negative tax result of the group member can effectively be used. The financial claims and obligations arising from the tax group contract forms the basis of the current financial result of each member of the group.

The use of tax losses is subject to the primacy of the subgroup approach and the principle of equal treatment of the participants in the group of companies within the respective subgroup; in addition, the principle of equal treatment of the participants in the group of companies applies to the use of tax losses across subgroups.

As at the reporting date, the tax group financial unity for VAT purposes pursuant to Section 2 UStG consists of the controlling company ÖBB-Holding AG and several Austrian companies of the ÖBB Group.

Income taxes and deferred taxes

Income taxes include both current and deferred taxes. Current taxes relate to all taxes levied on the taxable profit of Group companies. Other taxes such as asset-related taxes or operating taxes (electricity, energy) are included in the corresponding operating expenses. Deferred tax assets and liabilities are recognised in accordance with IAS 12 "Income Taxes" for all temporary differences between tax and IFRS carrying amounts, for tax credits and loss carryforwards in the consolidated financial statements.

Deferred taxes are recognised – subject to existing exemption provisions – for all temporary differences between the tax base of assets and debts ("tax base") and their carrying amounts in the IFRS financial statements (so-called liability method), insofar as these relate to assets and debts connected with non-exempt business operations.

Deferred tax assets and deferred tax liabilities in connection with the global minimum taxation are not recognised due to the existing temporary exemption under IAS 12.

If deferred taxes arise from the initial recognition of an asset or a debt resulting from a transaction other than a business combination which neither affects the accounting profit or loss nor the taxable profit at the time of the transaction, no deferred taxes are recognised at the time of initial recognition and thereafter.

Deferred tax debts arising from temporary differences in connection with investments in subsidiaries and associated companies are recognised, unless the ÖBB-Personenverkehr Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future due to this influence.

Deferred taxes are measured at the tax rates (and under the tax regulations) that have been enacted or substantially enacted on the reporting date and that are expected to apply in the period when the deferred tax claims are realised or the deferred tax debts are expected to be settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences and loss carryforwards are utilised.

Deferred taxes are offset directly with equity or credited to it when the tax relates to items that are offset or credited to equity in the same or another period.

The International Tax Reform – Pillar II legislation (global minimum taxation) was already transposed into Austrian law as at 31.12.2023. The law applies for the first time for the financial years beginning after 31.12.2023. The ÖBB Group falls within the scope of these regulations in the future. The ÖBB Group has begun an initial indicative analysis in order to determine the future fundamental impact and the jurisdictions from which the ÖBB Group is exposed to possible effects in connection with a Pillar II top-up tax (primary supplementary tax) or a Qualified Domestic Minimum Top-up Tax (national supplementary tax). The top-up tax is applied at the level of ÖBB-Holding AG. At local level, ÖBB-Holding AG Group companies may be subject to any national supplementary taxes. The ongoing analysis is examining whether the ÖBB Group would possibly be affected by the introduction of a Qualified Domestic Minimum Top-up Tax. The Group closely monitors the progress of the local legislative process in each country in which the ÖBB Group operates.

The complex application of the legislation and the calculation of GloBE-income mean that it is not yet possible to estimate the quantitative impact of the legislation that has been passed or entered into effect. The ÖBB Group is constantly analysing the effects of the Pillar II legislation on the future profitability of the Group. At the present time, it is assumed that no significant increases in current taxes will arise as a result of the legislation. The simplification provision is applied, which states that no deferred taxes resulting from the introduction of global minimum taxation are recognised.

Use of estimates and judgement

The preparation of the Consolidated Financial Statements requires the Board of Management to make estimates and assumptions that may affect the amounts of assets, liabilities, and contingent liabilities reported at the reporting date and the amounts of income and expenses of the period under review. Actual results may differ from these estimates. All estimates and assumptions are updated on a regular basis and are based on experience and other factors, including expectations with respect to future events deemed to be reasonable under the given circumstances.

In applying the accounting policies of the ÖBB Group, the Board of Management makes judgements and estimates, for example, in applying hedge accounting, in assessing the transfer of relevant risks in leasing transactions, in assessing the extent to which renewal or termination options are exercised as lessee in assessing the term of leases, and in recognizing and accounting for federal grants pursuant to Sections 41f BBG. Additionally, as of the reporting date, the Board of Management made key assumptions concerning the future and identified key sources of estimation uncertainty at the reporting date which bear a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

The useful lives have been reviewed. The economic risk was properly taken into account by carefully measuring the provisions in the required amount. The adequacy of allowances has been reviewed. The parameters for the impairment tests of the cash-generating units were updated in accordance with the interest rate development and the benchmarks customary in the industry. The insurance and financial mathematics determinations for the measurement of severance payments and anniversary bonuses were determined responsibly. The activation of goodwill is exclusively based on external expertise.

a. Employee benefit plans

Obligations for severance payments and anniversary bonuses are measured by applying parameters such as the expected discount rate, long-term rate of compensation increases, and staff turnover. If the development of the relevant parameters differs significantly from the expectations, this can have a decisive effect on the provisions and, as a result, on the net personnel expenses for severance payments and anniversary bonuses of the ÖBB Group. With regard to long-term personnel provisions (severance payments and anniversaries), the discount rate, rate of compensation increases and fluctuations were adjusted to the changed conditions in both financial years. The impact of possible changes of parameters is disclosed in Note 26.1.

b. Impairment losses and reversals

Assessments of impairment of intangible assets and property, plant and equipment are based on the business plans (budget 2024 and medium-term planning 2025 to 2029). These represent the future net cash flows expected by management from the continued use of the assets. Discount rates are used to discount the net cash flows to the reporting date. Factors such as lower revenue or increasing expenses and resulting lower net cash flows as well as changes in the discount rates used can therefore lead to an impairment. In the 2023 financial year, an impairment test was conducted as at the reporting date, which resulted in no impairment losses or reversals of impairment losses.

The sensitivity analysis in the table below shows the under-/over-coverage of the CGUs in the event of a change in assumptions:

Sensitivity analysis		Increase in the parameter in EUR million				Decrease in the parameter in EUR million			
Assumptions	Change in assumption in %	Cargo	Intermodal	TS-HU	Postbus	Cargo	Intermodal	TS-HU	Postbus
Interest rate	+/-0.25	-54,.5 (py: -82.9)	-11.1 (py: 9.6)	2.1 (py: 13.4)	176.3 (py: not specified)	56.1 (py: 32.5)	9.1 (py: 8.6)	4.3 (py: 16.1)	222.0 (py: not specified)
Perpetuity	EBITDA +/-2.5%	20.5 (py: 1.1)	2.2 (py: 4.3)	3.5 (py: 15.3)	252.7 (py: not specified)	-23.3 (py: -55.9)	5.1 (py: -6.0)	2.8 (py: 14.1)	143.2 (py: not specified)

In the Rail Cargo Group subgroup, an assumption was applied in the course of the impairment test that, as in the past, grants for single-wagon transport, which contribute to the preservation of assets, are to be provided in the planning period for the purpose of shifting freight to rail in the main markets of CGU Cargo and CGU Intermodal.

With regard to the carrying amounts of intangible assets and property, plant and equipment, reference is made to the schedule of assets in Notes 14 and 15. Explanatory information on the effects of impairment losses and reversals of impairment losses is also provided in the Notes 14 and 15. Information on the impairment calculation methodology, the structure of the cash-generating units and the calculation premises is provided in Note 3 in the section "Impairment of property, plant and equipment, intangible assets and investment property".

c. Estimated useful lives of property, plant and equipment and intangible assets

The estimated useful lives are determined according to the circumstances of the company with usual maintenance costs. Actual use may differ from these estimates. A sensitivity analysis showed that a change in useful life (remaining useful life) of -/+ 1 year would increase amortisation by approx. EUR 199.1 million (py: approx. EUR 206.5 million) or decreased by approx. EUR 183.7 million (py: approx. EUR 159.5 million). The adequacy of the useful lives is subject to an annual or case-by-case review.

The defined useful lives apply unchanged in 2023. In the 2023 financial year, the useful life of a small part of the "Other equipment, operating and office equipment" asset group was extended. This has decreased the annual depreciation in the amount of approx. EUR 1.0 million. This was an change of estimation that was applied prospectively.

d. Provisions

Provisions are measured according to the best estimate, i.e., the amount that the company would have to pay, under reasonable consideration, to settle or transfer the obligation to a third party as of the reporting date.

There are several regulatory proceedings as at 31.12.2023. These proceedings, which are at different procedural levels, cover the period from December 2011 to 2023. In terms of content, the main issues are the determination and setting of the infrastructure usage charge (from December 2011 to December 2017), the charges under the new infrastructure charging model for the period December 2019 to December 2023 ("train path" product with regard to directly attributable costs and market mark-ups in conformity with the law up to and including the working timetable period 2021) and the admissibility of the level of station charges for the use of service facilities from December 2015 to 2021.

Adjustments were made to the provisions for infrastructure charges and station charges based on findings from the course of the proceedings.

Further proceedings concern the traction current grid usage charges for the period from 2016. Notices were issued by the regulatory authority SCK for the 2016 to 2018 fee years, which the Federal Administrative Court (BVwG) referred back to the first-instance authority SCK for a new decision due to errors in the investigation and reasoning. For the 2019 and 2020 charge years, notices were issued by the SCK in April 2021, against which appeals were filed with the Federal Administrative Court (BVwG). The proceedings were not yet decided in the 2023 financial year and are currently still pending before the Federal Administrative Court. In the 2023 financial year, the provisions in connection with the 2016 to 2023 traction current network charge were reassessed due to the procedural steps taken by the SCK. This was determined as follows: Based on the first-instance decisions from the previous proceedings (2016 to 2020) and the current procedural steps, the amount of the fee components expected to be refunded to customers (cost items in the calculation model) was determined and provisions were made for these.

The outcome of the pending proceedings may lead to a change in the charges previously invoiced by ÖBB-Infrastruktur AG, resulting in a reimbursement obligation for ÖBB-Infrastruktur AG (a subsequent claim for charges is also conceivable, but legally in dispute). These risks were assessed individually for each case or proceeding with the involvement of experts and taken into account in the statement of financial position in the form of provisions. The necessity and amount of the provisions are largely dependent on management acceptance and assessment of the outcome of the proceedings. Uncertainties exist in particular due to the difficulty in assessing results of the interpretation of legal issues by the supervisory authority, administrative courts or courts of law that have not yet been fully judged, possible restrictions on the temporal effect of decisions, and with regard to the type, scope and amount of recognised costs and market mark-ups as a basis for charging tariffs for the use of rail infrastructure.

Only if a decommissioning of individual lines is expected in the foreseeable future or has already been initiated are the decommissioning costs estimated and provisions created. The amount of the expected decommissioning costs depends largely on the assumptions of the decommissioning scenarios.

The provision for environmental protection measures relates to the costs incurred in removing contamination from the company properties and land. The basis of the cost estimate rests on the presumed extent of contamination. The cost assessment is based on a conservative remediation, i.e. total excavation with subsequent landfilling. Should other remediation measures be agreed with the competent authority that lead to a reduction in financial expenditure, this will be taken into account in the annual statement.

The provision for clearance costs covers contractual obligations in connection with the sale of properties and future costs in connection with properties that have already been sold but are still under development.

A sensitivity analysis showed that the provisions for environmental risks and for decommissioning costs would increase/decrease by approx. EUR 4.3 million (py: approx. EUR 5.6 million) in the event of a change in costs of +/- 10%. The determination of sensitivities for franking costs was waived, as the provision consists of many individual amounts for which different parameters, estimates and calculations are applied. The modification of individual parameters would therefore not have any particular significance. See Note 26.2 for regulatory procedures under the IAS 37.92 safeguard clause.

Proceedings of the Competition Authorities
Appropriate provisions have been made for legal risks arising from ongoing competition law investigations against Group companies. The amount of any financial penalties and claims that may have to be paid is subject to uncertainty. A further breakdown for the purpose of minimising litigation risk remains to be done.

The provisions are shown in Note 26.2.

e. Income taxes

Deferred tax assets were recognised for temporary differences between the tax base and the carrying amounts of assets and liabilities and for losses carried forward. Reference is made to the partial tax exemption regarding the tax situation of ÖBB-Infrastruktur AG (listed under the heading “Tax situation”). When assessing the recoverability of deferred tax assets, the Board of Management evaluates the expected usage within the five-year tax planning period (Note 13).

The deferred tax assets capitalised on existing loss carryforwards and temporary differences are based on an estimate of taxable results for the next five years. Should the tax assessment on the qualification of the divisions of ÖBB-Holding AG as tax-exempt and taxable change, or should insufficient taxable results be available in the future, this may have a significant impact on the amount of deferred tax assets. When assessing the recoverability of deferred tax assets, the Board of Management evaluates the expected usage within the five-year tax planning period (Note 13).

Tax matters are subject to uncertainty with regard to their assessment by the tax authorities and it cannot be ruled out that in individual cases they may come to different results. If changes in the assessment are likely, a corresponding provision is created. This was not required as at 31.12.2023 and 31.12.2022.

f. Cross-border leasing

In respect of contractual parties to investments with at least an AA+ rating or for which a subsidiary guarantor liability is assumed by the government for their performance, the default risk is still regarded as extremely low, so that no need for any change is seen at present and these transactions can continue to be disclosed off balance. Should there be unexpected defaults on these investments or should requirements for the minimum rating no longer be fulfilled, the obligations from the transactions and the investments will be recognised in the Statement of Financial Position, and allowances for these investments will be recognised or the repayment vehicle will be exchanged (Note 30.3).

g. Financial obligations

Various proceedings, lawsuits and other claims against or by ÖBB-Holding AG and its subsidiaries are pending in the ordinary course of business. These issues are subject to a large number of uncertainties, and the outcome of the negotiations or processes cannot be predicted with certainty. Consequently, as of 31.12.2023, the Board of Management is unable to determine the total amount of financial liabilities or claims, or their impact on the ÖBB-Holding Group financial position with final certainty. These procedures could materially affect the results when they are finalised. However, the Board of Management believes that after final settlement of such cases, the outcome will not significantly exceed the provisions recognised, and therefore will not have any significant consequences on the consolidated financial statements.

h. Information related to climate policy aspects and risks (climate change)

The ÖBB Group understands sustainability in a holistic way and combines successful business management with ecological compatibility and social responsibility. This achieves a sustainable corporate orientation in the sense of the preventative principle. This holistic approach is used to identify both the opportunities and risks for the company and its environment with regard to sustainability issues. Based on the annually updated climate risk and vulnerability analysis, which was first conducted in the ÖBB Group in 2022 as part of the implementation of the EU Taxonomy Regulation, as well as a general opportunity and risk analysis, the following key topics relating to climate policy aspects and risks were identified that have an impact on the ÖBB Group.

- The risk of increased extreme weather events due to climate change (heavy rainfall, flooding, mudslides, storms, heatwaves, etc.) has an impact on the operation of trains / buses and the infrastructure as well as on customers. ÖBB Group is taking appropriate measures to counteract this, such as the introduction of suitable monitoring and early warning systems as well as targeted research and development programmes to increase the resilience of facilities, systems, vehicles and processes.
- Climate change also presents an opportunity for the company with regard to the growth of public transport and the expansion of rail and bus services, which may result in a possible increase in capacity utilisation and the associated productivity, but also an increase in revenue/turnover. Subsequently, however, this is also associated with necessary investments in expanding the capacity of the rail system.
- Due to climate change and related developments, the ÖBB Group is directly and indirectly exposed to the risk of an increase in energy prices, both for renewable energy (due to shortages on the market) and for fossil energy (due to the introduction of the CO2 tax). In the course of the completion of the climate risk and vulnerability analysis, no significant long-term climate risks were identified for the in-house generation of traction current apart from the usual annual precipitation volatilities.

The management has taken into account the recognisable or assessable effects of climate change in the course of preparing the consolidated financial statements. The climate risk and vulnerability analysis did not currently result in any effects on the formation of provisions or indications for impairments of assets or necessary adjustments of useful lives. Furthermore, no aspects related to climate change were identified that would lead to an adjustment of the carrying amounts of assets and liabilities in the current consolidated financial statements. The ÖBB Group prepares a separate sustainability report for the ÖBB Group, which is included in the Group management report.

Differentiation of maturities

Deferred taxes are to be recognised as non-current in accordance with IAS 12. The short-term portion is therefore correspondingly disclosed in the Notes (Note 13). Realisation properties are recognised in inventories, although their realisation is not expected within the next twelve months. The long-term portion is disclosed in the Notes (Note 21). Where trade receivables and trade payables are non-current, they are included in current items in accordance with IAS 1 "Presentation of Financial Statements" and are disclosed in Notes 20 and 27.

Offsetting

Expenses and income from the structuring and profiling of electricity procurement (adjustment to the demand profile) and from balancing energy are offset.

Concentration of risks

As of the reporting dates, no significant dependence on particular non-Group customers, suppliers or creditors whose sudden default might significantly affect business operations existed. Furthermore, there is no concentration of personnel services or providers of other services, franchises and licences or other rights on which ÖBB Group is dependent and whose sudden loss could seriously jeopardise business operations. The ÖBB Group invests its liquid funds with various banks and credit institutions with good credit ratings. See Note 32 for information on the financing and grants awarded by the Republic of Austria as well as grant agreements.

COVID pandemic and Ukraine crisis- financial implications

All measures against the spread of the coronavirus were lifted on 01.07.2023, meaning that the COVID pandemic has been overcome. The most significant effects on the consolidated income statement are detailed in the following.

The ÖBB Group had received and recognised COVID 19 investment premiums of approx. EUR 7.0 million (py: approx. EUR 7.0 million) up to the date of preparation of the statement of financial position. The investment grants are mainly used for the new acquisition of a vehicle fleet as well as hardware and software. The suspension of the infrastructure usage fee for the ÖBB-Infrastruktur AG network in the amount of approx. EUR 85.9 million was refunded by the federal government in accordance with Section 42 BBG and increased other operating income. In 2023, there were no reductions or refunds.

Refund amounts based on notices of separation pursuant to the Epidemics Act for exempt employees with risk certificates pursuant to the ASVG and for employees on short-time work were received in the amount of approx. EUR 6.4 million (py: approx. EUR 16.6 million) and recognised in other operating income.

The war in Ukraine caused enormous price jumps on the energy markets during 2022, which led to an unprecedented all-time peak at the end of August.

The general price level has declined since then, but nonetheless remained at a high level in the 2023 financial year compared to the pre-coronavirus phase. Possible future effects of the Ukraine crisis on the measurement of individual assets and liabilities are analysed on an ongoing basis. The business activities and thus the net assets, financial position and results of operations are indirectly impacted by the effects of the war in Ukraine. The indirect impact results from increased energy and commodity prices, changes in the interest rate landscape and exchange rates, as well as in the impairment testing of CGUs.

In addition, high inflation rates resulted in cost increases in personnel expenses due to collective bargaining agreements.

The ÖBB Group includes a subsidiary of the Rail Cargo Group based in Russia, where sales revenues have decreased as a result of the restricted business activities. This, however, has no significant impact on the ÖBB Group. Accounting losses could arise from a deconsolidation of the subsidiary located there if control no longer exists due to the restriction of substantive rights. At the current time, however, control by the ÖBB Group is assumed. Significant allowances for expected credit losses on receivables in these countries were not required as at the reporting date, nor were any impairments necessary on non-financial assets. No subsidiary of the ÖBB Group has its registered office in Ukraine.

B. NOTES ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND THE CONSOLIDATED INCOME STATEMENT

4. Sales revenue

	2023 in EUR million	2022 in EUR million
Passenger and baggage transport	2,603.8	2,247.5
thereof traffic service orders by the federal government	*1,140.5*	*993.2*
thereof traffic service orders by the provinces and communities	*357.7*	*316.8*
Goods transport	1,739.2	1,775.8
thereof public services contracted by the federal government	*130.7*	*110.1*
Rent and lease	231.3	228.0
Maintenance and repair	79.1	72.1
Energy	77.5	40.7
Infrastucture usage charge	61.1	31.1
Traction services	21.4	20.2
Recovery objects	4.6	59.9
Other revenue	204.3	195.9
Total	**5,022.3**	**4,671.2**

The traffic services ordered by the federal government result from the public service contracts concluded with the federal government or SCHIG (Schieneninfrastruktur-Dienstleistungsgesellschaft mbH) pursuant to Section 48 of the Austrian Federal Railways Act on the basis of Regulation (EC) 1370/2007 for 2023.

Rental revenue accrues from the rental and leasing of real estate.

Revenue from contracts with customers pursuant to IFRS 15 comprises the following categories for the three subgroups Rail Cargo Group, Passenger Transport and Infrastructure.

	2023	Term of the contract		Date of transfer of services		Customer	
in EUR million	Revenue according to IFRS 15	Current	Non-current	Time-related	period-related *)	Federal government, states, communities	Other customers
Passenger and baggage transport	2,603.8	807.1	1,796.7	782.9	1,820.9	1,693.7	910.1
thereof traffic service orders by the federal government	*1,140.5*	*0.0*	*1,140.5*	*0.0*	*1,140.5*	*1,140.5*	*0.0*
thereof traffic service orders by the provinces and communities	*357.7*	*0.0*	*357.7*	*0.0*	*357.7*	*357.7*	*0.0*
Goods transport	1,531.3	1,507.3	24.0	0.0	1,531.3	130.7	1,400.6
Energy	77.5	77.5	0.0	0.0	77.5	0.0	77.5
Maintenance/repair	76.9	75.4	1.5	0.0	76.9	0.0	76.9
Infrastructure usage charge	61.1	61.1	0.0	0.0	61.1	0.0	61.1
Traction services	21.4	21.4	0.0	0.0	21.4	0.0	21.4
Revenue from real estate recovery projects	4.6	4.6	0.0	4.6	0.0	0.0	4.6
Other revenue	183.8	136.0	47.8	58.7	125.1	0.0	183.8
Total	**4,560.5**	**2,690.4**	**1,870.0**	**846.2**	**3,714.2**	**1,824.4**	**2,736.0**

*) The period-related revenues are recognised in accordance with the actual fulfilment of performance obligation.

in EUR million	2022 Revenue according to IFRS 15	Term of the contract Current	 Non-current	Date of transfer of services Time-related	 period-related *)	Customer Federal government, states, communities	 Other customers
Passenger and baggage transport	2,247.5	672.3	1,575.2	647.7	1,599.8	1,302.4	945.1
thereof traffic service orders by the federal government	*993.2*	*0.0*	*993.2*	*0.0*	*993.2*	*993.2*	*0.0*
thereof traffic service orders by the provinces and communities	*316.8*	*0.0*	*316.8*	*0.0*	*316.8*	*316.8*	*0.0*
Goods transport	1,578.4	1,573.0	5.4	0.0	1,578.4	110.1	1,468.3
Maintenance/repair	68.0	66.3	1.7	0.0	68.0	0.0	68.0
Revenue from real estate recovery projects	59.9	59.9	0.0	59.9	0.0	0.0	59.9
Energy	40.7	40.7	0.0	1.6	39.1	0.0	40.7
Infrastructure usage charge	31.1	31.1	0.0	0.0	31.1	0.0	31.1
Traction services	20.2	20.2	0.0	0.0	20.2	0.0	20.2
Other revenue	179.8	140.6	39.2	70.1	109.7	0.0	179.8
Total	**4,225.5**	**2,604.1**	**1,621.5**	**779.3**	**3,446.3**	**1,412.5**	**2,813.0**

*) The period-related revenues are recognised in accordance with the actual fulfilment of performance obligation.

Rental income of approx. EUR 231.3 million (py: approx. EUR 228.0 million) and other revenue of approx. EUR 230.5million (py: approx. EUR 217.7 million) are not shown in the above table as they are exempt from IFRS 15.

The order volume from customer contracts with contractually fixed outstanding revenues (so-called hedged revenues for which no variable payments have been agreed) is distributed as follows:

Dec 31, 2023 in EUR million	Total non-current benefit obligations	Benefit obligation during 2024	Benefit obligation during 2025	Benefit obligation during 2026	Benefit obligation after 2026
Passenger and baggage transport	287.1	55.7	45.8	38.5	147.2
Goods transport	3.9	3.5	0.4	0.0	0.0
Public services provided by the federal government	6,273.3	1,433.8	1,547.2	1,578.5	1,713.8
Traffic service orders	1,516.6	343.4	298.1	229.8	645.2
Total	**8,080.9**	**1,836.3**	**1,891.5**	**1,846.8**	**2,506.2**

Dec 31, 2022 in EUR million	Total non-current benefit obligations	Benefit obligation during 2023	Benefit obligation during 2024	Benefit obligation during 2025	Benefit obligation after 2025
Passenger and baggage transport	378.9	77.9	53.8	48.0	199.2
Goods transport	10.7	6.7	3.6	0.4	0.0
Public services provided by the federal government	5,253.4	1,223.5	1,314.3	1,327.5	1,388.1
Traffic service orders	1,474.5	304.1	271.5	221.0	677.8
Total	**7,117.6**	**1,612.2**	**1,643.2**	**1,597.0**	**2,265.1**

Remaining revenues relate to periods of no more than one year or are invoiced at a fixed rate. As permitted by IFRS 15, the transaction price allocated to these unfulfilled performance obligations is not disclosed.

5. Other own work capitalised

Directly attributable personnel expenses and expenses for materials as well as appropriate parts of material and work overheads were taken into account in determining the own work capitalised in connection with the construction of assets. This item also includes own work capitalised that is produced within the Group by a subsidiary for other affiliated companies. Own work capitalised mainly arises in connection with the construction or expansion of railway infrastructure.

6. Other operating income

	2023 in EUR million	2022 in EUR million
Government grant pursuant to Article 42 Austrian Federal Railways Act	2,077.2	2,063.1
Proceeds from the disposal of property, plant and equipment, investment property and non-current assets held for sale	34.2	45.8
Compensation received	15.9	11.8
Exchange rate differences	15.2	16.2
Miscellaneous other operating income	70.5	81.7
Total	**2,213.0**	**2,218.6**

The contribution federal government pursuant to Section 42 Federal Railways Act is payable for the provision, operation and maintenance of the railway infrastructure and for expansion and reinvestment as well as for the fulfilment of statutory tasks to the extent that revenues to be obtained from the users of the railway infrastructure (infrastructure usage charge) are not sufficient to cover the expenses incurred in the course of prudent and economic management. See Note 32 for more details on the grant agreement.

Miscellaneous other operating income includes income from penalties, apprenticeship subsidies and write-offs of former liabilities.

7. Cost of materials and purchased services

Cost of materials and purchased services	2023 in EUR million	2022 in EUR million
Raw materials and supplies	221.9	199.4
Power	239.5	184.0
Other expenses for materials	141.8	141.8
Subtotal expenses for materials	**603.2**	**525.2**
Third-party transport services	594.2	650.3
Rent for rail and road vehicles	183.1	164.4
Infrastructure usage charge	86.8	87.4
Other services received	641.1	611.1
Subtotal expenses for services received	**1,505.2**	**1,513.2**
Total	**2,108.4**	**2,038.4**

Other material expenses mainly include expenses for liquid fuels. The expenses for other purchased services mainly relate to forwarding services, import and customs duties as well as ineligible supplies and services in connection with repairs, maintenance, cleaning and other services. The realisation costs on completion of the properties disposed, which are recognised as expenses, amount to approx. EUR 1.0 million (py: approx. EUR 10.2 million).

8. Personnel expenses and employees

	2023 in EUR million	2022 in EUR million
Wages and salaries	2,523.3	2,310.5
Statutory social security contributions	620.8	577.0
Expenses for severance payments	30.4	25.5
Pension costs	32.6	28.8
Other social expenses	6.6	4.7
Total	**3,213.7**	**2,946.6**

The interest expense from the compounding of personnel provisions is reported under personnel expenses.

The employee structure is as follows:

Number of employees	Dec 31, 2023	Dec 31, 2022	Change Repor-ting date	Change in %	Average 2023	Average 2022
Employees	17,453	16,168	1,285	8%	16,927	15,559
Workers	12,262	11,383	879	8%	11,897	11,003
Tenured employees	13,475	15,052	-1,577	-10%	14,237	15,768
Total (excl. apprentices)	**43,190**	**42,603**	**587**	**1%**	**43,061**	**42,330**
Apprentices	1,851	1,766	85	5%	1,619	1,594
Total (incl. apprentices)	**45,041**	**44,369**	**672**	**2%**	**44,680**	**43,924**

Number of employees (FTE)	Dec 31, 2023	Dec 31, 2022	Change Repor-ting date	Change in %	Average 2023	Average 2022
Employees	16,961.3	15,737.9	1,223.4	8%	16,456.8	15,158.5
Workers	12,071.3	11,228.9	842.4	8%	11,720.8	10,855.1
Tenured employees	13,055.1	14,623.7	-1,568.6	-11%	13,812.3	15,333.2
Total (excl. apprentices)	**42,087.7**	**41,590.5**	**497.2**	**1%**	**41,989.9**	**41,346.8**
Apprentices	1,851.0	1,766.0	85.0	5%	1,618.7	1,593.9
Total (incl. apprentices)	**43,938.7**	**43,356.5**	**582.2**	**1%**	**43,608.6**	**42,940.7**

9. Depreciation and amortisation

	2023 in EUR million	2022 in EUR million
Depreciation on property, plant and equipment	1,329.8	1,274.7
thereof low-value assets	*12.0*	*10.9*
Amortisation of rights of use in connection with IFRS 16	131.7	117.2
Amortisation of intangible assets	64.8	92.6
Depreciation on investment property	5.5	4.6
Less amortisation of investment grants	-149.4	-155.7
Total depreciation and amortisation	**1,382.4**	**1,333.4**

Impairment losses of approx. EUR 28.2 million were recognised in the 2022 reporting year following impairment tests. There were no impairments following impairment tests in the current reporting year. Further details are given in the Notes 14 and 15.

10. Other operating expenses

Other operating expenses of the ÖBB Group comprise the following:

	2023 in EUR million	2022 in EUR million
Cost of operation	171.1	126.2
Compensation for travel and other expenses	51.0	48.3
Marketing, sales and customer service	39.5	28.9
Loss on disposal of property, plant and equipment and intangible assets	31.8	25.2
Rent, lease and license expenses	17.5	16.5
Legal and consultancy fees	15.8	16.1
Non-income taxes	12.1	21.8
Impairment losses / reversals on trade receivables	-0.3	0.9
Miscellaneous other operating expenses	181.7	131.9
Total	**520.2**	**415.8**

Miscellaneous other operating expenses include in particular expenses for office requirements, training and further education, postal, bank and telephone charges, insurance and maintenance by third parties.

The expenses for services rendered by the auditors of the consolidated financial statements and the individual financial statements are also included in the miscellaneous other operating expenses and break down as follows:

Total auditors' fees	2023 in TEUR	2022 in TEUR
Annual financial statements and consolidated financial statements audit	1.848	1.865
Other auditing services	120	189
Consulting services	35	216
Other services	647	498
Total	**2.651**	**2.768**

The auditor's fees shown above include the fees for all auditors working for the Group. The following expenses are attributable to the auditor of the ÖBB Group:

Fee of the auditor of the consolidated annual financial statements	2023 in TEUR	2022 in TEUR
Annual financial statements and consolidated financial statements audit	567	567
Other auditing services	118	189
Consulting services	4	204
Other services	130	227
Total	**820**	**1.187**

The annual and consolidated financial statements for both financial years were audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.. In addition to the audit of the financial statements, the audits of the sustainability report in the Group management report were offset in the 2023 and 2022 financial years.

11. Interestincome and interest expenses

The interest income/expenses of the ÖBB Group are composed as follows:

Interest income / expenses	2023 in EUR million	2022 in EUR million
Interest income	49.1	42.7
Interest expenses	-527.9	-457.0
Total	**-478.9**	**-414.4**

Interest income mainly relates to bank balances and interest income from deposits from existing or former cross-border leasing transactions as well as negative interest of approx. EUR 9.7 million (py: approx. EUR 8.8 million) from loans raised. The increase in interest income compared to the previous year is mainly due to the discounting of long-term provisions. Interest income is recognised using the effective interest method.

Interest expenses relate to bonds in the amount of approx. EUR 258.4 million (py: approx. EUR 305.4 million). In addition, interest expenses are incurred for EUROFIMA, OeBFA loans, for other borrowings, for still existing or former cross-border leasing transactions and derivative financial instruments. Of the total interest expenses, approx. EUR 136.4 million (py: approx. EUR 113.8 million) was capitalised in accordance with IAS 23 Interest on the cost of qualifying assets.

12. Other financial result

The other financial result of the ÖBB Group is made up as follows:

Other financial result	2023 in EUR million	2022 in EUR million
Other financial income	12.9	17.2
thereof from measurement/foreign currency translation differences	*7.7*	*16.3*
thereof from the valuation of derivatives	*4.9*	*0.5*
thereof income from disposal and appreciation of financial assets	*0.0*	*0.2*
thereof income from investments	*0.2*	*0.2*
Other financial expenses	-6.0	-75.5
thereof from measurement/foreign currency translation differences	*-4.0*	*-28.5*
thereof from the valuation of derivatives	*0.0*	*-44.5*
Total	**6.9**	**-58.2**

In addition to exchange rate differences, other financial income relates in particular to measurement gains from derivatives and income from the measurement of electricity derivatives not included in a hedging relationship.

Other financial expenses result from exchange rate differences and, in the previous year, in particular from changes in the fair value of derivative financial instruments.

13. Income taxes

The item Income Taxes comprises the following:

	2023 in EUR million	2022 in EUR million
Current income tax	-11.7	-11.4
Deferred tax expense / tax benefit	**-75.4**	**13.0**
thereof from tax rate adjustments	*3.0*	*-19.7*
Income taxes	**-87.1**	**1.6**

Taxes are calculated at 24% of the estimated taxable profit for the financial year. In January 2022, Austria resolved to gradually reduce the corporate income tax rate from 25% to 23%. From 01.01.2023, a corporation tax rate of 24% will apply for the calendar year 2023 and from 01.01.2024 this will be 23%.

For the 2023 calendar year, the future tax rate of 23% applicable from 01.01.2024 was used to calculate deferred tax assets and deferred tax liabilities for the measurement of recognised deferred tax assets and deferred tax liabilities.

The regulations on global minimum taxation have already been transposed into local law in some jurisdictions (Austria, Bulgaria, the Czech Republic, Germany, Croatia, Hungary, Italy, Romania, Slovenia, Slovakia) in which the ÖBB Group currently operates and are applicable for financial years beginning on or after 31.12.2023.

Deferred taxes developed as follows:

	2023 in EUR million	2022 in EUR million
Recognised amounts as of Jan 01	*197.2*	*204.7*
Change in deferred taxes		
thereof in profit and loss	-75.4	13.0
therof in other comprehensive income	100.0	-20.5
Recognised amounts as of Dec 31	**221.8**	**197.2**
thereof deferred tax assets	*226.2*	*202.2*
thereof deferred tax liabilities	*-4.4*	*-5.0*

The following table shows the main causes of the difference between the income taxes resulting from applying the statutory tax rate of 24% to the taxable profit for the year and the income taxes recognised in the income statement:

	2023 in EUR million	2022 in EUR million
Income before income tax according to IFRS	111.6	193.2
Adjustment of tax-exempt portion pursuant to Article 50 (2) Bundesbahngesetz	189.1	147.4
Taxable portion of the income	**300.7**	**340.6**
Group tax rate	*24%*	*25%*
Expected income/ expense from taxes in the financial year	-72.2	-85.1
Tax rate differences between foreign companies and the corporate tax rate	4.0	2.7
Other tax-exempt income and other reductions	9.2	2.3
Non-deductible operating expenses and other additions	-4.4	2.7
Effects of taxes from previous years recognised in the financial year	4.6	8.3
Effects of tax rate changes	3.0	-19.7
Offsetting from consolidation	-20.2	19.1
Effects of changes in recognition	-7.3	73.7
Other effects	-3.8	-2.4
Accounted income taxes	**-87.1**	**1.6**
Effective corporate tax rate	***29.0%***	***-0.5%***

The change in the deferred tax rate from 24% to 23% and 23% respectively and the resulting measurement of deferred tax assets and liabilities reduces the tax expense by approx. EUR 3.0 million. The effects of changes in recognition are largely attributable to the recognition of deferred taxes from loss carryforwards. As at 31.12.2023, ÖBB-Infrastruktur AG was unable to recognise deferred taxes on previously recognised loss carryforwards of EUR -75.9 million (py: recognition of EUR 51.6 million) for this financial year, while ÖBB-Holding AG was able to recognise deferred tax assets on previously unrecognised loss carryforwards of EUR 71.0 million for the first time as at 31.12.2023.

As the equity ratio of the group of companies is not more than 2 percentage points below the equity ratio of the group, the interest barrier of Section 12a KStG does not apply and the interest surplus is deducted in full as an operating expense.

Deferred tax assets and tax liabilities

Deferred tax assets and deferred tax liabilities from deferred taxes as at 31.12.2023 and 31.12.2022 are the result following temporary measurement differences between the carrying amounts in the IFRS financial statements and the relevant tax bases, insofar as they do not relate to the tax-exempt share pursuant to Section 50 (2) Federal Railways Act

The deferred taxes are allocated to the following items in the statement of financial position, losses carried forward and tax credits	Deferred tax		Deferred tax	
	assets	liabilities	assets	liabilities
in EUR million	Dec 31, 2023	Dec 31, 2023	Dec 31, 2022	Dec 31, 2022
Non-current assets				
Property, plant and equipment	9.6	-115.9	18.6	-113.9
Intangible assets	1.7	-3.5	1.5	-3.9
Investment property	8.8	-0.4	4.6	-5.6
Financial assets	1.1	-36.7	12.8	-158.0
	21.2	**-156.6**	**37.5**	**-281.4**
Current assets				
Inventories	5.4	-0.8	5.8	-0.6
Trade receivables	1.8	-0.4	2.5	-0.6
Other receivables and assets	0.3	-0.3	0.1	0.0
Financial assets	0.3	-4.4	0.2	-4.4
	7.8	**-5.8**	**8.6**	**-5.6**
Non-current liabilities				
Financial liabilities	102.7	-0.3	98.1	-1.2
Provisions	10.0	-2.4	13.1	-4.4
	112.7	**-2.7**	**111.2**	**-5.6**
Current liabilities				
Financial liabilities	16.9	-1.9	65.8	-1.0
Provisions	12.3	-9.5	13.5	-17.8
Trade payables	1.6	-2.6	2.3	-4.1
Other liabilities	42.4	0.0	4.1	0.0
	73.2	**-14.0**	**85.7**	**-22.9**
Tax losses carried forward	186.0	0.0	269.7	0.0
Deferred tax assets/deferred tax liabilities	**400.9**	**-179.1**	**512.7**	**-315.5**
Offsetting	-174.7	174.7	-310.5	310.5
Accumulated deferred tax assets / deferred tax liabilities	**226.2**	**-4.4**	**202.2**	**-5.0**

When assessing deferred tax assets, the Board of Management evaluates the prospective usage within the five-year tax planning period. The use of deferred tax assets requires sufficient taxable income during the periods in which the temporary differences or tax losses can be utilised. The Board of Management uses the scheduled reversal of deferred tax assets and the projected taxable income for this assessment. The temporary differences in the items property, plant and equipment and intangible assets result mainly from the different depreciation start dates (pro rata temporis under IFRS compared to the half-year rule under tax law) as well as from deviating acquisition costs for tax purposes. The temporary differences from the financial assets and liabilities essentially arise due to the different measurement of derivatives under IFRS (fair value measurement) and tax law (provision for contingent losses).

The Austrian corporate tax group has a surplus of deferred tax assets from temporary differences of approx. EUR 39.4 million as at 31.12.2023 (py: approx. EUR -68.1 million), which are mainly attributable to measurement differences at ÖBB-Infrastruktur AG. In addition, deferred tax assets of approx. EUR 5.0 million (py: approx. EUR 4.7 million) and deferred tax liabilities of approx. EUR -4.4 million (py: approx. EUR -5.0 million) originate from foreign subsidiaries. Deferred taxes result from surpluses on the assets or liabilities side after offsetting at company level.

Deferred tax assets from loss carryforwards totalling approx. EUR 186.0 million (py: approx. EUR 269.7 million) were also recognised on the basis of the budget planning. Of this amount, approx. EUR 28.4 million (py: approx. EUR 156.1 million) came from ÖBB-Infrastruktur AG, approx. EUR 85.8 million (py: approx. EUR 112.6 million) from ÖBB-Personenverkehr AG and approx. EUR 71.0 million (py: approx. EUR 0.0 million) from ÖBB-Holding AG.

Deferred tax liabilities on electricity derivatives are mainly recognised in other comprehensive income. The decline in deferred tax liabilities on electricity derivatives also results in a decline in deferred tax assets on tax loss carryforwards, which is, however, recognised in profit or loss.

Tax loss carryforwards of approx. EUR 4,588.8 million (py: approx. EUR 4,884.1 million) originate from Austrian companies and are eligible to be carried forward indefinitely under current legislation. The annual offsetting against loss carryforwards in Austria is limited to 75% of the respective tax result, but approx. EUR 2,574.2 million (py: approx. EUR 2,911.4 million) results from the pre-Group losses and eligible therefore to offset in full against tax results achieved in future periods.

Loss carryforwards from foreign companies amount to approx. EUR 153.4 million (py: approx. EUR 64.0 million). The Hungarian company Rail Cargo Hungaria Zrt reports a loss carryforward of approx. EUR 148.4 million that is not subject to time limitation and for which no deferred tax assets are recognised. Similarly, the Czech company Rail Cargo Operator – ČSKD s.r.o. recognised no deferred tax assets on its loss carryforward in the amount of approx. EUR 0.3 million. The Italian company Rail Cargo Logistics – Terminals Italy s.r.l. reported a loss carryforward of approx. EUR 0.7 million, on which no deferred tax assets were recognised.

The Italian subsidiary Rail Cargo Carrier – Italy s.r.l. was able to recognise deferred tax assets on its loss carryforwards of approx. EUR 1.4 million, while the company ooo Rail Cargo Logistics – RUS was also able to recognise deferred tax assets on its loss carryforwards of approx. EUR 1.0 million, which are expected to be utilised next year. The Czech company Rail Cargo Terminal – Praha s.r.o. recognises deferred tax assets on its loss carryforwards amounting to approx. EUR 1.5 million. The company assumes that will be able to realise its losses in full in the coming year.

As of 31.12.2023, there were outstanding sevenths of depreciation on participations not yet claimed as operating expenses pursuant to Section 12 (3) Corporate Income Tax Act amounting to approx. EUR 38.5 million (py: approx. EUR 49.4 million). No deferred tax assets were recognised in this regard.

No deferred taxes were recognised in respect of temporary differences from investments in associates and subsidiaries amounting to approx. EUR 940.6 million (py: approx. EUR 1,311.4 million).

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14. Property, Plant and Equipment

2023 in EUR million	Land and buildings	Rights of use for land and buildings	Automo-biles and trucks	Rights of use for automo-biles and trucks	Technical equipment and machinery	Rights of use for technical equipment and machinery and other plant, furniture and fixtures	Other plant, furniture and fixtures	Assets under construc-tion	Total
Cost									
Cost as of Jan 01, 2023	*31,936.3*	*464.2*	*8,327.5*	*653.2*	*11,430.4*	*7.7*	*415.3*	*9,500.4*	*62,735.0*
Translation differences	0.2	0.3	9.1	0.2	0.7	0.1	0.2	0.0	10.7
Additions	1,085.9	36.0	319.4	133.1	387.8	1.1	45.7	2,229.6	4,238.6
Disposals	-216.1	-2.0	-47.8	-32.4	-101.6	-0.1	-29.4	-7.6	-437.1
Transfers	1,172.9	0.0	262.5	0.3	335.2	0.0	4.5	-1,780.0	-4.6
Cost as of Dec 31, 2023	***33,979.1***	***498.4***	***8,870.6***	***754.4***	***12,052.5***	***8.7***	***436.3***	***9,942.4***	***66,542.5***
Accumulated depreciation and amortisation as of Jan 01, 2023 (incl. impairment)	*-11,358.7*	*-97.3*	*-4,505.3*	*-347.3*	*-6,787.5*	*-1.7*	*-317.3*	*-1.3*	*-23,416.4*
Translation differences	0.1	0.0	-6.3	0.1	-0.5	0.0	-0.1	0.0	-6.6
Depreciation and amortisation (incl. impairment)	-605.7	-31.6	-290.5	-107.7	-377.0	-1.3	-46.9	-0.7	-1,461.5
Disposals	189.3	0.7	37.5	25.3	95.6	0.1	29.0	0.1	377.4
Transfers	-0.7	0.0	0.0	0.0	-0.8	0.0	2.8	0.0	1.3
Appreciations	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4
Accumulated depreciation and amortisation as of Dec 31, 2023 (incl. impairment)	-11,773.3	-128.2	-4,764.6	-429.8	-7,070.1	-3.0	-332.4	-1.9	-24,503.5
Carrying amounts before investment grants as of Jan 01, 2023	*20,577.6*	*366.9*	*3,822.1*	*305.8*	*4,643.0*	*5.9*	*98.0*	*9,499.1*	*39,318.5*
Carrying amounts before investment grants as of Dec 31, 2023	22,205.8	370.2	4,106.0	324.6	4,982.4	5.7	103.9	9,940.4	42,039.0
Investment grants									
As of Jan 01, 2023	*-9,666.0*	*0.0*	*-225.3*	*0.0*	*-2,970.8*	*0.0*	*-10.7*	*-1,055.7*	*-13,928.4*
Translation differences	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1
Additions	-68.9	0.0	-32.2	0.0	-15.7	0.0	-0.3	-272.9	-390.2
Disposals	79.7	0.0	3.5	0.0	45.3	0.0	0.4	3.8	132.7
Transfers	-107.1	0.0	0.0	0.0	-9.4	0.0	0.2	116.4	0.0
Cost as of Dec 31, 2023	-9,762.3	0.0	-254.0	0.0	-2,950.7	0.0	-10.5	-1,208.5	-14,185.9
Accumulated depreciation and amortisation as of Jan 01, 2023	*5,857.9*	*0.0*	*149.7*	*0.0*	*2,548.7*	*0.0*	*10.1*	*2.9*	*8,569.2*
Depreciation and amortisation	99.1	0.0	5.3	0.0	38.9	0.0	0.4	0.0	143.8
Disposals	-73.6	0.0	-3.2	0.0	-42.4	0.0	-0.4	-2.9	-122.4
Transfers	0.2	0.0	0.0	0.0	0.0	0.0	-0.2	0.0	0.0
Accumulated depreciation and amortisation as of Dec 31, 2023	5,883.6	0.0	151.9	0.0	2,545.2	0.0	10.0	0.0	8,590.7
Investment grants as of Jan 01, 2023	*-3,808.1*	*0.0*	*-75.6*	*0.0*	*-422.1*	*0.0*	*-0.6*	*-1,052.8*	*-5,359.2*
Investment grant as of Dec 31, 2023	-3,878.7	0.0	-102.1	0.0	-405.5	0.0	-0.5	-1,208.5	-5,595.3
Carrying amounts after investment grants as of Jan 01, 2023	*16,769.5*	*366.9*	*3,746.5*	*305.8*	*4,220.9*	*5.9*	*97.4*	*8,446.3*	*33,959.3*
Carrying amounts after investment grants as of Dec 31, 2023	18,327.1	370.2	4,003.8	324.6	4,576.9	5.7	103.4	8,732.0	36,443.7

2022 in EUR million	Land and buildings	Rights of use for land and buildings	Automo-biles and trucks	Rights of use for automo-biles and trucks	Technical equipment and machinery	Rights of use for technical equipment and machinery and other plant, furniture and fixtures	Other plant, furniture and fixtures	Assets under construc-tion	Total
Cost									
Cost as of Jan 01, 2022	*30,939.0*	*275.8*	*8,230.3*	*625.5*	*11,031.9*	*3.4*	*383.7*	*8,032.1*	*59,521.6*
Translation differences	-0.7	0.0	-18.7	-1.0	-1.0	-0.1	-0.3	-0.1	-21.9
Additions	760.9	199.9	129.5	138.0	262.1	5.0	59.6	2,134.2	3,689.3
Disposals	-116.0	-11.5	-133.8	-66.0	-75.5	-0.7	-30.0	-3.9	-437.4
Transfers	353.2	0.0	120.2	-43.4	213.0	0.0	2.3	-662.0	-16.6
Cost as of Dec 31, 2022	31,936.3	464.2	8,327.5	653.2	11,430.4	7.7	415.3	9,500.4	62,735.0
Accumulated depreciation and amortisation as of Jan 01, 2021 (incl. impairment)	*-10,862.7*	*-70.8*	*-4,331.3*	*-347.0*	*-6,498.6*	*-1.0*	*-306.0*	*-1.3*	*-22,418.7*
Translation differences	-0.1	0.1	12.2	0.9	0.8	0.0	0.3	0.0	14.1
Depreciation and amortisation (incl. impairment)	-591.2	-29.3	-273.9	-95.1	-357.8	-1.0	-43.6	0.0	-1,391.9
Disposals	94.8	2.8	126.6	55.0	70.7	0.2	29.7	0.0	379.7
Transfers	0.6	0.0	-38.9	38.9	-2.6	0.0	2.1	0.0	0.1
Appreciations	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.2
Accumulated depreciation and amortisation as of Dec 31, 2022 (incl. impairment)	-11,358.7	-97.3	-4,505.3	-347.3	-6,787.5	-1.7	-317.3	-1.3	-23,416.4
Carrying amounts before investment grants as of Jan 01, 2022	*20,076.3*	*205.0*	*3,899.0*	*278.5*	*4,533.3*	*2.4*	*77.7*	*8,030.8*	*37,102.9*
Carrying amounts before investment grants as of Dec 31, 2022	20,577.6	366.9	3,822.1	305.8	4,643.0	5.9	98.0	9,499.1	39,318.5
Investment grants									
As of Jan 01, 2022	*-9,645.4*	*0.0*	*-464.6*	*0.0*	*-2,964.0*	*0.0*	*-10.7*	*-914.1*	*-13,998.7*
Translation differences	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
Additions	-54.1	0.0	-5.0	0.0	-19.8	0.0	-0.1	-173.4	-252.4
Disposals	52.9	0.0	244.3	0.0	23.8	0.0	0.1	0.1	321.2
Transfers	-19.4	0.0	0.0	0.0	-10.9	0.0	0.0	31.7	1.4
Cost as of Dec 31, 2022	-9,666.0	0.0	-225.3	0.0	-2,970.8	0.0	-10.7	-1,055.7	-13,928.4
Accumulated depreciation and amortisation as of Jan 01, 2021	*5,803.4*	*0.0*	*386.3*	*0.0*	*2,532.9*	*0.0*	*10.0*	*2.9*	*8,735.5*
Translation differences	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	-0.1
Depreciation and amortisation	101.0	0.0	7.6	0.0	38.9	0.0	0.2	0.0	147.6
Disposals	-45.8	0.0	-244.1	0.0	-23.1	0.0	-0.1	0.0	-313.1
Transfers	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.7
Accumulated depreciation and amortisation as of Dec 31, 2022	5,857.9	0.0	149.7	0.0	2,548.7	0.0	10.1	2.9	8,569.2
Investment grants as of Jan 01, 2022	*-3,842.0*	*0.0*	*-78.3*	*0.0*	*-431.1*	*0.0*	*-0.7*	*-911.2*	*-5,263.2*
Investment grant as of Dec 31, 2022	-3,808.1	0.0	-75.6	0.0	-422.1	0.0	-0.6	-1,052.8	-5,359.2
Carrying amounts after investment grants as of Jan 01, 2022	*16,234.3*	*205.0*	*3,820.7*	*278.5*	*4,102.2*	*2.4*	*77.0*	*7,119.6*	*31,839.7*
Carrying amounts after investment grants as of Dec 31, 2022	16,769.5	366.9	3,746.5	305.8	4,220.9	5.9	97.4	8,446.3	33,959.3

Additions to property, plant and equipment due to companies consolidated for the first time and disposals from de-consolidations are shown in separate lines in the statement of changes in fixed assets. The additions to right-of-use assets for land and buildings in the 2022 financial year relate to the rental of a property in Lassallestrasse totalling approx. EUR 162.9 million.

The additions in the 2023 financial year, excluding rights of use, amount to approx. EUR 4,068.4 million (py: approx. EUR 3,346.3 million) and mainly relate to master plan projects and investments in the southern line, investments in station conversions and new buildings, expansion work in the Vienna metropolitan area and investments in the expansion of the western line as well as the acquisition of a vehicle fleet. These are mainly buildings, technical equipment and machinery as well as assets under construction.

The reclassifications relate primarily to values reclassified from the item “Assets under construction” to the specific asset accounts for completed property, plant and equipment and intangible assets, as well as values reclassified from or to the statement of financial position items “Assets held for sale” and “Inventories” (note 21). See Note 3 under “Estimates of the useful lives of property, plant and equipment and intangible assets” for information on changes in estimates.

In the financial year, the ÖBB Group capitalised interest on the production costs of qualifying assets in the amount of approx. EUR 136.4 million (py: approx. EUR 113.8 million) in accordance with the provisions of IAS 23. The underlying interest rate on borrowed capital is approx. 2.0 to 2.5 % (py: 2.0 %). Of the federal grants, an amount of EUR 125.0 million (py: EUR 104.2 million) was recognised as a cost contribution for capitalised interest.

Losses from the disposal of property, plant and equipment amounted to approx. EUR 31.8 million (py: approx. EUR 25.2 million), resulting from the scrapping and demolition of assets, the sale of vehicles and other operating equipment, and transfers to the public domain. Compensation contributions were received to an insignificant extent in both financial years.

Property, plant and equipment with the following carrying amounts serve as collateral for financial liabilities and are subject to a restriction on disposal rights:

	Restrictions on disposal rights		Pledged as collateral	
in EUR million	2023	2022	2023	2022
Automobiles and trucks	134.8	125.7	60.7	353.2
Other technical equipment and machinery	0,0*)	0,0*)	0.0	0.0
Other plant, furniture and fixtures	0,0*)	0.0	0.0	0.0

*) Smallest amount.

There are purchase commitments for assets, in particular due to open purchase commitments of approx. EUR 1,919.2 million (py: approx. EUR 2,962.3 million). See Note 3 for further information on changes in estimates.

Impairment losses and reversals

ÖBB-Personenverkehr subgroup

In the 2023 reporting period, management identified an indicator of possible impairment for the Postbus CGU, which is why an impairment test was conducted with no resulting impairment.

Rail Cargo Group subgroup

In contrast to the previous year, the impairment tests resulted in no need for impairment in 2023.

The recoverable amount of the CGU Cargo, the CGU Intermodal and the CGU TS-HU is represented by the respective value in use. In 2023, the recoverable amount for the CGU Cargo totalled EUR 1,106.8 million (py: approx. EUR 1,090.7 million), for the CGU Intermodal EUR 141.1 million (py: approx. EUR 137.1 million) and for the CGU TS-HU EUR 27.2 million (py: n.a.). The parameters for calculating the value in use are shown in Note 3.

In 2022, the planning assumptions in the impairment test needed to be adjusted due to the ongoing negative economic conditions as a result of the war in Ukraine, meaning that the recoverable amount of the CGUs in the Cargo CGU and the Intermodal CGU increased compared to the previous year’s impairment test. The impairment test conducted for property, plant and equipment and intangible assets with the amended planning data resulted in an impairment requirement for the Cargo CGU of approx. EUR -28.2 million in the 2022 financial year. The impairment test of the Intermodal CGU resulted in no impairment requirement in 2022.

Further information on goodwill is provided in Note 15.

15. Intangible assets

2023 in EUR million	Concessions, property rights, licenses	Investment grants to third parties	Goodwill	Intangible assets in development phase	Total
Cost					
Cost as of Jan 01, 2023	*516.3*	*1,703.8*	*226.4*	*151.0*	*2,597.5*
Translation differences	0.4	0.0	9.0	0.0	9.4
Additions	21.6	166.5	0.0	77.6	265.7
Disposals	-17.1	-7.6	0.0	0.0	-24.7
Transfers	32.9	23.3	0.0	-63.4	-7.1
Cost as of Dec 31, 2023	**554.1**	**1,886.0**	**235.4**	**165.3**	**2,840.8**
Accumulated depreciation and amortisation as of Jan 01, 2023 (incl. impairment)	*-386.3*	*-330.4*	*-145.7*	*0.0*	*-862.4*
Translation differences	0.1	0.0	-6.6	0.0	-6.5
Depreciation and amortisation (incl. impairment)	-39.2	-25.6	0.0	0.0	-64.8
Disposals	15.9	5.4	0.0	0.0	21.3
Transfers	0.0	0.1	0.0	0.0	0.1
Accumulated depreciation and amortisation as of Dec 31, 2023 (incl. impairment)	**-409.5**	**-350.5**	**-152.3**	**0.0**	**-912.3**
Carrying amounts before investment grants as of Jan 01, 2023	***130.0***	***1,373.4***	***80.7***	***151.0***	***1,735.1***
Carrying amounts before investment grants as of Dec 31, 2023	**144.6**	**1,535.5**	**83.1**	**165.3**	**1,928.5**
Investment grants					
As of Jan 01, 2023	*-35.6*	*-767.5*	*0.0*	*0.0*	*-803.1*
Additions	-3.2	-61.6	0.0	0.0	-64.8
Disposals	0.0	4.2	0.0	0.0	4.2
Transfers	1.7	-1.7	0.0	0.0	0.0
As of Dec 31, 2023	**-37.1**	**-826.5**	**0.0**	**0.0**	**-863.6**
Accumulated depreciation and amortisation as of Jan 01, 2023	*28.9*	*117.5*	*0.0*	*0.0*	*146.4*
Depreciation and amortisation	1.9	3.7	0.0	0.0	5.6
Disposals	0.0	-4.2	0.0	0.0	-4.2
Accumulated depreciation and amortisation as of Dec 31, 2023	**30.8**	**116.9**	**0.0**	**0.0**	**147.7**
Investment grants as of Jan 01, 2023	***-6.7***	***-650.0***	***0.0***	***0.0***	***-656.7***
Investment grant as of Dec 31, 2023	**-6.3**	**-709.6**	**0.0**	**0.0**	**-715.9**
Carrying amounts after investment grants as of Jan 01, 2023	***123.3***	***723.5***	***80.7***	***151.0***	***1,078.5***
Carrying amounts after investment grants as of Dec 31, 2023	**138.3**	**825.9**	**83.1**	**165.3**	**1,212.6**

2022 in EUR million	Concessions, property rights, licenses	Investment grants to third parties	Goodwill	Intangible assets in development phase	Total
Cost					
Cost as of Jan 01, 2022	*490.7*	*1,550.5*	*245.8*	*101.3*	*2,388.3*
Translation differences	-0.6	0.0	-19.3	0.0	-20.0
Additions	20.1	126.6	0.0	84.2	230.9
Disposals	-7.2	-0.3	0.0	-0.3	-7.9
Transfers	13.3	27.0	0.0	-34.2	6.1
Cost as of Dec 31, 2022	516.3	1,703.8	226.4	151.0	2,597.5
Accumulated depreciation and amortisation as of Jan 01, 2022 (incl. impairment)	*-357.1*	*-302.5*	*-130.7*	*0.0*	*-790.3*
Translation differences	0.1	0.0	13.3	0.0	13.4
Depreciation and amortisation (incl. impairment)	-36.6	-27.7	-28.3	0.0	-92.6
Disposals	7.1	0.3	0.0	0.0	7.4
Transfers	0.3	-0.5	0.0	0.0	-0.2
Accumulated depreciation and amortisation as of Dec 31, 2022 (incl. impairment)	-386.3	-330.4	-145.7	0.0	-862.4
Carrying amounts before investment grants as of Jan 01, 2022	*133.6*	*1,248.0*	*115.1*	*101.3*	*1,598.0*
Carrying amounts before investment grants as of Dec 31, 2022	130.0	1,373.4	80.7	151.0	1,735.1
Investment grants					
As of Jan 01, 2022	*-36.0*	*-688.4*	*0.0*	*0.0*	*-724.4*
Additions	-1.8	-75.6	0.0	0.0	-77.4
Disposals	0.2	0.0	0.0	0.0	0.1
Transfers	2.1	-3.5	0.0	0.0	-1.4
As of Dec 31, 2022	-35.6	-767.5	0.0	0.0	-803.1
Accumulated depreciation and amortisation as of Jan 01, 2022	*27.4*	*110.4*	*0.0*	*0.0*	*137.7*
Depreciation and amortisation	1.7	6.4	0.0	0.0	8.1
Disposals	-0.1	0.0	0.0	0.0	-0.1
Transfers	0.0	0.7	0.0	0.0	0.7
Accumulated depreciation and amortisation as of Dec 31, 2022	28.9	117.5	0.0	0.0	146.4
Investment grants as of Jan 01, 2022	*-8.6*	*-578.0*	*0.0*	*0.0*	*-586.7*
Investment grant as of Dec 31, 2022	-6.7	-650.0	0.0	0.0	-656.7
Carrying amounts after investment grants as of Jan 01, 2022	*125.0*	*670.0*	*115.1*	*101.3*	*1,011.3*
Carrying amounts after investment grants as of Dec 31, 2022	123.3	723.5	80.7	151.0	1,078.5

The development of intangible assets is shown in the table above. Intangible assets under development are intangible assets that were purchased but not yet completed and are not yet in use.

The average remaining useful life of investment grants to third parties amounts to approx. 37.7 years (py: approx. 34.0years).

Research and development expenses of approx. EUR 35.0 million (py: approx. EUR 32.7 million) were recognised in profit or loss, as it was not possible to clearly distinguish between the development and research phases of the projects and the risk of exploiting the developments was beset with uncertainties. Research and development expenses of approx. EUR 2.0 million (py: approx. EUR 0.9 million) were capitalised in non-current assets under the item "Concessions, industrial property rights, licences and development costs".

The additions to the item "Cost contributions to third parties" mainly result from contributions to costs paid to Galleria di Base del Brennero – Brenner Base Tunnel BBT SE.

Goodwill

The development of goodwill is shown in the preceding table. Most of this goodwill is allocated to the Rail Cargo Group and is subject to an impairment test with regard to its future economic benefit.

Impairment

An impairment test for intangible assets (with indefinite useful lives) using current planning data shows no (py: one) impairment requirement for 2023 (py: EUR -28.2 million). The parameters for calculating the value in use and other disclosures are shown in Note 3 and Note 14. The goodwill reported as at 31.12.2023 totalling approx. EUR 83.1 million (py: approx. EUR 80.7 million) is attributable to the Cargo CGU. The changes are due to foreign currency effects.

16. Financial investment in property

Only properties not qualifying as railway assets (Section 10a Railway Act) and therefore freely leased to third parties or available for sale are assigned to this category. Essentially, properties for lease purposes and building rights are therefore reported under investment property. The useful lives of these properties correspond to the useful lives of those properties reported under property, plant and equipment.

The statement of financial position item developed as follows:

	2023 in EUR million	2022 in EUR million
Cost		
As of Jan 01	*408.8*	*367.7*
Additions	1.3	20.4
Additions at cost from subsequent acquisitions	53.0	16.3
Disposals at cost	-2.6	-7.4
Transfers from/to intangible assets	8.9	11.8
As of Dec 31	**469.5**	**408.8**
Accumulated depreciation		
As of Jan 01	*-174.0*	*-176.0*
Depreciation and amortisation	*-5.5*	*-4.1*
Impairment	0.0	-0.5
Disposals	2.4	6.7
As of Dec 31	**-177.0**	**-174.0**
Net carrying amounts as of Jan 01	**234.8**	**191.7**
Net carrying amounts as of Dec 31	***292.5***	***234.8***

If investment property is leased out, this is done by means of operating leases. The resulting rental income, excluding operating costs, amounted to approx. EUR 25.4 million (py: approx. EUR 20.4 million), which was offset by directly attributable expenses (including repairs and maintenance, but excluding operating costs) of approx. EUR 6.2 million (py: approx. EUR 5.1 million). In addition, operating expenses of approx. EUR 0.4 million (py: approx. EUR 0.0 million) were incurred, which were not offset by rental income. The ÖBB Group has not concluded any agreements for the maintenance of its investment property that give rise to an obligation in this respect.

The fair value is approx. EUR 1,155.6 million (py: approx. EUR 1,060.0 million). The measurement of 74% (py: 79%) of the properties is performed with the utilisation of external appraisals that are not based exclusively on market data and are therefore assigned to hierarchy level 3. The fair values of the remaining investment properties were determined by internal experts of ÖBB-Immobilienmanagement GmbH using a discounted cash flow calculation based on the actual rents for the respective lease property. The fair values determined in this way were also allocated to hierarchy level 3 in accordance with IFRS 13.

17. Investments accounted by equity method

Investments accounted for using the equity method in both reporting years include shares in a joint venture, Galleria di Base del Brennero – Brenner Base Tunnel BBT SE, I-39100 Bolzano and in several associates.

	2023 in EUR million	2022 in EUR million
Interest in one joint venture	40.6	40.6
Interest in associated companies	32.6	32.2
As of Dec 31	**73.2**	**72.8**

The following table reconciles the summarised financial information of the joint venture to the carrying amount of the Group's equity share. The values of Galleria di Base del Brennero– Brenner Base Tunnel BBT SE are preliminary and adjusted to the accounting method in the Group. There were no significant deviations from the provisional figures following the completion of the 2022 closure of the Gallerie di Base del Brennero.

	Galleria di Base del Brennero – Brenner Base Tunnel BBT SE	
	Dec 31, 2023 in EUR million	Dec 31, 2022 in EUR million
Revenue	0.0	0.0
Depreciation	-0.7	-0.7
Interest income	3.0	0.1
Interest expenses	-0.0 *)	-0.0 *)
Tax expense or income	0.0 *)	0.0 *)
Annual profit / loss from continuing operations	0.0	0.0
Other comprehensive income	0.0	0.0
Overall result	**0.0**	**0.0**
Cash and cash equivalents	268.9	107.6
Other current assets	107.9	223.9
Non-current assets	56.3	12.6
Current liabilities	350.0	261.1
Non-current liabilities	1.9	1.9
Net assets 100%	**81.1**	**81.1**
Interest of the Group in the net assets of the investee as of Jan 01	*40.6*	*40.6*
Overall result attributable to the Group	0.0	0.0
Dividends received from associated companies	0.0	0.0
Carrying amount of the interest in the investee as of Dec 31	**40.6**	**40.6**

*) Smallest amount.

The Galleria di Base del Brennero – Brenner Base Tunnel BBT SE (henceforth BBT SE) is the only Group joint agreement. BBT SE is an independent legal entity. The Group has a residual interest in the net assets, accordingly the Group has classified its interest as a joint venture. The purpose and task of BBT SE is the planning and construction of the Brenner Base Tunnel. The overall project comprises the construction of the railway tunnel between Tulfes/Innsbruck and Franzensfeste with the main, exploratory and access tunnels, multi-function stations, technical facilities, the operations control centre, the necessary landfill sites and the bridges and sites required to carry out the construction work, as well as the commissioning of the tunnel. The provisions of the contractual agreement of 30.04.2004 specify that the share capital of BBT SE is divided 50% between Italy and Austria respectively. The 50% of the Austrian share is wholly owned by the ÖBB-Infrastruktur AG. The 50% of the Italian part is wholly owned by TFB Societá di Partecipazioni S.p.A. ÖBB-Infrastruktur AG has undertaken to finance 50% of the construction of the Brenner Base Tunnel and will receive a 100% investment grant from the federal government in the form of a 50-year annuity as a cost contribution. In accordance with agreements between Italy and Austria, the two countries have agreed to provide additional contributions in proportion to their shares in order to compensate for any losses if necessary.

In its preliminary annual financial statements, BBT SE records total income (other operating income) of approx. EUR 24.4 million (py: approx. EUR 24.4 million) and total expenses of approx. EUR 27.4 million (py: approx. EUR 24.8 million) in addition to the figures listed above. BBT SE was paid approx. EUR 150.0 million (py: approx. EUR 100.0 million) as cost contributions in the 2023 financial year. The refunds contractually agreed with the state of Tyrol as part of the acquisition of the shares and the payments made by the federal government in connection with the cross-financing of the road reduced the federal subsidy and totalled approx. EUR 55.0 million (py: EUR 69.7 million). A summary financial information for all companies accounted for using the equity method is shown in the following table. The shares held directly and indirectly by the ÖBB Group are presented in the list of shareholdings (Note 34).

Development of investments in associated companies	2023 in EUR million	2022 in EUR million
As of Jan 01	*32.2*	*25.8*
Effect of first-time consolidations	0.0	6.5
Effects from initial consolidation	0.0	-0.4
Net income from associated companies	1.9	2.4
Distributions and other changes	-1.5	-2.1
As of Dec 31	**32.6**	**32.2**

As of 31.12.2022, RAILTOUR (SUISSE) SA, Zollikofen (CH) was included in the consolidated financial statements for the first time using the equity method. The first consolidation resulted in a difference of approx. EUR 4.4 million, consisting of hidden reserves of approx. EUR 1.8 million and goodwill of approx. EUR 2.6 million.

18. Other financial assets

2023 in EUR million	Current	Non-current	Total
Investments	0.0	9.7	9.7
Financial assets – leasing	4.6	85.1	89.7
Other financial assets	155.7	93.0	248.7
Total	**160.3**	**187.8**	**348.1**

2022 in EUR million	Current	Non-current	Total
Investments	0.0	10.2	10.2
Financial assets – leasing	4.1	91.0	95.1
Other financial assets	417.6	213.1	630.7
Total	**421.7**	**314.3**	**736.0**

Financial assets – leasing

Financial assets – leasing comprise long-term loans and are almost entirely related to cross-border leasing transactions. Their purpose is to cover future payment obligations (lease instalments and acquisition costs). Investment income from accumulating investments increases the item, the servicing of payment obligations reduces the item. These financial assets are offset by financial liabilities in the same amount.

In addition, there are financial assets from finance leases of approx. EUR 7.5 million (py: approx. EUR 12.7 million).

Financial assets – leasing (non-current) include the residual value of leased assets in the amount of approx. EUR 81.6 million (py: approx. EUR 81.6 million), which is deposited in the form of bank deposits. These assets carry a low credit risk as they are assigned investment grade ratings.

Other financial assets

This item mainly includes short-term securities, investment certificates, derivatives in a hedging relationship and derivatives with a positive carrying amount that are not in a hedging relationship.

In the 2023 financial year, there are other financial assets totalling EUR 71.1 million (py: EUR 0.0 million) for which there are restrictions on disposal. The last cross-border leasing transaction (CBL) was terminated in the previous year. See Notes 30.1 and 30.3 for further details.

Impairment

The following table shows a summary of the default risk for financial assets:

Default risk of financial assets at amortised cost as of Dec 31	2023 in EUR million	2022 in EUR million
Gross carrying amount	252.0	178.2
Allowance	-0.3	-0.2
thereof expected 12-month credit loss	*-0.3*	*-0.2*
Carrying amount	**251.7**	**178.0**

The development of the measurement allowance for financial assets measured at amortised acquisition cost was as follows in the course of the year:

Impairment of financial assets Expected 12-month credit loss	2023 in EUR million		2022 in EUR million
As of Jan 01	*0.2*		*0.2*
Net revaluation of allowance of impairment	0.1	*)	0.0
As of Dec 31	**0.3**		**0.2**

*) Smallest amount.

19. Assets held for sale and liabilities held for sale

The statement of financial position item of assets held for sale is as follows:

Non-current assets held for sale	2023 in EUR million	2022 in EUR million
As of Jan 01	*0.1*	*35.6*
Disposals by sale	0.0	-35.5
Additions (single assets)	11.3	0.0
As of Dec 31	**11.4**	**0.1**
of which reported at amortised cost	*11.4*	*0.1*

The disposals in the 2022 financial year related to the assets of the former subsidiary Güterterminal Werndorf Projekt GmbH (disposal group). All shares (100%) were sold to Steirische Infrastruktur-Beteiligungs GmbH and Cargo-Center-Graz Betriebsgesellschaft m.b.H. by contract dated 25.02.2022. Closing took place on 28.03.2022.

The assets held for sale with a value of EUR 0.1 million (py: approx. EUR 0.1 million) relate to a railway line that was already classified as an asset held for sale as at 31.12.2022 and was not sold in the 2023 financial year. In both reporting years, the obligation to make a cost contribution totalling approx. EUR 6.4 million was also classified as “Liabilities held for sale”. The circumstances of the delay in the sales process are beyond the control of the company and are due to the circumstances of the buyer. Unfortunately, the concession for the state or for the future operating company to operate the line has not yet been granted, meaning that no handover has yet taken place. The management remains committed to the sales plans and the agreement with the state of Upper Austria is still valid. The sale is expected to take place in 2024. As a result, the classification as “held for sale” remains unchanged. The sale price amounts to approx. EUR 3.4 million.

A building lease agreement was concluded on 19.12.2023 for a logistics centre with a building book value of approx. EUR 7.1 million, which came into effect on 01.01.2024. The building lease agreement constitutes an operating lease within the meaning of IFRS 16 with regard to the land and a sale within the meaning of IFRS 15 with regard to the building. The building is therefore classified as “held for sale”. The land is allocated to IAS 40 assets. The granting of the building right was to be qualified as an instalment sale in accordance with IFRS. In 2024, the sales proceeds will amount to approx. EUR 17.8 million.

The other asset held for sale with a carrying amount of approx. EUR 4.2 million is a property in the Czech Republic, which is expected to be sold in 2024. The planned sales proceeds exceed the amortised carrying amount.

The fair values correspond to the agreed purchase prices or the expected results of negotiations with the contractual partners, which means that the fair value is allocated to hierarchy level 3 in accordance with IFRS 13. Assets held for sale are only reported if corresponding Supervisory Board resolutions have been passed and the sale is highly probable in the following financial year.

The proceeds expected in 2024 for assets held for sale are all higher than the current carrying amounts of the assets. The ÖBB Group made no actual disposals of assets in the 2023 reporting year. In the 2022 reporting year, gains of approx. EUR 2.4 million were recognised from the disposal of the assets held for sale group and approx. EUR 2.9 million from the other assets held for sale, which are reported together with the result from the disposal of other assets under other operating income.

No significant assets were designated for sale after the reporting date as of 31.12.2023.

20. Trade and other receivables

This item is classified as follows:

Dec 31, 2023 **in EUR million**	Current	Non-current	Total
Trade receivables	735.1	0.0	735.1
thereof contract assets (construction contracts)	*25.7*	*0.0*	*25.7*
Other receivables and assets	438.1	78.7	516.8
Income tax receivables	2.9	0.0	2.9
Total	**1,176.1**	**78.7**	**1,254.8**

Dec 31, 2022 **in EUR million**	Current	Non-current	Total
Trade receivables	592.0	0.0	592.0
thereof contract assets (construction contracts)	*18.4*	*0.0*	*18.4*
Other receivables and assets	452.9	85.7	538.6
Income tax receivables	2.0	0.0	2.0
Total	**1,046.9**	**85.7**	**1,132.6**

Trade receivables result in particular from transport services as well as receivables from transport revenue and from the settlement of public services. The carrying amounts of trade receivables and other receivables approximate their fair values due to their short terms.

Trade receivables include construction contracts in connection with services for third parties for which the performance obligation is not yet completed. Revenue of approx. EUR 86.6 million (py: approx. EUR 91.0 million) was recognised for construction contracts.

Other receivables and deferrals include VAT receivables from the Austrian tax authorities. In addition, this item includes receivables from the Republic of Austria from apprenticeship funding.

Other receivables include accruals of approx. EUR 153.2 million (py: approx. EUR 174.6 million). The accruals and deferrals mainly relate to prepaid liability payments to the federal government of approx. EUR 67.6 million (py: approx. EUR 78.8 million). and the salaries paid in December, including taxes for January, amounting to approx. EUR 50.9 million (py: approx. EUR 57.8 million).

The allowances mainly refer to trade receivables and developed as follows:

	2023 in EUR million	2022 in EUR million
As of Jan 01	*53.8*	*67.8*
Utilisation	-3.9	-13.6
Net revaluation of allowances for impairment	3.1	-0.4
As of Dec 31	**53.0**	**53.8**
thereof from other receivables	*4.8*	*1.9*

The following tables contain information on the default risk and the expected credit losses from deliveries and services, divided up according to the ÖBB subgroups:

Dec 31, 2023 Analysis of default risk by maturity of trade receivables in EUR million	Gross carrying amount (before impairment)	Allowance	thereof individual allowance	thereof portfolio allowance	Net carrying amount
receivables not and up to 90 days past due	729.5	6.2	2.2	4.0	723.3
90 to 180 days past due	6.5	2.1	1.2	0.9	4.4
180 to 360 days past due	8.4	6.0	5.0	1.0	2.4
more than 360 days past due	39.0	33.9	31.1	2.9	5.1
Total exposure	**783.4**	**48.2**	**39.5**	**8.8**	**735.1**

Dec 31, 2023 Analysis of default risk by risk group / subgroup in EUR million	Gross carrying amount (before impair-ment)	thereof towards third parties “Passenger transport”	thereof towards third parties “Rail Cargo Austria”	thereof towards third parties “Infra-structure”	thereof towards third parties “Others”	Allowance	thereof towards third parties “Passenger transport”	thereof towards third parties “Rail Cargo Austria”	thereof towards third parties “Infra-structure”	thereof towards third parties “Others”
receivables not and up to 90 days past due	729.5	285.7	255.3	176.8	11.7	6.2	1.5	2.1	2.4	0.2
90 to 180 days past due	6.5	2.2	3.2	1.0	0.0	2.1	0.1	1.6	0.4	0.0
180 to 360 days past due	8.4	0.8	2.6	4.8	0.1	6.0	0.1	2.6	3.3	0.0
more than 360 days past due	39.0	5.0	22.2	10.8	1.0	33.9	3.5	21.1	9.0	0.4
Total exposure	**783.4**	**293.7**	**283.4**	**193.4**	**12.8**	**48.2**	**5.2**	**27.4**	**15.0**	**0.6**

Dec 31, 2022 Analysis of default risk by maturity of trade receivables in EUR million	Gross carrying amount (before impairment)	Allowance	thereof individual allowance	thereof portfolio allowance	Net carrying amount
receivables not and up to 90 days past due	591.3	9.8	6.8	2.9	581.5
90 to 180 days past due	5.9	3.2	2.6	0.6	2.7
180 to 360 days past due	8.6	6.9	4.9	2.0	1.7
more than 360 days past due	38.2	32.1	27.5	4.6	6.1
Total exposure	**644.0**	**51.9**	**41.8**	**10.1**	**592.0**

Dec 31, 2022 Analysis of default risk by risk group / subgroup in EUR million	Gross carrying amount (before impair-ment)	thereof towards third parties “Passenger transport”	thereof toward s third parties “Rail Cargo Austria”	thereof towards third parties “Infra-structure”	thereof towards third parties “Others”	Allowance	thereof towards third parties “Passenger transport”	thereof toward s third parties “Rail Cargo Austria”	thereof towards third parties “Infra-structure”	thereof towards third parties “Others”
receivables not and up to 90 days past due	591.3	187.3	263.5	126.6	13.9	9.8	2.6	5.3	1.7	0.2
90 to 180 days past due	5.9	0.7	3.6	1.3	0.3	3.2	0.1	2.4	0.7	0.1
180 to 360 days past due	8.6	0.4	4.9	2.5	0.8	6.9	0.2	4.5	1.9	0.4
more than 360 days past due	38.2	5.8	17.1	14.8	0.4	32.1	3.6	15.7	12.7	0.1
Total exposure	**644.0**	**194.3**	**289.1**	**145.2**	**15.4**	**51.9**	**6.4**	**27.8**	**16.9**	**0.7**

The following table shows a summary of the default risk for trade receivables and other receivables:

Default risk	2023 in EUR million	2022 in EUR million
Trade receivables	783.4	644.0
Other receivables	521.6	540.5
Total gross carrying amount of receivables	**1,304.9**	**1,184.4**
less impairment	53.0	53.8
thereof for trade receivables	*48.2*	*51.9*
thereof for other receivables	*4.8*	*1.9*
Carrying amount	**1,251.9**	**1,130.6**

See Note 29 for further details.

21. Inventories

This statement of financial position item is composed as follows:

	Dec 31, 2023 in EUR million	Dec 31, 2022 in EUR million
Inventories	394.9	341.2
Finished goods	8.4	7.7
Down payments	5.7	4.3
Total	**409.0**	**353.2**
thereof recovery objects	*38.1*	*39.7*
thereof measured at cost	*228.6*	*198.4*

Inventories include, among other things, stocks of materials and spare parts for the expansion and maintenance of rail network operations and for vehicles, as well as operating resources and realisation properties. See Note 7 for the reported cost of sales. The item “Cost of materials” includes expenses from the value adjustment of inventories of approx. EUR 2.5 million (py: approx. EUR 2.6 million) and is reported under the cost of materials and purchased services. No reversals of impairment losses were recognised in the income statement in either financial year.

Inventories include properties for sale amounting to approx. EUR 38.1 million (py: approx. EUR 39.7 million). The real estate recovery projects relate to properties no longer used for operational purposes and are under development for subsequent sale. These are former station and railway facilities that were used for permanent operations. These include substantial projects such as the areas former Südbahnhof, the Vienna North freight terminal and the Nordwestbahnhof, which are being developed on a major scale.

22. Cash and cash equivalents

This item is classified as follows:

	Dec 31, 2023 in EUR million	Dec 31, 2022 in EUR million
Cash on hand	5.2	5.1
Cash in banks	587.9	193.3
As of Dec 31 (balance sheet)	**593.2**	**198.4**
Other current liabilities	-5.4	-4.9
Bank loans	-2.6	-4.8
Funds (Statement of Cash Flow)	**585.2**	**188.7**

This item includes investments as well as bank balances and cash in hand, all of which are short-term (maturity of less than three months), whereby the remaining term at the time of acquisition is decisive. The carrying amounts of these assets are equivalent to their fair values. ÖBB Group freely disposes over all cash and cash equivalents. See Note 33 for details on the composition funds portfolio.

23. Share capital and other equity

The development of equity is shown in the Consolidated Statement of Changes in Equity.

Share capital and additional paid-in capital

The share capital remains unchanged, divided into 190,000 ordinary shares with a nominal value of EUR 10,000 each and fully paid in. The share capital is defined in Section 2 (1) Federal Railways Act and is that of the parent company. The share capital was raised pursuant to Section 2 (2) of the Austrian Federal Railways Act (Bundesbahngesetz) through the contribution of all shares held by the federal government in the Austrian Federal Railways. The shares were to be recognised as equity within the meaning of Section 224 (3) UGB in accordance with the statement of financial position of Austrian Federal Railways as at 31.12.2003. 100% of the shares in ÖBB-Holding AG are reserved for the Republic of Austria pursuant to Section 2 (1) Federal Railways Act and are not publicly traded.

Capital reserves remain unchanged compared to the previous year.

Shares of non-controlling interests in equity

This item was created for the shares in the equity of the respective fully consolidated subsidiaries that do not belong to the ÖBB-Holding AG. The development of this item is shown in the Consolidated Statement of Changes in Shareholders' Equity.

24. Reserves and retained earnings

	Dec 31, 2023 in EUR million	Dec 31, 2022 in EUR million
Other reserves	-132.6	190.3
thereof cash flow hedge reserve	*-52.8*	*272.3*
thereof translation differences	*-79.8*	*-82.0*
Retained earnings	1,283.5	1,274.1

In addition, actuarial losses from the revaluation of provisions for severance payments of approx. EUR -13.5 million (py: approx. EUR -2.8 million) are reported under the item "Retained earnings". The actuarial losses in the statement of comprehensive income include tax effects of approx. TEUR -361 (py: approx. TEUR 271).

Differences resulting from capital consolidation that arose before the transition to IFRS are reported in the resultgenerated. Further information regarding the change in fair values is provided in Note 29.4.1.

The change in the cash flow hedge reserve is presented in the consolidated statement of comprehensive income. Income taxes included in other comprehensive income relate only to taxable items. Currency translation differences are the result of translating the financial statements of foreign operations into the reporting currency. The cash flow hedge reserve mainly relates to commodity derivatives.

See the Consolidated Statement of Changes in Shareholders' Equity for further explanation.

25. Financial liabilities

Financial liabilities comprise the following:

Dec 31, 2023 in EUR million	up to 1 year	1 to 5 years	more than 5 years	Total
Bonds	998.9	2,560.9	4,324.8	7,884.6
Bank loans	558.0	1,664.1	3,797.3	6,019.4
Financial liabilities leasing	134.2	377.9	275.5	787.6
Other financial liabilities	640.6	3,646.0	14,556.0	18,842.6
Total	**2,331.7**	**8,248.9**	**22,953.6**	**33,534.2**

Dec 31, 2022 in EUR million	up to 1 year	1 to 5 years	more than 5 years	Total
Bonds	1,000.0	3,557.2	4,326.1	8,883.3
Bank loans	296.8	1,439.3	4,235.9	5,972.0
Financial liabilities leasing	171.3	229.1	376.1	776.5
Other financial liabilities	941.5	2,251.7	11,501.4	14,694.6
Total	**2,409.6**	**7,477.3**	**20,439.5**	**30,326.4**

Of the liabilities to banks, approx. EUR 4,338.3 million (py: approx. EUR 4,088.1 million) relate to financing by the European Investment Bank (EIB).

Financial liabilities to the EIB 2023 Remaining term to maturity	Fair value in EUR	Term	Nominal interest rate	Effective interest rate	Note
up to 1 year	200,000,000.00	2009 – 2024	4.40%	4.41%	1 contract
1 to 5 years	940,000,000.00	2006 – 2029	3.58% – 4.81%	3.59% – 4.82%	5 contracts
more than 5 years	2,700,000,000.00	2010 – 2049	0.43% – 4.18%	0.43% – 4.19%	13 contracts
Total	**3,840,000,000.00**				**19 contracts**

In the event of changes to the Federal Railways Act, if ÖBB-Infrastruktur AG should sell its assets, the ownership structure changes or the project costs are significantly lower than planned, the EIB must either be informed, additional collateral provided or the EIB is entitled to withhold loans that have not yet been disbursed or demand repayment.

Federal guarantees

Guarantees from the federal government exist for bonds with a book value of approx. EUR 7,825.1 million (py: approx. EUR 8,823.6 million). Furthermore, liabilities at EUROFIMA with a book value of approx. EUR 387.8 million (py: approx. EUR 732.8 million) are secured by guarantees from the federal government.

Bonds issued

The bonds with a total nominal value of approx. EUR 7,825.0 million (py: approx. EUR 8,825.0 million) are structured as follows:

Fair value	Currency	Term	ISIN	Interest rate
100,000,000.00	EUR	2006 – 2036	XS0243862876	2.9900%
100,000,000.00	EUR	2006 – 2036	XS0244522396	2.9900%
100,000,000.00	EUR	2006 – 2036	XS0252697130	3.5000%
50,000,000.00	EUR	2006 – 2036	XS0252721450	3.5000%
100,000,000.00	EUR	2006 – 2036	XS0275973278	3.4900%
80,000,000.00	EUR	2006 – 2036	XS0275974599	3.4900%
100,000,000.00	EUR	2007 – 2037	XS0321318163	4.0000%
100,000,000.00	EUR	2007 – 2037	XS0324893626	4.0000%
50,000,000.00	EUR	2007 – 2037	XS0324895670	4.0000%
100,000,000.00	EUR	2007 – 2037	XS0328866982	4.0000%
50,000,000.00	EUR	2007 – 2037	XS0331427905	4.0000%
50,000,000.00	EUR	2007 – 2037	XS0336043517	3.9900%
50,000,000.00	EUR	2010 – 2030	XS0497430172	4.2100%
70,000,000.00	EUR	2010 – 2030	XS0503724642	4.2000%
100,000,000.00	EUR	2010 – 2030	XS0512125849	3.9000%
1,500,000,000.00	EUR	2010 – 2025	XS0520578096	3.8750%
1,000,000,000.00	EUR	2011 – 2026	XS0691970601	3.5000%
200,000,000.00	EUR	2011 – 2031	XS0717614951	4.0000%
1,350,000,000.00	EUR	2012 – 2032	XS0782697071	3.3750%
75,000,000.00	EUR	2013 – 2033	XS0954197470	2.1250%
1,000,000,000.00	EUR	2013 – 2033	XS0984087204	3.0000%
1,000,000,000.00	EUR	2014 – 2024	XS1138366445	1.0000%
500,000,000.00	EUR	2014 – 2029	XS1071747023	2.2500%

In the period from 2005 to 2014, ÖBB-Infrastruktur AG issued a program of Euro Medium Term Notes (EMTN). The payments in respect of the bonds issued under this framework agreement are unconditionally and irrevocably guaranteed by the Republic of Austria. All the bonds listed above were issued by ÖBB-Infrastruktur AG under this program.

In 2015, six bonds (approx. USD 108.5 million) were issued, of which three (py: three) in the amount of approx. 65.7 million (py: approx. 63.8 million USD) with CUSIP numbers A5790#AD0 (maturity date 2026), A5790#AE8 (maturity date 2025) and A5790#AF5 (maturity date 2025) are still outstanding. The fair value of these bonds is determined using a measurement model based on observable market data and is therefore allocated to level 2 of the fair value hierarchy (Note 29.5).

Österreichische Kontrollbank Aktiengesellschaft assumed no guarantees for financial liabilities (py: approx. EUR 24.9 million).

Financial liabilities Leasing

The leasing liabilities in accordance with IFRS 16 increased by approx. EUR 166.6 million in the 2022 financial year on account of the lease of a property in Lassallestrasse. Financial liabilities from leases pursuant to IFRS 16 amount to approx. EUR 641.8 million (py: approx. EUR 617.4 million).

Other financial liabilities

The remaining financial liabilities consist mainly of EUROFIMA loans of approx. EUR 402.8 million (py: approx. EUR 732.8 million), of which in 2023 an amount of approx. EUR 15.0 million (py: approx. EUR 345.0 million) has a remaining term of less than one year. This item also includes liabilities to the federal government (OeBFA) with a carrying amount of approx. EUR 16,313.1 million (py: approx. EUR 11,916.4 million) and the negative present values of derivative financial instruments. Of the liabilities to the federal government (OeBFA), approx. EUR 227.8 million (py: approx. EUR 195.0 million) are current.

Since 2017, ÖBB-Infrastruktur AG has been raising the necessary financing primarily through loans from the Republic of Austria in settlement through the Austrian Federal Financing Agency (OeBFA) instead of through its own bond issues on the capital market. All existing bonds of ÖBB-Infrastruktur AG and their guarantees by the Republic of Austria remain unaffected by this expansion of ÖBB-Infrastruktur AG financing instruments.

The following is a breakdown of non-current financial liabilities to the federal government (OeBFA) by maturity:

Financial liabilities to OeBFA 2023 Remaining term to maturity	Fair value in EUR	Term	Nominal interest rate	Effective interest rate	Average effective interest rate	Note
up to 1 year	280,000,000.00	2022 – 2024	1.6500%	0.6340% – 2.1590%	1.2311%	4 contracts
1 to 5 years	3,351,450,000.00	2017 – 2028	0.0000% – 6.2500%	-0.6520% – 3.1510%	1.6371%	24 contracts
more than 5 years	13,125,550,000.00	2017 – 2120	0.0000% – 4.1500%	-0.4940% – 3.8220%	1.5588%	83 contracts
Total	**16,757,000,000.00**					**111 contracts**

There are 111 (py: 85) financing arrangements with terms until 2120.

Financial liabilities from leasing of approx. EUR 14.2 million (py: approx. EUR 15.0 million) are hedged by financial assets while other financial liabilities of approx. EUR 136.6 million (py: approx. EUR 353.3 million) are mainly secured by vehicles in rem.

In both financial years, the Group fulfilled all obligations arising from the above-mentioned loan and credit agreements.

26. Provisions

In determining the provisions an assessment was made as to whether the ÖBB Group is likely to utilise these provisions and whether the expected amount of the provision can be reliably estimated. The provision is recognised as the amount of the probable obligation. The expected value determined on the basis of the probabilities is reset for equally probable scenarios.

26.1. Provisions for personnel

Provisions for personnel

	Dec 31, 2023 in EUR million	Dec 31, 2022 in EUR million
Statutory severance payments	84.4	71.0
Pensions	0.8	1.0
Anniversary bonuses	262.3	237.3
Other provisions for personnel	1.2	3.7
Total	**348.7**	**313.0**
thereof long-term	*348.7*	*313.0*

Apart from the exception of the actuarial gains or losses from the provision for statutory severance payments and pensions, all changes to personnel provisions that affect profit or loss are recognised in personnel expenses.

Actuarial assumptions

The following table shows the assumptions used in measuring the obligations for anniversary bonuses, severance payments and pensions:

	Dec 31, 2023	Dec 31, 2022
Discount rate severance payments	3.55%	4.20%
Discount rate pensions	3.50%	4.20%
Discount rate anniversary bonuses	3.45%	4.10%
Rate of compensation increase	5.20%	5.20%
Rate of pension payment increases	2.00%	2.00%
Employee turnover rate anniversary bonuses of tenured employees	0.00 – 1.27%	0.00 – 1.29%
Employee turnover rate anniversary bonuses of other workers and employees	0.00 – 6.96%	0.00 – 7.61%

The Group is usually exposed to the following actuarial risks relating to severance payments and anniversary bonuses:

- Interest rate risk: a decrease in the interest rate leads to an increase in provisions.
- Salary risk: The present value of the provisions is calculated on the basis of the planned future salaries of the beneficiary employees. As a result, increases in the salaries of the beneficiary employees lead to an increase in provisions.

Statutory severance payments

A provision for severance payments is set aside for the severance payment claims of employees who are not tenured employees, arising from individual employment law or contractual provisions. The provision is calculated on an actuarial basis using the projected unit credit method (PUC method), which is prescribed for valuations in accordance with IAS 19 and is based on the biometric parameters of the Actuarial Association of Austria (AVÖ) 2018-P – mixed portfolio – actuarial assumptions for pension insurance.

Severance obligations to employees hired before 01.01.2003, are covered by defined benefit plans as described below. Following legal amendment, employees hired in Austria after 01.01.2003 are covered by a defined contribution plan. In this context, the ÖBB Group paid approx. EUR 19.5 million (py: approx. EUR 16.5 million) into the defined contribution plan (VBV Vorsorgekasse AG and APK-PENSIONSKASSE AG) in the two reporting years.

Upon retirement, eligible employees receive a severance payment equal to a multiple of their monthly base salary – based on their period of service – but no more than twelve monthly salaries. Upon termination of employment, up to three months' salaries are paid immediately, any benefit in excess of that amount being paid over a period not exceeding ten months. In the event of death, the employees' heirs are entitled to 50% of the severance payment.

The following table shows the components of net service costs for the period as well as the development of the provision for severance payments in the two reporting years:

	2023 in EUR million	2022 in EUR million
Defined benefit commitments as of Jan 01	*71.0*	*83.7*
Service cost	3.2	3.9
Interest cost	2.9	1.1
Subtotal recorded in the net income	6.1	5.0
Actuarial losses (+) / gains (-) from changes in financial assumptions	6.8	-18.6
Experience adjustments	3.8	3.8
Recognised in other comprehensive income	10.6	-14.8
Severance payments	-3.6	-2.7
Company sales and acquisitions	0.3	0.0
Defined benefit commitments as of Dec 31	**84.4**	**71.0**

Provisions for severance payments of approx. EUR 1.4 million (py: approx. EUR 2.2 million) are payable in 2024, approx. EUR 9.6 million (py: approx. EUR 7.6 million) in 2025 to 2028 and in the amount of approx. EUR 73.3 million (py: approx. EUR 61.1 million) after 2028. The average term (duration) is 14.4 (py: 14.0) years.

The following sensitivity analysis for the provision of severance payments outlines the effect on the obligations of changes in key actuarial assumptions. One significant factor was changed in each case, while the others were held constant. In reality, however, it is unlikely that these factors are not in correlation. The calculation of the obligation using changed parameters is analogous to the calculation of the actual obligation using the projected unit credit method (PUC method) Projected unit credit method (PUC method) in accordance with IAS 19.

A change in the actuarial assumptions would have the following effect:

Sensitivity analysis of the provisions for severance payments	Change in assumption	Increase of the parameter / change in DBO		Decrease of the parameter / change in DBO	
	in %	2023 in EUR million	2022 in EUR million	2023 in EUR million	2022 in EUR million
Interest rate	+/- 0.2	-2.6	-1.9	2.1	1.9
Salary increase	+/- 0.2	2.0	1.9	-2.6	-1.9

Anniversary bonuses

Tenured and certain other employees (together “employees” in this context) are entitled to anniversary bonuses. Eligible employees receive two months’ salary after 25 years of service and four months’ salary after 40 years of service, in accordance with statutory and contractual provisions. Employees who have at least 35 years of service at the time of retirement are also paid a pro rata anniversary bonus of up to four months’ salary.

The calculation of the provision was prepared actuarially according to the PUC method, which is the prescribed method for measurements in accordance with IAS 19. It is based on the biometric actuarial bases of the Aktuarvereinigung Österreichs (the Actuarial Association of Austria) (AVÖ) 2018-P – for male and female employees – actuarial assumptions for pension insurance. The provision is accrued over the period of service with a deduction to reflect employees who leave the company prematurely. Actuarial gains and losses are recognised immediately in profit or loss in the period in which they occur.

The provision for anniversary bonuses for the other employees is formed in accordance with the regulations of the respective collective agreement or internal company agreements.

The following table shows the components of the anniversary benefit expenses for the period and the development of the anniversary provisions in the two reporting years:

	2023 in EUR million	2022 in EUR million
Defined benefit commitments as of Jan 01	*237.3*	*271.5*
Service cost	11.9	14.3
Interest cost	9.4	2.6
Anniversary bonuses	-21.9	-18.6
Actuarial losses (+) / gains (-)	14.2	-39.9
Experience adjustments	11.4	7.4
Defined benefit commitments as of Dec 31	**262.3**	**237.3**

The average term (duration) is 8.6 (py: 8.1) years. A change in the actuarial assumptions would have the following effect:

Sensitivity analysis of the provisions for anniversaries	Change in assumption	Increase of the parameter / change in DBO		Decrease of the parameter / change in DBO	
	in %	2023 in EUR million	2022 in EUR million	2023 in EUR million	2022 in EUR million
Interest rate	+/- 0.2	-4.5	-4.3	4.3	3.1
Salary increase	+/- 0.2	4.2	3.0	-4.4	-4.3

Pensions

Only individual contractual pension commitments are recognised under provisions for pensions.

Defined contribution plans

In Austria, pension benefits for salaried employees are generally provided by the social insurance institutions and for railway employees by the Insurance Institution for Public Employees, Railways and Mining (BVAEB) and by the federal government on the basis of Section 52 of the Federal Railways Act. The ÖBB Group is required by law to make contributions to the Insurance Institution for Public Employees, Railways and Mining for pensions and healthcare for active employees with permanent positions. In addition, the ÖBB Group offers a defined contribution pension plan to all employees of the ÖBB Group in Austria. ÖBB Group contributions are calculated as a percentage of remuneration and may not exceed 1.2%. The expenses of this plan amounted to approx. EUR 24.3 million in the reporting year (py: approx. EUR 20.8 million).

Defined contribution plans

A defined benefit pension plan (payments from the age of 60) exists for a former member of the Board of Management, for which the ÖBB Group has been making payments since 2010. The plan, which is unfunded, provides pension payments that are a percentage of salary depending on years of employment. The pension amounts to a maximum of 13.2% of the final salary. The measurement was based on actuarial principles assuming a discount factor of 3.50% (py: 4.20%) and a retirement age of 60.

26.2. Other provisions

in EUR million	As of Jan 01, 2023	Foreign currency translation	Utili-sation	Release	Transfers	Accretion expenses	Additions	As of Dec 31, 2023
Contract processing VDV	574.7	0.0	-77.1	-15.0	4.2	-14.7	184.2	656.3
Environmental protection measures	35.1	0.0	-0.3	-11.1	0.0	0.8	1.5	25.9
Bad debts and public services	24.3	0.0	-6.5	-4.4	0.0	-0.1	3.7	17.1
Asset retirement obligations	21.3	0.0	-1.1	-3.9	0.0	0.6	0.0	17.0
Loss set aside	20.9	0.0	-9.5	-0.2	0.0	0.0	14.0	25.1
Demolition cost and similar obligations	19.9	0.0	-3.2	-4.3	0.0	0.5	0.4	13.2
Non-income taxes and fees	1.1	0.0	-0.3	-0.5	0.0	0.0	1.9	2.2
Reimbursement of travel expenses	0.1	0.0	0.0	-0.1	0.0	0.0	0.1	0.1
Restructuring	0.2	0.0	0.0	0.0	0.0	0.0	0.2	0.4
Others	129.5	0.1	-18.1	-18.0	0.0	3.0	32.6	129.1
Total	**827.0**	**0.1**	**-116.1**	**-57.5**	**4.2**	**-10.0**	**238.6**	**886.3**
thereof long-term	*223.4*							*344.5*

The total in the “Reclassifications” column represents reclassifications to liabilities or non-current liabilities held for sale.

The accounting Federal Transport Services Contract (VDV) is audited annually ex-post by an independent auditor. A provision of approx. EUR 656.3 million (py: approx. EUR 574.7 million) is recognised for any claims for repayment by the federal government arising from this title and for impending losses from a transport services contract. There are also a number of regulatory proceedings as at 31.12.2023. Please refer to the section on the Use of Estimates and Exercise of Discretion in Note 3.

The provision for environmental protection measures relates to expected remedial measures from soil contamination. It was recognised on the basis of the corresponding legal provisions with the probable expected expenses and reversed in the amount of approx. EUR 11.1 million (py: approx. EUR 0.0 million). The provision was reversed as it was determined on the basis of a water law negotiation with the responsible authority in October 2023 that ÖBB-Infrastruktur will not be utilised as the landowner.

The provision for decommissioning costs relates to future expenses in connection with the demolition and clearing of assets and the restoration of sites. These are railway lines that have already been decommissioned or will be decommissioned in the near future, the carrying amounts of which have already been reduced to zero and therefore the changes in provisions are recognised in profit or loss. This provision was only created for those routes that can be assumed with sufficient certainty to be decommissioned. The dismantling costs for a railway line that is to be sold in 2024 have been reduced due to an alternative use by the purchaser, resulting in the reversal of the remaining provision of EUR 3.4 million.

The provision for indemnities and similar obligations includes contractually agreed obligations for the removal of existing legal and technical encumbrances and similar obligations in connection with land sales that have already been concluded. Provisions totalling EUR 0.9 million were reversed for properties for which no contamination was found or for which no compensation for contamination was demanded by the developer.

The provision for impending losses mainly comprises onerous contracts in the individual business units related to freight transport and technical services.

Miscellaneous other provisions include provisions for legal disputes. Provisions for litigation are made for all identifiable litigation risks at the time the statement of financial position is prepared, based on entrepreneurial judgement. The provision relates to numerous litigations arising from the company’s business operations. Among other measures, provisions are included for the recovery of infrastructure utilisation fees with regard to ongoing regulatory proceedings.

As disclosure of information in accordance with IAS 37.92 could seriously affect the company’s position in these proceedings, no information is provided on the amount of the provision or any contingent liabilities in excess of this amount. Please refer to the section on the Use of Estimates and Exercise of Discretion in Note 3.

Expected payment date for the provisions

Non-current provisions are discounted at interest rates of 2.6 to 8.8% (py: 3.2 to 16.6%) depending on the term, if applicable. Adjustments due to changes in the discount rate were insignificant.

Of the other provisions, approx. EUR 344.5 million (py: approx. EUR 223.4 million) are classified as non-current. The payment date for these provisions is expected after 2024. The provisions classified as current are expected to result in a cash outflow in 2024, whereby mainly the provisions for legal disputes and parts of the provisions for environmental protection measures and decommissioning costs, clearance costs and similar obligations were classified as current. Where uncertainties exist regarding maturity, the provisions concerned were predominantly classified as current.

27. Trade payables and other liabilities

Dec 31, 2023 **in EUR million**	Current	Non-current	Total
Trade payables	1,614.4	0.0	1,614.4
Other liabilities	1,232.4	25.4	1,257.8
thereof deferral of federal subsidies	*289.9*	*0.0*	*289.9*
thereof accrued personnel liabilities	*237.8*	*0.0*	*237.8*
thereof other deferrals	*130.6*	*22.8*	*153.4*
thereof taxes	*109.2*	*0.0*	*109.2*
thereof social security	*59.3*	*0.0*	*59.3*
Total	**2,846.8**	**25.4**	**2,872.2**

Dec 31, 2022 **in EUR million**	Current	Non-current	Total
Trade payables	1,373.9	0.0	1,373.9
Other liabilities	1,565.5	26.5	1,592.0
thereof deferral of federal subsidies	*737.9*	*0.0*	*737.9*
thereof accrued personnel liabilities	*236.4*	*0.0*	*236.4*
thereof other deferrals	*119.0*	*23.5*	*142.5*
thereof taxes	*56.7*	*0.0*	*56.7*
thereof social security	*49.1*	*0.0*	*49.1*
Total	**2,939.4**	**26.5**	**2,965.9**

The management estimates that the carrying amounts of the trade payables approximate their respective fair values. Trade payables include liabilities with a remaining term of more than one year in the amount of approx. EUR 52.0 million (py: approx. EUR 62.6 million), which are nevertheless to be reported as current in accordance with IAS 1.70.

The accruals for personnel mainly include the items “overtime” and “unutilised leave”.

Other liabilities also consist of the net present value benefit of the CBL transactions in the amount of EUR 1.6 million (py: approx. EUR 2.0 million), ticket pre-sales totalling EUR 47.9 million (py: approx. EUR 42.2 million) and deferred income from building rights and rental agreements totalling EUR 7.2 million (py: approx. EUR 11.3 million).

Contract liabilities of approx. EUR 36.6 million (py: approx. EUR 20.6 million) mainly include premature payments received on revenues for subsequent periods, which are reported under trade payables. All contract liabilities recognised in the previous year were recognised as revenue in the reporting period.

See Note 32 for further information on the accrual of federal grants.

C. OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28. Contingent liabilities and non-current liabilities

28.1. Contingent liabilities

	2023 in EUR million	2022 in EUR million
Contingent liabilities	17.7	23.7
Total	**17.7**	**23.7**

The contingent liabilities shown relate to guarantees and contingent liabilities, whereby the extent of the cash outflows depends on the future business performance of the ÖBB Group. Other contingent liabilities are contingent liabilities from equity investments of approx. EUR 0.4 million (py: approx. EUR 0.1 million).

28.2. Long-term obligations

ÖBB-Infrastruktur AG has concluded three power purchase agreements with suppliers that run until 2027, 2029 and 2042; for part of one traction current supply, the contract runs for the duration of the existing systems. A total of 170 MW is purchased annually under these contracts. The measurement using the relevant prices as at 31.12.2023 or the average prices in 2023 (if these are relevant for pricing) has resulted in an expected obligation for 2024 of approx. EUR 215.4 million and a total obligation of approx. EUR 768.9 million by the end of the term. The total obligation does not include the annual amount of approx. EUR 68.3 million (duration of the plants), as it is not known how long the plants will remain in operation at the supplier. These obligations fluctuate with the development of electricity prices.

29. Financial instruments

29.1. Risk management

The ÖBB Group is subject to market (interest rate and currency), credit (creditworthiness of contractual partners) and liquidity risks. The Group views financial risk management as the management of market risks and the business management of the individual companies' portfolios with respect to interest rate, currency, and commodity price trends. The ÖBB Group uses derivative financial instruments to hedge these risks. Derivative financial instruments are concluded only with reference to a hedged item.

A core task of risk management is to identify, measure, and mitigate financial risks. Risk limitation is not the complete exclusion of financial risks, but rather a reasonable management of quantified risk positions at any time within a precisely defined framework of measures.

ÖBB-Holding AG, which conducts financial transactions, with the exception of hedging instruments for commodities, in the name and for the account of its subsidiaries only after receiving their approval and mandate, has established a risk-oriented control environment that includes, among other things, policies and procedures for the assessment of risks, approval, reporting and monitoring of financial instruments. The protection of the ÖBB Group assets is the first priority for any and all financial activities.

The derivatives used in the ÖBB Group are non-structured standard hedging transactions (forward exchange transactions and commodity swaps) with a nominal value of approx. EUR 466.7 million (py: approx. EUR 468.2 million).

In the 2023 financial year, commodity swaps with a nominal value of approx. EUR 26.6 million were concluded for the delivery years 2024 and 2025 (py: EUR 47.3 million for the delivery years 2023 and 2024). In addition, interest rate swaps with a nominal value of approx. EUR 196.0 million were concluded in the 2022 financial year.

29.2. Types of risk

Financial risks are defined as follows:
- 29.2.a. Interest rate risk
- 29.2.b. Currency risk
- 29.2.c. Credit risk
- 29.2.d. Liquidity risk
- 29.4. Commodity risks (electric power price fluctuations)

29.2.a. Interest rate risk

Risks from the exposure to changes of interest rates are risks to the profitability and the value of the ÖBB Group and may occur in the following forms:

- Interest payment risk (increased interest cost due to the market development)
- Present value risk (change in value of the portfolio)

Risks arising from changes in market interest rates may affect the financial result of the ÖBB Group due to the structure of its Consolidated Statement of Financial Position. It is therefore important to limit possible market interest rate fluctuations above a certain level, for example by using derivative financial instruments, in order to keep their impact on earnings development to a minimum.

The use of appropriate derivative financial instruments to manage interest risks (interest rate swaps) is based on portfolio analyses and recommendations by ÖBB-Holding AG and corresponding decisions of the subsidiaries. The ÖBB Group is exposed to interest rate risks mainly in the Eurozone. In order to implement the risk strategy as effectively as possible, it uses interest rate derivatives where necessary taking the present debt structure into account.

Financial instruments (current and non-current) **Dec 31, 2023**	Fixed interest financial instruments in EUR million	Variable interest financial instruments in EUR million
Financial assets	241.8	4.2
Trade receivables	1.7	4.5
Other receivables and assets	0.9	0.0
Cash and cash equivalents	512.4	57.1
Total	**756.8**	**65.8**
Financial liabilities	32,214.8	229.6
of which to the federal government (OeBFA)	*16,313.1*	*0.0*
Total	**32,214.8**	**229.6**

Financial instruments (current and non-current) **Dec 31, 2022**	Fixed interest financial instruments in EUR million	Variable interest financial instruments in EUR million
Financial assets	167.0	13.5
Trade receivables	1.0	4.5
Other receivables and assets	0.9	0.0
Cash and cash equivalents	152.1	31.0
Total	**321.0**	**49.0**
Financial liabilities	28,959.5	296.5
of which to the federal government (OeBFA)	*11,916.4*	*0.0*
Total	**28,959.5**	**296.5**

The underlying hedged items were classified as fixed or variable interest financial instruments, taking into account the derivatives (hedging instruments) concluded.

A fundamental reform of the main reference interest rates is being undertaken worldwide, including the replacement of some “Interbank Offered Rates” (IBORs) with alternative, almost risk-free interest rates (referred to as “IBOR reform”). There is uncertainty about the timing and methods of transition. EURIBOR can continue to be used as a reference interest rate without restriction. This allows market participants to continue using EURIBOR for existing contracts. ÖBB Group assumes that EURIBOR will remain the reference interest rate for the foreseeable future (at least until 2025).

None of the current Group EURIBOR-linked credit agreements contain adequate and robust fallback clauses for a cessation of the reference rate. Various industry groups are working on corresponding fallback clauses for different instruments and EURIBORs, which the Group will implement as appropriate. The Group has been closely monitoring the market and the outcomes of the various industry working groups that are managing the transition to the new reference rates. This includes announcements by the relevant supervisory authorities. In response, there will be ongoing coordination with commercial banks, discussions with SAP consultants regarding mapping of fallback clauses, and exchanges with the Treasury interest lobby group.

Sensitivity analysis for interest rate risk

IFRS 7 requires a sensitivity analysis for market risks, showing how profit or loss and equity would be affected by hypothetical changes in market interest rates. The effects in each period are determined by applying the hypothetical changes in the risk variables to the portfolio of financial instruments at the reporting date. For the purpose of the sensitivity analysis, the portfolio at the reporting date is assumed to be representative for the entire year.

Fluctuations in the market interest rates levied on original fixed interest financial instruments only affect profit or loss if measured at fair value. Accordingly, fixed interest financial instruments measured at amortised cost are not exposed to any interest rate risks.

Market interest rate fluctuations of financial instruments designated as cash flow hedges against interest-related cash flow fluctuations affect the cash flow hedge reserve in equity and are therefore considered in equity-related sensitivity calculations.

Market interest rate fluctuations of original variable interest financial instruments for which interest payments are not hedged against interest rate risks with cash flow hedges are included in the calculation of profit-related sensitivities.

Market interest rate changes of derivative financial instruments that are not included in a hedging relationship according to IFRS 9 have an impact on other financial expenses and income (measurement result from the adjustment of financial assets to fair value) and are therefore taken into account in the earnings-related sensitivity calculations.

	Effect in income statement		Effect in shareholders' equity	
Sensitivity analysis interest rate risk as of Dec 31, 2023 in EUR million	+100 base points	-100 base points	+100 base points	-100 base points
Assets				
Financial assets	0.0	0.0	-8.8	9.3
Cash and cash equivalents	0.6	-0.6	0.0	0.0
Liabilities				
Financial liabilities	-3.1	3.1	3.5	-3.6
Consolidated effect 2023	**-2.5**	**2.5**	**-5.3**	**5.7**

	Effect in income statement		Effect in shareholders' equity	
Sensitivity analysis interest rate risk as of Dec 31, 2022 in EUR million	+100 base points	-100 base points	+100 base points	-100 base points
Assets				
Financial assets	0.0	0.0	-10.3	11.0
Cash and cash equivalents	0.1	-0.1	0.0	0.0
Liabilities				
Financial liabilities	-4.1	4.1	5.2	-5.1
Consolidated effect 2022	**-4.0**	**4.0**	**-5.1**	**5.9**

29.2.b. Currency risk

The ÖBB Group is exposed to exchange rate risks resulting primarily from original financial liabilities denominated in foreign currencies. As of the reporting date, the ÖBB Group was not exposed to any significant risks relating to foreign currency liabilities. Exchange rate fluctuations therefore had no significant impact on the income. Residual foreign currency risks result primarily from financial liabilities in EUR of the Hungarian companies reporting in Hungarian forints.

In the case of remaining positions from terminated CBL transactions (also concerns the US dollar bonds), almost all payment flows are settled in US dollars with matching maturities. Provided there are no defaults on the investments, there is therefore no foreign currency risk.

Foreign currencies were hedged as follows:

Currency-sensitive financial instruments	2023 in USD million	2022 in USD million
Trade receivables	5.8	9.0
Other financial assets	102.5	100.2
Trade payables	-6.4	-8.0
Other financial liabilities	-95.5	-95.5
Net exchange rate risk	**6.4**	**5.7**

Sensitivity analysis for interest rate risk

The result in the reporting year would have been approx. EUR 1.0 million (py: approx. EUR 2.0 million) higher or lower if the euro had appreciated or depreciated by 10% against the US dollar.

29.2.c. Credit risk

Counterparty credit risk describes the potential loss from failure by financial partners to honour their financial commitments (primarily money market transactions, investments, positive present value derivatives). Compliance with the limits underlying the counterparty credit risk management system that are individually assigned to each financial partner are checked daily. ÖBB Group conducts business only with financial partners with a defined rating and objective risk classification by the capital market.

The ÖBB Group has instituted a counterparty risk management system in which limit determination and allocation are primarily based on the evaluation of credit default swap data from the financial partners. This ensures the Group's ability to respond rapidly to any changes in the capital markets' risk assessment financial partner. The applicable limits and their utilisation are monitored daily in order to ensure timely, risk-focused response to market disruptions.

The financial assets of the ÖBB Group mainly comprise cash and cash equivalents, trade receivables as well as receivables from finance leases and securities. These items represent the maximum loss exposure of the ÖBB Group by the default risk with respect to the financial assets. In an extreme case, this credit risk then accounts for the equivalent value of all assets less property, plant and equipment, intangible assets, shares in associated companies, inventories and other receivables that are not financial instruments.

The credit risk is composed as follows:

Credit risk from financial instruments in EUR million	Gross exposure (carrying amount plus impairments)	less collateral (FV)	Net exposure
Total exposure 2023			
Financial assets	348.3	0.0	348.3
Trade receivables	789.7	-42.0	747.7
Other receivables and assets	521.6	-0.2	521.4
Cash and cash equivalents	593.2	-0.8	592.4
Risk current and non-current assets	**2,252.8**	**-43.0**	**2,209.8**
Other contingent liabilities	17.7	0.0	17.7
Credit risk from issued guarantees	**17.7**	**0.0**	**17.7**
Total credit risk as of Dec 31, 2023	**2,270.5**	**-43.0**	**2,227.5**
Total exposure 2022			
Financial assets	736.2	0.0	736.2
Trade receivables	625.5	-3.1	622.4
Other receivables and assets	161.7	0.0	161.7
Cash and cash equivalents	198.4	0.0	198.4
Risk current and non-current assets	**1,721.8**	**-3.1**	**1,718.7**
Other contingent liabilities	23.7	0.0	23.7
Credit risk from issued guarantees	**23.7**	**0.0**	**23.7**
Total credit risk as of Dec 31, 2022	**1,745.5**	**-3.1**	**1,742.4**

See Note 20 with regard to the maturities of the receivables. The collateral for trade receivables consists, among other things, of escrow deposits for realisation properties.

29.2.d. Liquidity risk

The primary aim of the ÖBB Group in financial terms is to secure the necessary liquidity for all companies in the ÖBB Group. Liquidity risk for the ÖBB Group also means any restriction on its ability to borrow and raise capital (for example, due to a lower credit rating from a rating agency or due to an internal bank rating) in terms of volume and conditions for the provision of financial resources, which could impair the implementation of the corporate strategy or the financial latitude for action.

The task therefore consists of analysing the liquidity risk and consistently securing liquidity (mainly by liquidity planning, agreement of sufficient credit lines, and sufficient diversification of creditors).

The following tables show the contractually agreed (undiscounted) interest and redemption payments on original and derivative financial liabilities. Actually expected maturities do not deviate from the contractually agreed maturities.

		non-cash	Carrying amount of 2024 cash flows		Carrying amount of 2025-2028 cash flows		Carrying amount of 2029 et seq. cash flows	
	Carrying amount	Carrying amount	Interest *)	Redemp-tion *)	Interest	Redemp-tion	Interest	Redemp-tion
in EUR million	Dec 31, 2023	Dec 31, 2023	2024	2024	2025–2028	2025–2028	2029 et seq.	2029 et seq.
Original financial liabilities								
Bonds	7,884.6	0.0	244.0	998.9	691.6	2,560.9	695.4	4,324.8
Bank loans	6,019.4	0.0	153.2	558.0	509.2	1,664.1	448.4	3,797.3
Finance leasing, sub-lease and CBL liabilities	787.6	0.0	31.0	134.2	34.8	377.9	41.9	275.5
Other financial liabilities	18,675.2	21.7	247.2	285.2	897.3	3,591.2	4,619.9	14,556.0
Trade payables	1,577.8	0.0	0.0	1,577.8	0.0	0.0	0.0	0.0
Other liabilities	694.4	0.0	0.0	691.8	0.0	2.2	0.0	0.4

*) Other financial liabilities primarily include liabilities from accrued interest payments for bonds, other financial liabilities to the federal government (OeBFA) and liabilities to banks. The actual interest payments 2023 from these accrued liabilities are shown in a separate line as Bonds and Liabilities to Credit Institutions and not in Other Financial Liabilities.

		non-cash	Carrying amount of 2023 cash flows		Carrying amount of 2024-2027 cash flows		Carrying amount of 2028 et seq. cash flows	
	Carrying amount	Carrying amount	Interest *)	Redemp-tion *)	Interest	Redemp-tion	Interest	Redemp-tion
in EUR million	Dec 31, 2022	Dec 31, 2022	2023	2023	2024–2027	2024–2027	2028 et seq.	2028 et seq.
Original financial liabilities								
Bonds	8,883.3	0.0	266.5	1,000.0	794.7	3,557.2	836.3	4,326.1
Bank loans	5,972.1	0.0	139.1	296.8	501.3	1,439.3	538.5	4,235.9
Finance leasing, sub-lease and CBL liabilities	776.5	0.0	15.8	171.3	45.5	229.1	32.1	376.1
Other financial liabilities	14,486.5	24.9	134.4	573.6	484.9	2,216.2	3,546.1	11,501.4
Trade payables	1,325.2	0.0	0.0	1,262.1	0.0	62.6	0.0	0.5
Other liabilities	1,145.1	0.0	0.0	1,144.3	0.0	0.2	0.0	0.6

*) Other financial liabilities primarily include liabilities from accrued interest payments for bonds, other financial liabilities to the federal government (OeBFA) and liabilities to banks. The actual interest payments 2022 from these accrued liabilities are shown in a separate line as Bonds and Liabilities to Credit Institutions and not in Other Financial Liabilities.

The interest and repayments of financial liabilities shown above do not include those from residual items from already cancelled cross-border leasing transactions in the amount of EUR 21.7 million (py: approx. EUR 24.9 million). These repayments and interest are offset by identical income, which was netted in the cash flow with interest and repayments financial liabilities. Income from the assets is instead transferred directly from the debtor to the creditor.

in EUR million	Carrying amount Dec 31, 2023	Cashflows 2024 Interest 2024	Redemp-tion 2024	Cash flows 2025-2028 Interest 2025-2028	Redemp-tion 2025-2028	Cashflows 2029 et seq. Interest 2029 et seq.	Redemp-tion 2029 et seq.
Derivative financial receivables							
Other derivatives not designated as hedges	64.2	0.0	7.4	0.0	1.4	0.0	0.0
Power derivatives with cash flow hedges	10.1	0.0	25.4	0.0	29.8	0.0	0.0
Dieselswaps – Cash flow hedges	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Interest derivatives with cash flow hedges	4.2	4.6	0.0	13.7	0.0	2.1	0.0
Derivative financial liabilities							
Interest derivatives – Cash flow hedges	8.5	0.5	0.0	-1.1	0.0	0.0	0.0
Power derivatives – Cash flow hedges	76.4	0.0	129.3	0.0	112.6	0.0	0.0
Other derivatives not designated as hedges	79.3	0.0	189.0	0.0	14.2	0.0	0.0
Dieselswaps – Cash flow hedges	3.2	0.0	0.0	0.0	0.0	0.0	0.0
Financial guarantees							
Other contingent liabilities	17.7	0.0	10.0	0.0	2.9	0.0	4.8

in EUR million	Carrying amount Dec 31, 2022	Cashflows 2023 Interest 2023	Redemp-tion 2023	Cashflows 2024-2027 Interest 2024-2027	Redemp-tion 2024-2027	Cash flows 2028 et seq Interest 2028 et seq.	Redemp-tion 2028 et seq.
Derivative financial receivables							
Other derivatives not designated as hedges	223.1	0.0	100.7	0.0	18.9	0.0	0.0
Power derivatives with cash flow hedges	295.7	0.0	64.5	0.0	133.4	0.0	0.0
Dieselswaps – Cash flow hedges	2.7	0.0	0.0	0.0	0.0	0.0	0.0
Interest derivatives with cash flow hedges	13.5	1.6	0.0	6.1	0.0	1.8	0.0
Derivative financial liabilities							
Interest derivatives – Cash flow hedges	8.1	2.9	0.0	11.1	0.0	0.0	0.0
Power derivatives – Cash flow hedges	6.0	0.0	0.0	0.0	50.9	0.0	0.0
Other derivatives not designated as hedges	190.8	0.0	276.5	0.0	32.2	0.0	0.0
Dieselswaps – Cash flow hedges	3.3	0.0	0.0	0.0	0.0	0.0	0.0
Financial guarantees							
Other contingent liabilities	23.7	0.0	11.9	0.0	6.3	0.0	5.5

The table includes all financial instruments held in the portfolio as of the reporting date for which payments have already been contractually agreed. Estimated payments for future new liabilities were not taken into account in future cash flows. Foreign currency amounts were translated using the rate on the reporting date in each case. Variable interest payments from financial instruments were determined based on the interest rates applicable on the reporting date.

Federal guarantees

The federal government is liable for bonds, for certain liabilities to credit institutions and for liabilities to EUROFIMA, as disclosed in Note 25.

29.3. Hedging transactions

Hedge accounting

The ÖBB Group applies the hedge accounting regulations in accordance with IFRS 9 (Hedge Accounting) to hedges of assets and liabilities and future cash flows. This reduces volatility in the consolidated income statement. A distinction is made between fair value hedges and cash flow hedges, depending on the type of underlying hedged item. The ÖBB Group only applies cash flow hedging.

A cash flow hedge mitigates the exposure to fluctuation of future anticipated cash flows from the financial assets and liabilities recognised in the Statement of Financial Position, and from planned transactions. When a cash flow hedge is in use, the effective portion of the change in value of the hedging instrument is recognised in equity (cash flow hedge reserve) through other comprehensive income until the cash flow resulting from the underlying hedged item is recognised in profit or loss; the ineffective portion of the change in value of the hedging instrument is recognised in the consolidated income statement. Fair value hedges, on the other hand, require the carrying amount of the underlying hedged item to be adjusted for changes in the fair value of the hedged risk through profit or loss.

The ÖBB Group meets the requirements of IFRS 9 for hedge accounting as follows:

At the inception of the hedge, the relationship between hedging instrument and underlying hedged item, and the reason for the hedge are documented. This includes both the specific allocation of hedging instruments to the corresponding assets and liabilities and planned transactions as well as the assessment of the degree of effectiveness of the hedging instruments used. Existing hedging measures are reviewed on an ongoing basis to ensure that the requirements for hedge effectiveness continue to be met. Should this not be the case and a recalibration of the hedge relationship is not possible, or the hedging instrument expires or is sold or terminated, then the hedge relationship is terminated.

The ÖBB Group also enters into hedges which do not comply with the formal requirements of IFRS 9 but which contribute to economically effective hedging of financial risks in accordance with the principles of the risk management.

Cash flow hedges – Interest rate risks

Interest rate risks arise mainly from variable interest payments on financial investments and liabilities (i.e. cash flow risks) or from fair value risks, i.e. changes in the present value of fixed-interest financing. Within the ÖBB Group, an interest rate risk may occur in the existing financing portfolio and in the planned new business portfolio in accordance with budget/medium-term planning (BUD/MFP). The interest expense from refinancing raised during BUD/MFP is based on forward interest rates in accordance with planning premises. The actual interest expense is only fixed when the contract is concluded (fixed interest rate) or when the interest rate is fixed (variable interest rate).

The ÖBB Group entered into payer interest rate swaps ("receive variable – pay fixed") to hedge interest payment risk of underlying transactions with variable interest rates. The changes in cash flows of the underlying hedged item resulting from changes in the EURIBOR rate are offset by the changes in cash flows of the interest rate swaps. The objective of these hedges is to transform the variable interest rate financial liabilities into fixed interest rate bonds, thus hedging the cash flow from the financial liabilities.

The following table shows the range of maturities of the cash flow hedges:

Dec 31, 2023 **Maturity**	Number of swaps	Nominal volume in EUR million
Portfolio	15	420.9
thereof maturing 2025	*1*	*25.3*
thereof maturing 2026	*11*	*199.6*
thereof maturing 2027	*1*	*59.5*
thereof maturing 2028 et seq.	*2*	*136.5*

Dec 31, 2022 **Maturity**	Number of swaps	Nominal volume in EUR million
Portfolio	15	420.9
thereof maturing 2025	*1*	*25.3*
thereof maturing 2026	*11*	*199.6*
thereof maturing 2027 et seq.	*3*	*196.0*

The effectiveness of the hedging relationship is assessed using the Critical Terms Match method. Ineffectiveness is determined using the dollar offset method. For this purpose, a hypothetical derivative is formed for cash flow hedges that reflects the conditions contained in the hedged underlying item. Hedging relationships affected by the IBOR reform may experience ineffectiveness due to a timing mismatch between the underlying hedged item and the hedging instrument with respect to the transition from IBOR. If a hedging relationship is directly affected by the uncertainty arising from the IBOR reform, then the Group assumes for this purpose that the reference interest rate will not change as a result of the reform of the reference interest rate.

Changes in the fair value of interest rate swaps, which are hedges of future interest payments on floating rate liabilities, are recognised in other comprehensive income in equity (see statement of changes in Group equity). These amounts are recognised as financing expenses in the period in which the corresponding interest payments from the underlying transaction are recognised in profit or loss (income of approx. EUR 1.3 million [py: expense of approx. EUR 12.4 million]). Furthermore, ineffective components of hedge accounting relationships amounting to approx. EUR 0.0 million (py: approx. EUR 0.0 million) were recognised in the income statement. As at the reporting date, the termination of hedging instruments (cash flow hedges) resulted in the recognition of approx. EUR 1.3 million (py: approx. EUR 1.8 million), through other comprehensive income in equity, which subsequently reverses as follows: 2024: approx. EUR 0.5 million (py: approx. EUR 0.5 million, 2025 until 2027: approx. EUR 0.8 million (py: approx. EUR 1.3 million), 2028 onwards: approx. EUR 0.0 million (py: approx. EUR 0.0 million).

29.4. Commodity risks

The Energy Plant Management/Energy Management division of ÖBB-Infrastruktur AG is responsible for the procurement of grid-based energy sources and energy-related products (emission certificates, guarantees of origin) in the ÖBB Group. All of these products are either supplied to internal or external customers or used to operate the 16.7 Hz traction current network. Price fluctuations of these products influence the expenses of the ÖBB Group and thus represent a market risk. The ÖBB Group is strongly affected by electricity price volatility, as about two thirds of the required traction current and all the electricity to supply the operating facilities (stations, etc.) are procured on the electric power market. The risk management strategy therefore provides for price hedging.

A significant risk in the procurement of energy is the fluctuation of market prices. This is particularly important in view fact that the sales prices for traction current and the tariffs for operating facilities for each calendar year have to be fixed in the fourth quarter before the start of deliveries or the tariffs for the use of the traction current grid need to be announced for the first time at least one year earlier. It is therefore particularly relevant for the ÖBB Group to have already hedged or fixed the prices in advance. Price hedging is effected by concluding forward and futures contracts for the planned purchase volumes for traction current, energy losses and operating equipment. In addition to price hedging, hedging also serves to increase planning security, which is necessary as a basis for price calculation.

The ÖBB Group resolved to implement a long-term rolling hedge in view of the procurement strategies and in order to diversify risks. The defined procurement period varies depending on the underlying hedged items (up to three years for energy). A certain percentage of the quantity to be procured (a required coverage, the target purchase quantity) must be purchased at defined points in time for each procurement year by the energy industry portfolio management. An upper and lower quantity corridor has been defined in order to incorporate the price expectation of the portfolio management in the procurement. There is the possibility to hedge more or less quantity than the target purchase quantity within the lower and upper corridors, depending on the price expectation. This corridor ceases to apply at the end of the procurement period, i.e. the target purchase quantity corresponds to 100% coverage.

29.4.1. Cash flow hedges – Electricity

The ÖBB-Infrastruktur subgroup has concluded electricity transactions (long-term procurement contracts, electricity forwards and futures on the purchasing side). These electric power transactions serve to hedge the electric power procurement price for the planned purchase volumes, taking into account the management of the generation portfolio and the long-term purchase contracts. The forward transactions are conducted through the OTC market (forwards). The cash flow changes of the planned electric power purchases resulting from the change in the electric power price are offset by the cash flow changes forwards and futures, which were to be classified as derivatives according to IFRS 9. The aim of the hedging measures is to fix the variable electric power prices of the electric power purchases planned. Should purchase contracts be closed by offsetting transactions after the final purchase contracts have been negotiated, both transactions are recognised at fair value through profit or loss. The amount recognised in other comprehensive income until closing is transferred to the income statement upon settlement forward contract (operating facilities closed).

ÖBB-Infrastruktur AG only designates the price component of the expected future procurement related to the European Energy Exchange Settlement Price as hedged risk in the case of electricity forward contracts designated as cash flow hedges. The electric power price zone separation into the areas of Germany and Austria as of 01.10.2018 means that the hedge no longer covers the transport surcharge.

The ÖBB Group hedges approx. 1,200 GWh per delivery year on a rolling basis over a period of one to three years for the purchase of traction current and energy losses as well as approx. 310 GWh for operating facilities.

Derivatives with a positive fair value are reported under current or non-current financial assets, depending on the maturity band (Note 18). Derivatives with a negative fair value are reported in current or non-current financial liabilities depending on the maturity band (Note 25).

Power derivatives designated as hedges Dec 31, 2023 **Maturity**	Number of swaps	MWh	Nominal (contract price) in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	602	2,301,052	279.8		-66.2
thereof maturing 2024	*387*	*1,270,447*	*154.7*	*121.8*	*-40.1*
thereof maturing 2025	*196*	*846.645*	*106.2*	*127.9*	*-23.9*
thereof maturing 2026	*18*	*175.200*	*18.1*	*103.6*	*-2.1*
thereof maturing 2027	*1*	*8.760*	*0.8*	*87.8*	*0.0*

Power derivates designated as hedges Dec 31, 2022 Maturity	Number of swaps	MWh	Nominal (contract price) in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	193	2,523,888	248.8		289.7
thereof maturing 2023	*63*	*1,058,040*	*64.5*	*61.0*	*185.7*
thereof maturing 2024	*96*	*1,071,648*	*128.7*	*120.1*	*96.1*
thereof maturing 2025	*34*	*394.200*	*55.6*	*141.1*	*7.9*

In principle, within the scope of the dedication of a derivative as a hedging instrument, a prospective effectiveness measurement is conducted as well as a review of the effectiveness of the measurement unit and the determination of possible ineffectiveness on each reporting date. Ineffectiveness is measured by comparing the cumulative changes in the fair value of the designated hedging instruments since the designation of the hedging relationship and the cumulative changes in the fair value of the underlying hedged item in relation to the hedged risk. A hypothetical derivative is formed to determine the cumulative changes in the fair value of the underlying hedged item in relation to the risk of changes in the European Energy Exchange Settlement price.

Inefficiencies may result from the fact that the concluded procurement transactions may be based on other load profiles and that quantity deviations may arise in the context of cascading and profiling, as the hypothetical derivative does not change in this case. Furthermore, ineffectiveness may arise if the credit risk of the trading partner differs significantly from that of ÖBB-Infrastruktur AG. In addition, reductions in the planned purchase quantity may lead to short-term excess collateralisation, which, however, again compensates over time.

The fair value of electricity purchase forwards as at the reporting date is determined on the basis of European Energy Exchange futures quotations (EEX quotation), which are discounted using current yield curves. The fair values or electricity purchase futures correspond to the EEX quotation.

Amounts that are reclassified from other comprehensive income to the income statement are recognised in the cost of materials, as are any ineffectiveness.

The closed derivatives are forwards for the supply of operating facilities. Once the tender has taken place or the contract is awarded, the quantity originally purchased via the forward is sold by means of an offsetting forward and is thus closed out. The transfer from other comprehensive income to the income statement takes place upon delivery.

The accumulated other comprehensive income from the electric power forwards designated as cash flow hedges is as follows:

Power forwards in EUR million	CFH	CFH closed	OCI total	Deferred tax	OCI after tax
As of Dec 31, 2021	*283.0*	*6.2*	*289.2*	*72.3*	*216.9*
Traction power	204.7	0.0	204.7	51.2	153.6
Operating facilities	57.2	0.0	57.2	14.3	42.9
Operating facilities closed	-59.5	59.5	0.0	0.0	0.0
Transfer to income statement 2022	-195.7	-4.9	-200.6	-54.8	-145.8
As of Dec 31, 2022	**289.7**	**60.8**	**350.5**	**83.0**	**267.5**
Traction power	-149.5	0.0	-149.5	-35.9	-113.7
Operating facilities	-24.7	0.0	-24.7	-5.9	-18.8
Operating facilities closed	4.3	-4.3	0.0	0.0	0.0
Transfer to income statement 2023	-185.9	-52.5	-238.4	-55.5	-183.0
As of Dec 31, 2023	**-66.2**	**4.0**	**-62.2**	**-14.3**	**-47.9**

See Note 13 for more information on the deferred taxation.

29.4.2. Cashflow Hedges – Diesel

Fluctuations in diesel prices mean that the raw material “diesel” represents a financial risk for ÖBB-Produktion Gesellschaft mbH as well as for Österreichische Postbus AG and thus subsequently for the ÖBB Group, as price fluctuations have an impact on the cost of materials and on the results of ÖBB-Produktion Gesellschaft mbH as well as Österreichische Postbus AG and thus on the ÖBB Group. ÖBB-Produktion Gesellschaft mbH provides its services mainly for its ÖBB Group parent companies ÖBB-Personenverkehr AG and Rail Cargo Austria AG. Österreichische Postbus AG provides its services to customers outside the ÖBB Group.

Services are predominantly provided within the framework of transport contracts or transport service contracts (VDV) for transport associations over several years. This means that the ÖBB Group has a long-term contract and must therefore also take into account the price fluctuations for diesel in its economic considerations. Consequently, it is particularly relevant for the ÖBB Group to have already hedged or fixed the prices in advance. The risk management strategy therefore provides for price hedging. The aim of the hedging policy pursued is to stabilise the cost of materials and to achieve a reduction in earnings and cash flow volatility for ÖBB-Produktion Gesellschaft mbH as well as for Österreichische Postbus AG and thus for the ÖBB Group for the budget period.

Against the background of possible procurement strategies and in order to diversify risks, it was decided to hedge the first 60% and 70% of the planned purchase volume for the next financial year and the first 30% and 35% of the planned purchase volume of the next but one financial year of ÖBB-Produktion Gesellschaft mbH and Österreichische Postbus AG respectively by 30.09 of the current financial year. This ensures the planning assumptions for the corresponding volume at the time of calculation or at the time when the prices are set (budget, conclusion of contract with customers).

The planned purchase quantity of the raw material diesel in the period from 01.01.2024 to 31.12.2025 was designated as the underlying hedged item in the 2023 financial year. This diesel consists of a fossil (93.1%) and biogenic share (6.9%). Only the price component of the expected future procurement related to the fossil diesel share is designated as a hedged risk. The diesel swaps designated as cash flow hedges are based on the ULSD10ppm barges fob Rotterdam and correspond exactly to the price component of the underlying transaction related to the fossil diesel portion. That means the underlying risk of the diesel swaps is identical to that of the hedged risk component. A hedge ratio of 1:1 therefore exists for all measurement units.
- The objective for the hedging relationship of ÖBB-Produktion Gesellschaft mbH in the 2023 financial year is to hedge the first 60% of the planned purchase volume for the 2024 financial year and the first 30% of the planned purchase volume for the 2025 financial year for diesel excluding biodiesel content.
- The objective for the hedging relationship of Österreichische Postbus AG for the financial year 2023 is to hedge the first 70% of the planned purchase volume financial year 2024 and the first 35% of the planned purchase volume financial year 2025 of diesel excluding the biodiesel component.

Derivatives with a positive fair value are reported under current or non-current financial assets, depending on the maturity band (Note 18). Derivatives with a negative fair value are reported in current or non-current financial liabilities depending on the maturity band (Note 25).

Dec 31, 2023 **Maturity**	Number of swaps	Tons	Nominal volume in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	18	59.687	41.0	1,372.0	3.7
thereof maturing 2024	*12*	*40.211*	*28.3*	*1,405.2*	*3.0*
thereof maturing 2025	*6*	*19.476*	*12.7*	*1,303.0*	*0.7*

Dec 31, 2022 **Maturity**	Number of swaps	Tons	Nominal volume in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	12	62.238	47.3	760.0	-0.6
thereof maturing 2023	*6*	*42.141*	*32.9*	*780.8*	*-0.2*
thereof maturing 2024	*6*	*20.097*	*14.4*	*716.5*	*-0.4*

The cash flow changes of the planned diesel purchases resulting from the changes in the diesel price are offset by the cash flow changes of the diesel swaps, which are to be classified as derivatives according to IFRS 9. An adjustment is made to the acquisition costs of the inventories (basis adjustment) or a transfer is made to the cost of materials of the effective portion of the changes in value of the hedging derivative initially parked in equity when the underlying hedged item is exercised.

In principle, within the scope of the dedication of a derivative as a hedging instrument, a prospective effectiveness measurement is conducted as well as a review of the effectiveness of the measurement unit and the determination of possible ineffectiveness on each reporting date. Ineffectiveness is measured by comparing the cumulative changes in the fair value of the designated hedging instruments since the designation of the hedging relationship and the cumulative changes in the fair value of the underlying hedged item in relation to the hedged risk. A hypothetical derivative is formed to determine the cumulative changes in the fair value of the underlying hedged item in relation to the risk of changes in the commodity price. Any hedge ineffectiveness (to the extent that the cumulative change in fair value of the hedging instrument is greater than the cumulative change in fair value of the hedged cash flow) is recognised in the financial result.

Ineffectiveness may result if the credit risk of the trading partner differs significantly from that of Österreichische Postbus AG and ÖBB-Produktion Gesellschaft mbH, if there is overhedging because the expected transaction does not materialise or materialises to a lesser extent than planned, and from the discounting of the underlying transaction.

The accumulated other comprehensive income from diesel derivatives designated as cash flow hedges is as follows:

other cumulated income arising from diesel derivatives as of Dec 31 **in EUR million**	OCI	Deferred tax	OCI after deferred tax
As of Jan 01, 2022	*5.7*	*-1.5*	*4.3*
amounts not affecting net income	16.8	-4.2	12.6
amounts reclassified to the income statement	-22.2	5.6	-16.7
amounts reclassified to cost or other carrying amount	-0.9	0.2	-0.7
As of Dec 31, 2022	**-0.6**	**0.1**	**-0.5**
amounts not affecting net income	-0.1	0.0	-0.1
amounts reclassified to the income statement	0.3	-0.1	0.2
amounts reclassified to cost or other carrying amount	-0.9	0.2	-0.7
As of Dec 31, 2023	**-1.3**	**0.3**	**-1.0**

Sensitivity analysis for diesel price

If the price of diesel had been 10% lower or 10% higher on the reporting date, the change in the market price level would have resulted in a decrease or increase in equity of approx. EUR 4.1 million (py: approx. EUR 3.5 million).

29.4.3. Other power derivatives

The following table shows the maturity range of those forwards that are entered into for hedging purposes but do not meet the formal requirements of IFRS 9 for cash flow hedges due to, among other factors, fluctuations in the volume of consumption.

Power derivatives not designated as hedges **Dec 31, 2023** **Maturity**	Number of swaps Purchases	MWh	Nominal volume in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	277	1,411,701	211.9		-75.9
thereof maturing 2024	*269*	*1,306,581*	*196.3*	*150.2*	*-71.7*
thereof maturing 2025	*8*	*105.120*	*15.6*	*148.7*	*-4.2*

Power derivatives not designated as hedges **Dec 31, 2023** **Maturity**	Number of swaps Sale	MWh	Nominal volume in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	53	1,275,435	175.9		60.8
thereof maturing 2024	*52*	*1,179,075*	*165.3*	*140.2*	*59.5*
thereof maturing 2025	*1*	*96.360*	*10.6*	*109.8*	*1.3*

Power derivatives not designated as hedges **Dec 31, 2022** **Maturity**	Number of swaps Purchases	MWh	Nominal volume in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	744	1,884,344	423.9		41.6
thereof maturing 2023	*600*	*1,642,004*	*377.1*	*229.7*	*31.8*
thereof maturing 2024	*143*	*233.580*	*45.4*	*194.4*	*9.8*
thereof maturing 2025	*1*	*8.760*	*1.3*	*153.0*	*0.1*

Power derivatives not designated as hedges **Dec 31, 2022** **Maturity**	Number of swaps Sale	MWh	Nominal volume in EUR million	Average exercise price in EUR	Fair value in EUR million
Portfolio	84	1,553,158	359.9		-4.8
thereof maturing 2023	*65*	*1,375,426*	*318.9*	*231.9*	*-6.5*
thereof maturing 2024	*EUR 19.0*	*177.732*	*41.1*	*231.1*	*1.7*

Derivatives with a positive fair value are reported under current financial assets (Note 18). Derivatives with a negative fair value are reported under financial liabilities (Note 25). Changes in the fair value of power derivatives without a hedging relationship are recognised in the income statement under other financial result.

29.4.4. Electricity derivatives sensitivity

An increase or reduction in the electricity price of 10% with an unchanged assessment of the credit risk and the interest component would lead to an increase or reduction in other comprehensive income of approx. EUR 6.6 million (py: approx. EUR 29.0 million) and an increase or reduction in financial income in the income statement of approx. EUR 1.5 million (py: approx. EUR 3.7 million). These amounts are prior to the consideration of income taxes.

29.5. Additional disclosures in accordance with IFRS 7

Capital management

The ÖBB Group's financial management aims not only to sustainably increase the value of the company, but also to maintain a capital structure that is appropriate for maintaining its excellent credit rating. The specific situation and the legally defined task of the company, as well as the agreements with the public sector to subsidise infrastructure expenses (both construction and operation and maintenance) that are not covered by the company's earning power, mean that the capital structure is managed primarily with key figures that measure debt and on the basis following key figures, which are compared with the respective planned values: Number of employees, EBIT margin, equity ratio, net working capital. The company defines equity as share capital, capital reserves and other reserves, profit earned and any other non-controlling interests.

The managed equity amounts to approx. EUR 3,192.8 million as of 31.12.2023 (py: approx. EUR 3,506.1 million).

Additional disclosures regarding the financial instruments

Cash and cash equivalents, trade receivables as well as other financial receivables mostly have short residual terms. Accordingly, their carrying amounts as of the closing date approximate the fair value. The fair values of other non-current receivables are equivalent to the present values of the cash flows associated with the assets with due regard to the latest applicable interest rate parameters.

The recognised values of trade payables and other financial liabilities generally have short residual terms; the recognised values approximate the fair values. Non-current other receivables and assets or non-current other liabilities and debts are essentially non-financial instruments. The fair values of liabilities to banks and other financial liabilities are determined as the present values of the payments associated with the liabilities, based on the applicable interest rate curve. The non-financial instruments and the financial instruments from hedge accounting are presented in a separate column in the reconciliation below in order to enable reconciliation with the carrying amount of the item.

The fair values of the relevant items on the statement of financial position stated in the tables below relate solely to the financial instruments. All financial assets and liabilities are measured consistently according to Level 2, with the exception of the item cash and cash equivalents and the issued bonds with an ISIN number, which are reported under financial liabilities. Level 2 measurements are based on input parameters – other than the quoted prices included at Level 1 – that are either directly or indirectly observable on the market for the asset or liability. The measurement of long-term financial instruments is based on discounted cash flows.

Market prices are applied for the stated fair values of the issued bonds with an ISIN number of ca EUR 8,040.9 million (py: approx. EUR 8,802.1 million). Of which, unadjusted quoted prices are available for approx. EUR 7,882.0 million (py: approx. EUR 8,802.1 million) (Level 1 measurement). The present values were calculated for approx. EUR 158.9 million (py: approx. EUR 0.0 million) as no market quotation was available.

Level 1 measurements are those resulting from quoted prices (unadjusted) in active markets for identical financial assets or liabilities. The source for the quotations is Bloomberg. The bonds were issued through the stock exchanges in Luxembourg and Vienna. The fair value of the bonds with CUSIP numbers issued for the first time in 2015 is approx. EUR 58.0 million (py: approx. EUR 57.6 million). These were determined using a measurement model based on market parameters in accordance with Level 2.

Financial assets Dec 31, 2023 in EUR million	Carrying amount	less non-financial instruments	Financial instru-ments	FVtPL equity instru-ments	manda-torily at FVtPL	at amortised cost	Lease	Cash	Hedge Accoun-ting	Fair value
Non-current assets										
Financial assets	187.8	0.0	187.8	9.7	0.0	173.9	3.1	0.0	1.1	217.7
Other receivables and assets	78.7	70.6	8.1	0.0	0.0	8.1	0.0	0.0	0.0	8.1
Current assets										
Financial assets	160.3	0.0	160.3	0.0	64.2	77.8	4.6	0.0	13.7	160.3
Trade receivables	735.1	25.7	709.4	0.0	0.0	709.4	0.0	0.0	0.0	709.4
Other receivables and assets	441.0	326.8	114.2	0.0	0.0	114.2	0.0	0.0	0.0	114.2
Cash and cash equivalents	593.2	0.0	593.2	0.0	0.0	0.0	0.0	593.2	0.0	593.2
Total carrying amount per category				**9.7**	**64.2**	**1,083.4**	**7.7**	**593.2**	**14.8**	

Financial liabilities Dec 31, 2023 in EUR million	Carrying amount	less non-financial instruments	Financial instru-ments	at amortised cost	at Fair Value through Profit and Loss (Held for Trading)	Hedge Accounting	Lease	Fair value
Non-current liabilities								
Financial liabilities	31,202.5	0.0	31,202.5	30,646.5	0.0	34.9	521.1	29,119.2
Other liabilities	25.4	22.8	2.6	2.6	0.0	0.0	0.0	2.6
Current liabilities								
Financial liabilities	2,331.7	0.0	2,331.7	2,078.4	79.3	53.2	120.8	2,331.7
Trade payables	1,614.4	36.6	1,577.8	1,577.8	0.0	0.0	0.0	1,577.8
Other liabilities	1,232.4	540.6	691.8	691.8	0.0	0.0	0.0	691.8
Total carrying amount per category				**34,997.1**	**79.3**	**88.1**	**641.9**	

Financial assets Dec 31, 2022 in EUR million	Carrying amount	less non-financial instruments	Financial instru-ments	FVtPL equity instru-ments	manda-torily at FVtPL	at amortised cost	Lease	Cash	Hedge Accoun-ting	Fair value
Non-current assets										
Financial assets	314.3	0.0	314.3	10.2	0.0	174.0	8.8	0.0	121.3	375.4
Other receivables and assets	85.7	77.8	7.9	0.0	0.0	7.9	0.0	0.0	0.0	7.9
Current assets										
Financial assets	421.7	0.0	421.7	0.0	223.1	4.0	3.9	0.0	190.7	421.7
Trade receivables	592.0	18.4	573.6	0.0	0.0	573.6	0.0	0.0	0.0	573.6
Other receivables and assets	454.9	303.0	151.9	0.0	0.0	151.9	0.0	0.0	0.0	151.9
Cash and cash equivalents	198.4	0.0	198.4	0.0	0.0	0.0	0.0	198.4	0.0	198.4
Total carrying amount per category				**10.2**	**223.1**	**911.4**	**12.7**	**198.4**	**312.0**	

Financial liabilities Dec 31, 2022 in EUR million	Carrying amount	less non-financial instruments	Financial instru-ments	at amortised cost	at Fair Value through Profit and Loss (Held for Trading)	Hedge Accoun-ting	Lease	Fair value
Non-current liabilities								
Financial liabilities	27,916.9	0.0	27,916.9	27,444.5	0.0	13.0	459.4	24,378.6
Other liabilities	26.5	23.2	3.3	3.3	0.0	0.0	0.0	3.3
Current liabilities								
Financial liabilities	2,409.7	0.0	2,409.7	2,056.5	190.8	4.3	158.1	2,409.7
Trade payables	1,373.9	48.7	1,325.2	1,325.2	0.0	0.0	0.0	1,325.2
Other liabilities	1,565.5	423.7	1,141.8	1,141.8	0.0	0.0	0.0	1,141.8
Total carrying amount per category				**31,971.3**	**190.8**	**17.3**	**617.5**	

Offsetting of financial instruments

In accordance with the regulations of IFRS 7.13C, offsetting and potential offsetting amounts actually implemented in the statement of financial position are to be disclosed. As there are no agreements regarding actual netting, the following tables only show the potential offsetting amounts from electric power derivatives based on netting agreements and other agreements with contractual partners.

As of Dec 31, 2023 in EUR million	Gross carrying amount reported	Potential offset amount not reported in the financial statement	Net amount after potential offsetting
Power derivative assets	64.2	-20.6	43.6
Power derivative liabilities	-79.3	20.6	-58.7

As of Dec 31, 2022 in EUR million	Gross carrying amount reported	Potential offset amount not reported in the financial statement	Net amount after potential offsetting
Power derivative assets	223.1	-59.7	163.4
Power derivative liabilities	-186.3	59.7	-126.6

Notes to the Consolidated Income Statement and Consolidated Statement of Financial Position

The interest results that are not derived from financial instruments according to the categories of IFRS 9 are composed primarily of the compounding of other provisions.

Net financial results by measurement categories

The net result subdivided into measurement categories is as follows:

Result of subsequent measurement Dec 31, 2023 in EUR million	Interest income / expenses	Foreign Currency Translation	Result from impairment	Result from investments
Financial Assets measured at Amortised Cost (FAAC)	21.3	6.9	0.1	0.0
FVtPL (equity instruments)	0.0	0.0	-0.6	2.2
Financial Liabilities measured at Amortised Cost (FLAC) *)	-407.1	-2.9	0.0	0.0

*) Interest expenses include negative interest from loans amounting to approx. EUR 9.7 million.

Result of subsequent measurement Dec 31, 2022 in EUR million	Interest income / expenses	At fair value	Foreign Currency Translation	Result from impairment	Result from disposal	Result from investments
Financial Assets measured at Amortised Cost (FAAC)	22.7	0.0	-4.0	0.0	0.5	0.0
FVtPL (equity instruments)	0.0	0.2	0.0	-0.3	0.0	0.2
Financial Liabilities measured at Amortised Cost (FLAC) *)	-427.3	0.0	-8.3	0.0	-2.2	0.0

*) Interest expenses include negative interest from loans amounting to approx. EUR 0.4 million.

Net interest income from financial liabilities in the measurement category "Financial liabilities measured at amortized cost" mainly includes net interest expense of approx. EUR 407.1 million (py: approx. EUR 427.3 million) from bonds and loans. Furthermore, interest income from the compounding and discounting of trade payables is subsumed under this classification. The net financial result does not include expenses from value adjustments of receivables expenses.

29.6. Derivative financial instruments

The following table shows the reported fair values of all derivative financial instruments. They are divided into those that are part of an effective hedging relationship in accordance with IFRS 9 (cash flow hedge) and those that are not.

in EUR million	Assets Carrying amounts as of Dec 31, 2023	Assets Carrying amounts as of Dec 31, 2022	Shareholders' equity and liabilities Carrying amounts as of Dec 31, 2023	Shareholders' equity and liabilities Carrying amounts as of Dec 31, 2022
Interest rate swaps				
with cash flow hedges	4.2	13.5	8.5	8.1
Power derivatives				
without hedge relation	64.2	223.1	79.3	186.3
with cash flow hedges	10.1	295.7	76.4	6.0
Diesel swaps				
with cash flow hedges	0.5	2.7	3.2	3.3
Other derivatives				
without hedge relation	0.0	0.0	0.0	4.5
Total	**79.0**	**535.0**	**167.4**	**208.2**

The other derivatives without a hedging relationship as at 31.12.2022 relate to swaps in connection with the residual position of a terminated cross-border leasing transaction, which was terminated in January 2023. Forward exchange transactions concluded in the 2023 financial year to hedge the open residual positions of the terminated CBL transactions had no material fair value as at 31.12.2023.

Fair value hierarchy – Derivatives

The following table shows how the fair values of those assets and liabilities that are accounted for at fair value were determined, whereby a classification into a three-level hierarchy reflects the market proximity of the data used in the determination.

Dec 31, 2023 in EUR million	Level 1	Level 2	Level 3	Total
Derivates designated as hedge instrument	0.1	14.8	0.0	14.9
Derivates without a hedging relationship	0.0	64.2	0.0	64.2
Equity instruments	0.0	0.0	9.7	9.7
Financial assets	**0.1**	**79.0**	**9.7**	**88.8**
Derivates without a hedging relationship	0.0	79.3	0.0	79.3
Derivates designated as hedge instrument	0.0	88.1	0.0	88.1
Financial liabilities	**0.0**	**167.4**	**0.0**	**167.4**

Dec 31, 2022 in EUR million	Level 2	Level 3	Total
Derivatives designated as hedge instrument	312.0	0.0	312.0
Derivates without a hedging relationship	223.1	0.0	223.1
Equity instruments	0.0	10.2	10.2
Financial assets	**535.1**	**10.2**	**545.3**
Derivatives without a hedging relationship	190.8	0.0	190.8
Derivates designated as hedge instrument	17.3	0.0	17.3
Financial liabilities	**208.1**	**0.0**	**208.1**

The different levels were determined as follows:

Level 1: Quoted prices (unadjusted) are founded in an active market for identical financial instruments.

Level 2: Other parameters than those stated for Level 1 were used which are observable for the financial instrument (either directly, i.e., as prices, or indirectly, i.e., derived from prices). In this respect, discounted cash flow models based on observable market parameters (e.g. market interest rates, etc.) were used for the measurement. Forwards in the electricity sector are measured at market prices (EEX), adjusted for credit risks and interest rate components.

Level 3: Parameters were used which are not exclusively based on observable market data.

No transfers between the individual levels occurred. See Note 29.1 for further details on these financial instruments.

30. Leasing transactions

30.1. Lessor

The assets leased to third parties are, on the one hand, investment property (IAS 40) and, on the other hand, buildings that are partially leased out but whose share is not predominant and which therefore are not covered by IAS 40 or are reported separately. The vast majority of the lease agreements are terminable. The infrastructure made available to other rail operators for use in return for payment is charged on the basis of a current price list (kilometres travelled or gross tonnes transported), which is why this is not a leasing relationship but a service relationship.

In both reporting years, there are approx. 26,000 tenancy agreements, most of which are open-ended and subject to termination with a maximum notice period of six months. These include approx. 4,000 (py: 4,000) external fixed-term leases ending between 2024 and 2112 (py: 2023 and 2112), whereby the long-term leases are building rights granted on land, which were classified as operating leases. The contingent lease income relates exclusively to lease agreements.

The leased properties, with the exception of investment properties, are non-separable parts of buildings such as railway stations, and therefore it is neither expedient nor possible to disclose the book values.

Operating leases

The ÖBB Group leases facilities that are classified as operating leases. The contracts have different standard market terms depending on the leased asset.

The non-discounted minimum lease payments from the irrevocable operating leases are as follows:

Dec 31, 2023 in EUR million	Total	up to 1 year	1 to 5 years	more than 5 years
Land and buildings	834.2	60.7	147.6	625.9
Other technical equipment and machinery	0.1	0.0	0.1	0.0
Automobiles and trucks	71.8	25.9	45.9	0.0

*) Smallest amount.

Dec 31, 2022 in EUR million	Total	up to 1 year	1 to 5 years	more than 5 years
Land and buildings	630.4	52.5	126.4	451.5
Other plant, furniture and fixtures	0.2	0.0*)	0.1	0.1
Automobiles and trucks	11.5	5.2	6.2	0.1

*) Smallest amount.

The increase in the 2023 financial year results from newly concluded leases at ÖBB-Infrastruktur AG.

Finance leasing

The following table presents a maturity analysis of the lease receivables and shows the undiscounted lease payments to be received after the reporting date.

Dec 31, 2023	Minimum lease payments in EUR million	Included interest income in EUR million
up to 1 year	4.3	0.1
1 to 5 years	3.1	0.0*)
Total of minimum lease payments	**7.5**	**0.1**
less interest	-0.1	
Present value of lease payments = Net investments	**7.4**	

*) Smallest amount.

Dec 31, 2022	Minimum lease payments in EUR million	Included interest income in EUR million
up to 1 year	4.0	0.1
1 to 5 years	8.9	0.1
Total of minimum lease payments	**12.9**	**0.2**
less interest	-0.2	
Present value of lease payments = Net investments	**12.7**	

30.2. Lessee

Rights of use

The lease agreements mainly concern buildings and the vehicle fleet and have a maximum term up to 2041. The rights of use are presented under property, plant and equipment (Note 14). The agreed period for which there is a waiver of termination or an extension option is used to estimate the term of the lease for leasing contracts. If a contract was concluded for an indefinite period, where a termination would result in a significant economic disadvantage, a lease term is estimated.

Lease liabilities

The following table provides an analysis of the maturities of lease liabilities and shows the non-discounted lease payments to be paid after the reporting date.

Dec 31, 2023	Minimum lease payments in EUR million	Interest expense included in EUR million
up to 1 year	152.2	18.0
1 to 5 years	415.9	41.9
more than 5 years	308.3	28.9
Total of minimum lease payments	**876.4**	**88.8**
less interest	-88.8	
Present value of lease payments = lease liabilities	**787.6**	

Dec 31, 2022	Minimum lease payments in EUR million	Interest expense included in EUR million
up to 1 year	187.1	15.8
1 to 5 years	274.6	45.5
more than 5 years	408.2	32.1
Total of minimum lease payments	**869.9**	**93.4**
less interest	-93.4	
Present value of lease payments = lease liabilities	**776.5**	

As of 31.12.2022, leasing liabilities have increased by approx. EUR 166.6 million due to the lease of a property in Lassallestrasse.

Amounts recognised in the income statement

in EUR million	2023	2022
Interest expenses for lease liabilities	12.2	6.9
Expenses for short-term leases	35.1	42.1
Expenses for leases of a low-value asset	1.9	1.5
Expenses from variable lease payments not included in the measurement of lease liability	0.6	0.5
Amortisation of rights of use in connection with IFRS 16	131.7	117.2

Amounts recognised in the Cash Flow Statement

in EUR million	2023	2022
Total cash paid for leases	-150.3	-133.3
thereof repaymant portion	*-137.7*	*-126.1*
thereof interest portion	*-12.6*	*-7.2*

Total cash outflows comprise interest and repayments, with repayments presented in financing cash flows and interest in operating cash flows. Payments for short-term leases and for leases of low-value assets are shown in the operating cash flow.

Extension options

Some property lease agreements contain extension options that can be exercised by the Group up to one year before the end of the non-cancellable contract term. The Group assesses both on the commencement date and again if a significant change in circumstances occurs whether it is sufficiently certain that the extension option will be exercised. The leasing agreements contain no special restrictions or commitments.

Sale and leaseback transactions

As at the reporting dates, lease liabilities from sale-and-lease-back transactions totalling approx. EUR 19.8 million (py: approx. EUR 21.7 million) are recognised.

30.3. Cross-border leasing agreements

In recent years, ÖBB-Personenverkehr AG concluded a cross-border leasing transaction (CBL transaction), which still exists as at 31.12.2023.

This CBL transaction is a directly financed CBL transaction. The assets underlying this transaction are electric locomotives. In this transaction, the contractual partner acts as the buyer of the equipment and leases it back to ÖBB-Personenverkehr AG. Minimum ratings are not applied. The rolling stock subject to the transactions is regularly maintained in accordance with the provisions contained in the contracts and may not, in principle, be sold, leased, pledged or decommissioned.

Release of CBL transactions

In the reporting year 2022 the last CBL transaction of ÖBB-Infrastruktur AG was terminated prematurely.

Accounting treatment

The ÖBB Group remains the beneficial owner of the assets: Due to continuing beneficial ownership, property, plant and equipment sold and leased back is still recognised in the property, plant and equipment of the ÖBB Group. Detailed regulations on the presentation of leases is provided in IFRS 16 "Leases". The decisive question here is whether an economic substance is to be attributed to the leasing transaction. As this is not the case, none of these CBL transactions are within the scope of IFRS 16.

This resulted in financial assets owned by the ÖBB Group under civil law (securities and bank deposits) as well as associated leasing liabilities not fulfilling the criteria of an asset or liability due to a lack of economic substance ("linked transactions") and are therefore not recognised in the statement of financial position. Consequently, a (partial) inclusion in the statement of financial position (on balance) was required for some transactions in the consolidated financial statements (unlinked transactions).

Where, however, recognition in the statement of financial position is required, the securities (investments with banks and PUAs) were valued at amortised cost. The financial assets are offset by leasing liabilities. Amounts denominated in foreign currencies are translated at the exchange rate applicable at the reporting date. Any impairment of the assets resulting from changes in exchange rates are offset by corresponding exchange rate effects on the lease liabilities, and credit financing in the event of a hedged repayment vehicle regarding one of the tranches of a transaction.

In the consolidated financial statements as of 31.12.2023, the financial assets in connection with unrelated leasing transactions amount to approx. EUR 81.8 million (py: approx. EUR 81.8 million). As of 31.12.2023, related financial liabilities amount to approx. EUR 124.1 million (py: approx. EUR 133.6 million).

Impairments were determined depending on historical probabilities of default measured by the rating of the contractual partners and the residual term of the transaction. As of 31.12.2023 total value adjustments exist on investments amounting to approx. EUR 0.2 million (py: approx. EUR 0.2 million).

31. Service Licence Agreements (SIC 29)

The following explanations and disclosures relate to the requirements of SIC 29 (Service Licence Agreements). This refers to agreements between companies for the provision of services that give the public access to important economic and public facilities.

Concessions Liechtenstein and Switzerland

Service licence agreements within the meaning of SIC 29 relate to the rail infrastructure sector.

In accordance with EU law and the national legal systems of the countries involved, ÖBB-Infrastruktur AG, as infrastructure manager of those lines or parts of lines of its network that are located on foreign territory, requires concessions from the respective national railway authorities.

- ÖBB-Infrastruktur AG was granted the previously existing railway concession for the line on Liechtenstein territory as "Infrastructure concession on the line Liechtenstein-Austrian state border at Schaanwald to the Liechtenstein-Swiss state border at Schaan" by decision of the Government of the Principality of Liechtenstein of 15.12.2020, LNR 2020-1825/BNR 2020/1848 AP 330.0. This concession is limited to 47 years and expires on 31.12.2067.
- ÖBB-Infrastruktur AG's existing "Concession Nr. 5030 for the construction and operation of railway infrastructure" for the St. Margrethen – Border (- Bregenz) route was renewed
  - until 31.12.2067 and for the Buchs SG – Border (- Feldkirch) route also until 31.12.2067 for the sections on Swiss territory
  - by orders of the Federal Department of the Environment, Transport, Energy and Communications dated 03.03.2017 and 04.11.2021.

ÖBB-Infrastruktur AG thus has current and valid infrastructure concessions as an infrastructure manager until the end of 2067 within the meaning of the relevant provisions of EU law for the Sections of the existing cross-border railway lines to Switzerland and Liechtenstein that are located on foreign territory and thus has the rights and obligations of a railway infrastructure manager there for the lines covered by the concessions – comparable to the legal position granted to it in Austria by Section 51 Federal Railway Act.

The Feldkirch-Buchs line must therefore be maintained in its current state in a good condition suitable for safe and orderly railway operations and made available to railway undertakings for the operation of traffic within the scope of their right of access.

The infrastructure assets in Liechtenstein and Switzerland are owned by ÖBB-Infrastruktur AG and have a carrying amount of approx. EUR 24.3 million as at 31.12.2023 (py: approx. EUR 25.5 million). The concessionaire provides the transport of passengers, luggage and freight.

32. Related party transactions

Supplies to and from related parties

Related parties include affiliated, not fully consolidated companies of the ÖBB Group, associated companies plus any subsidiaries, joint ventures plus any subsidiaries, the shareholder of ÖBB-Holding AG (Republic of Austria) and its most important subsidiaries and the members of the management in key positions (members of the Board of Management and Supervisory Board of ÖBB-Holding AG and members of the Boards of Management and Supervisory Boards of fully consolidated subsidiaries of ÖBB-Holding AG) and the close family members as well as the related companies of the members of the management in key positions.

Business relationships exist at arm's length with companies in which the Republic of Austria holds direct or indirect interests (e.g. Österreichische Bundes- und Industriebeteiligungen GmbH, OMV Aktiengesellschaft, Telekom Austria AG, Autobahnen- und Schnellstraßen-Finanzierungs-Aktiengesellschaft, Schieneninfrastruktur-Dienstleistungsgesellschaft mbH, Verbund AG) and which are also to be classified as related parties in accordance with IAS 24 within the range of services provided by the ÖBB Group. The transactions conducted with these companies in both reporting years within the meaning of IAS 24 related to day-to-day business of the operating business segment, were of minor importance overall and accounted for less than 3% of the cost of materials and purchased services or less than 2% of revenue. Unpaid invoices from or to these companies on the reporting date are disclosed as trade receivables and trade payables and at this point are no longer treated separately.

Purchases were conducted at market prices less standard volume discounts and other discounts based on the scope of the business relationships. The volume of transactions in the financial year between the Group companies included in the consolidated financial statements on the one hand and these related parties on the other, as well as the receivables and liabilities outstanding from these transactions at the end financial year, are as follows:

in EUR million	Associated companies 2023	2022	Subsidiaries, not consolidated 2023	2022	Members of the executive bodies of the Group and their related persons and companies 2023	2022
Sale of goods /rendering of services (total revenue)	40.4	31.5	1.7	0.8	0.3	0.1
Purchase of goods / services (total expenditure)	48.8	44.0	5.8	3.4	0.2	0.1
Receivables as of Dec 31	8.3	5.0	1.0	0.4	0.0 *)	0.0 *)
Liabilities as of Dec 31	10.5	5.4	1.2	1.3	0.0	0.0

*) Smallest amount.

Transactions with the executive bodies of the Group and related parties and companies are primarily transactions with companies in which members of the Supervisory Board or managing directors or related parties of executive bodies of the ÖBB Group have a controlling influence. In addition, no advances or loans were granted, nor were any contingent liabilities entered into in favour of these persons.

There were no guarantees or investment grants to affiliated companies that were not fully consolidated, nor were any guarantees or investment grants accepted from them. There were no transactions carried out in both financial years with Board members that required disclosure. No guarantees were issued to associated companies in both reporting years. The liabilities and guarantees assumed by the Republic of Austria or Österreichische Kontrollbank AG are disclosed in Note 25.

Transactions and service relationships with the Republic of Austria, framework plan for infrastructure investments and the liability of the Republic of Austria

ÖBB-Personenverkehr subgroups and Rail Cargo Group

Public service contracts for local and long-distance passenger rail transport are concluded with the Republic of Austria in accordance with the Federal Railways Structure Act. Accordingly, public services are provided by ÖBB-Personenverkehr AG. The costs charged to the Republic of Austria for this amount to approx. EUR 1,140.5 million (py: approx. EUR 993.2 million). Services are provided to the federal states and communities on the basis of transport service contracts, for which approx. EUR 357.7 million (py: approx. EUR 316.8 million) was charged in the financial year.

Rail Cargo Austria AG and all other rail transport companies that provide services in the production forms of single wagonload transport, unaccompanied combined transport or “rolling road” receive subsidies under the aid programme for rail freight transport notified by the Republic of Austria to the European Commission. The funding granted by the Republic of Austria to Rail Cargo Austria AG for the year 2023 amount to approx. EUR 130.7 million (py: approx. EUR 110.1 million).

ÖBB-Infrastruktur subgroup

General information

ÖBB-Infrastruktur AG is a railway infrastructure company whose tasks are in the public interest and are defined in more detail in Section 31 Federal Railways Act. The basis for the financing of the company is Section 47 Federal Railways Act, according to which the federal government must ensure that ÖBB-Infrastruktur AG has the funds necessary to fulfil its tasks and maintain its liquidity and equity, insofar as the tasks are covered by the business plan pursuant to Section 42 (6) Federal Railways Act. The commitment regulated by the federal government in this provision is implemented specifically in the grant agreements pursuant to Section 42 (1) and (2) Federal Railways Act. It is the understanding of the contracting parties that the objective of the grant agreements, irrespective of the respective term of the contract, is to permanently ensure the value of the assets of ÖBB-Infrastruktur AG used for the tasks pursuant to Section 31 Federal Railways Act, which also complies with the legal mandate of the Federal Railways Act.

ÖBB-Infrastruktur AG bears the costs for the fulfilment of its tasks. The federal government provides, for this purpose,

- a grant to ÖBB-Infrastruktur AG pursuant to Section 42 (1) Federal Railways Act at their request, in particular for the operation of the railway infrastructure and its provision to users, to the extent and provided the revenues to be generated by the users of the railway infrastructure under the respective market conditions are not sufficient to cover the expenses incurred in the course of economical and efficient management, and
- pursuant to Section 42 (2) Federal Railways Act, grants for the maintenance, planning and construction of rail infrastructure.

Two separate agreements, each with a term of six years, are to be concluded between the Federal Ministry for Climate Protection, Environment, Energy, Mobility, Innovation and Technology (BMK) in agreement with the Federal Ministry of Finance (BMF) and ÖBB-Infrastruktur AG regarding the grants pursuant to Section 42 (1) and (2) Federal Railways Act, in which the object of the grant, the amount of the grants to be awarded for it, the general and special grant conditions and the payment modalities are to be stipulated.

The Schieneninfrastruktur-Dienstleistungsgesellschaft mbH (SCHIG) monitors the compliance with the obligations assumed by ÖBB-Infrastruktur AG in the grant agreements pursuant to Section 42 Federal Railways Act. Monitoring refers to the economical, efficient and appropriate use of funds in the planning, construction, maintenance, provision and operation of a need-related and safe rail infrastructure.

The framework plan 2024 to 2029 was endorsed by the Republic of Austria in the Council of Ministers on 18.10.2023 and submitted to the Supervisory Board of ÖBB-Infrastruktur AG on 27.11.2023.

Financing of the infrastructure

The grant agreement pursuant to Section 42 (2) Federal Railways Act is based on the business plan to be prepared by ÖBB-Infrastruktur AG pursuant to Section 42 (6) Federal Railways Act. One component of the business plan is the six-year framework plan to be drawn up by ÖBB-Infrastruktur AG pursuant to Section 42 (7) Federal Railways Act, which must contain the funds for maintenance (in particular repair and reinvestment) and for expansion investments on an annual basis. The business plan and framework plan are to be supplemented annually by one year each and adjusted to the new six-year period.

The grant agreement 2022 to 2027 stipulates that the share to be assumed by the federal government for expansion investments and reinvestments in accordance with the framework plan 2022 to 2027 (with the exception of the Brenner Base Tunnel) amounts to 80% of the annual capital expenditure, for which grants are paid in the form of an annuity spread over 30 years. The Brenner Base Tunnel project receives a 100% subsidy from the federal government in the form of an annuity spread over 50 years. The long term financing rate of ÖBB-Infrastruktur AG currently in effect is used as the interest rate.

The share to be assumed by the federal government for expansion investments (excluding the Brenner Base Tunnel) and reinvestments will be continuously reviewed and, if necessary, adjusted to current requirements for future grants.

The federal government also provides a subsidy for inspection and maintenance, fault clearance and repair of the rail infrastructure operated by ÖBB-Infrastruktur AG. The amount of the grant is determined taking into account the liquidity requirements on the basis of the business plan of ÖBB-Infrastruktur AG, the specified limit of the total grant according to Section 42 Federal Railways Act and the achievement of the targets (performance and output targets) according to the grant agreement pursuant to Section 42 (1) Federal Railways Act. Changes in the functionality and/or scope of the rail infrastructure operated by ÖBB-Infrastruktur AG will result in an increase or decrease of the subsidy. ÖBB-Infrastruktur AG must therefore reach an agreement with the Federal Ministry of Transport, Building and Urban Affairs and the Federal Ministry of Finance before making such changes.

In 2023, a grant of approx. EUR 1,316.3 million (py: EUR 1,260.4 million) was provided for expansion and reinvestment as well as utilisation fees on the basis of the valid grant agreement for 2022 to 2027 pursuant to Section 42 (2) Federal Railways Act. Approx. EUR 441.5 million (py: EUR 430.7 million) was granted for inspection, maintenance, fault clearance and repairs.

ÖBB-Infrastruktur AG has contributed approx. EUR 150.0 million (py: approx. EUR 100.0 million) to BBT SE for the construction costs of the Brenner Base Tunnel. The payments contractually agreed with the state of Tyrol in the course of the share acquisition and the payments made by the federal government to ÖBB-Infrastruktur AG in connection with the cross-financing of roads amounted to approx. EUR 55.0 million (py: approx. EUR 69.7 million).

Operation of the infrastructure and apprenticeship costs

ÖBB-Infrastruktur AG is required to submit an annual rationalisation and savings plan with a forecast to the Federal Ministry of Transport, Innovation and Technology and the Federal Ministry of Finance.

The basis of the agreement on the subsidy pursuant to Section 42 (1) Federal Railways Act is in particular the business plan to be drawn up by ÖBB-Infrastruktur AG for a period of six years pursuant to Section 42 (6) Federal Railways Act with a precise description of the measures required for the fulfilment of its tasks to provide the rail infrastructure in a need-related and safe manner, including the time and cost plans as well as the rationalisation plans and a preview of the usage and other charges.

Pursuant to Section 45 Federal Railways Act, the BMK has commissioned SCHIG to monitor compliance with the obligations assumed by ÖBB-Infrastruktur AG in the grant agreement.

This grant agreement defines the targets to be achieved by ÖBB-Infrastruktur AG in connection with the grant pursuant to Section 42 Federal Railways Act.

The targets to be specifically achieved by ÖBB-Infrastruktur AG are classified in particular into general, quality, safety and efficiency targets, which are agreed with due regard to the statutory tasks of ÖBB-Infrastruktur AG; they are laid down in the business plan agreed between the federal government and ÖBB-Infrastruktur AG pursuant to Section 42 (6) Federal Railways Act.

Compliance with the obligation for ÖBB-Infrastruktur AG arising from the Federal Railways Act to ensure and continuously improve the quality and safety of the rail infrastructure to be operated is assessed in connection with the granting of grants by applying key figures.

Unless otherwise agreed between ÖBB-Infrastruktur AG and the federal government, the annual grant amounts are to be reduced in the course of the update by the pro rata operating expenses for those rail infrastructures that are transferred to other operators or are no longer operated by ÖBB-Infrastruktur AG in deviation from the provisions of the business plan pursuant to Section 42 (6) Federal Railways Act.

The total grants granted pursuant to Section 42 Federal Railways Act in 2023 amount to approx. EUR 2,401.6 million (py: approx. EUR 2,403.5 million). The investment grant for expansion and reinvestment of approx. EUR 1,316.3 million (py: approx. EUR 1,221.0 million) was increased by approx. EUR 86.7 million (py: approx. EUR 20.1 million) to approx. EUR 1,403.0 million (py: approx. EUR 1,241.0 million) due to the investment measures conducted and in line with the interest rate development in the income statement. The grant for operational management as well as inspection, maintenance, fault clearance and repair totalling EUR 1,085.3 million (py: approx. 1. 182.5 million) was reduced by a total of EUR 411.1 million (py: approx. EUR 363.5 million) due to an improvement in the operating business and the more favourable interest rate trend in the income statement.

The grant of approx. EUR 125.0 million (py: approx. EUR 104.2 million) attributable to interest capitalised in accordance with IAS 23 is to be regarded as an investment grant and serves to cover future expenses incurred in the form of depreciation. The disclosure in the financial statements is made as a reduction of the subsidy pursuant to Section 42 (1) Federal Railways Act and is presented as a cost contribution. An amount of approx. EUR 674.2 million (py: approx. EUR 822.1 million) was therefore recognised in income for operational management, inspection, maintenance, malfunction clearance and repair. The accrued amounts in connection with grants for expansion and reinvestment of approx. EUR 91.8 million (py: approx. EUR 24.3 million) and in connection with management and apprentice training in an amount of approx. EUR 118.8 million (py: approx. EUR 70.4 million) are reported under other liabilities while the accrued amount from maintenance in an amount of approx. EUR 2.6 million (py: approx. EUR 15.9 million) is reported under deferred income. The final calculation of the annuity for the Brenner Base Tunnel results in a repayment component for ÖBB-Infrastruktur AG of approx. EUR 5.1 million (py: approx. EUR 4.2 million), which is recognised under deferred income.

The development of the grants in 2023 is therefore stated as follows:

in EUR million	Total grant	Accruals and repayments	Recognised in income 2023
Section 42 (1) Operation	643.8	-413.7	230.1
Section 42 (2) Inspection, maintenance, disposal and repair	441.5	2.6	444.1
Total federal grant pursuant to Section 42 (1) and Section 42 (2) BBG	**1,085.3**	**-411.1**	**674.2**
Section 42 (2) Expansion and reinvestment, usage fee	1,316.3	86.7	1,403.0
Total federal grant for rail infrastructure Section 42 (2) BBG	**1,316.3**	**86.7**	**1,403.0**
Total other operating income	**2,401.6**	**-324.4**	**2,077.2**

In the reporting year, an amount of EUR 645.0 million (py: EUR 582.5 million) was repaid to the federal government in December 2023. The repayment relates both to liabilities already recognised as of 31.12.2022, and to federal grants received in 2023.

The development of grants in 2022 was as follows:

in EUR million	Total grant	Accruals and repayments	Recognised in income 2022
Section 42 (1) Operation	751.8	-344.6	407.3
Section 42 (2) Inspection, maintenance, disposal and repair	430.7	-15.9	414.8
Total federal grant pursuant to Section 42 (1) and Section 42 (2) BBG	**1,182.5**	**-360.5**	**822.1**
Section 42 (2) Expansion and reinvestment, usage fee	1,221.0	20.1	1,241.0
Total federal grant for rail infrastructure Section 42 (2) BBG	**1,221.0**	**20.1**	**1,241.0**
Total other operating income	**2,403.5**	**-340.4**	**2,063.1**

See Note 25 with regard to the guarantees and financing assumed by the federal government since 2017, which have primarily been raised through loans from the Republic of Austria in settlement by the Austrian Federal Financing Agency (OeBFA).

In addition, there were further grants (generally cost contributions to investment measures) from the Austrian provincial governments and municipalities amounting to approx. EUR 109.8 million (py: approx. EUR 53.1 million), with outstanding receivables of approx. EUR 1.0 million (py: approx. EUR 1.4 million) as at the reporting date. In addition, EU subsidies of approx. EUR 31.3 million (py: approx. EUR 43.1 million) were granted. The investment grants and EU grants are cost contributions from the public sector or the EU that were recognised as a reduction in acquisition costs.

Remuneration of members of the Board of Management

The Board of Management of ÖBB-Holding AG consists of two members at the reporting date. No advances or loans were awarded to members of the Management Board, and no contingent liabilities were entered into to the benefit of any of these individuals. The Board of Management remuneration at ÖBB-Holding AG for the active members of the Board of Management in the reporting years amounted to approx. TEUR 1,733 (py: approx. TEUR 1,316) pursuant to Section 266 Z 2 UGB. This includes entitlements from previous periods and remuneration in kind as well as remuneration from the prematurely terminated employment contract of a departing member of the Management Board in the figures for 2023. In addition, payments of statutory contributions to the employee pension fund amounting to approx. TEUR 26 (py: approx. TEUR 20) and payments to a pension fund amounting to approx. TEUR 73 (py: approx. TEUR 48) were made in the reporting year. Holiday provisions fell by approx. TEUR 242 from approx. TEUR 12 in the previous year to approx. TEUR 230. The current employment contracts do not provide for any severance payment obligations. The provisions relating to target agreements as at 31.12.2023 amount to approx. TEUR 302 (py: approx. TEUR 368).

The total remuneration of the members of the Board of Management is composed of a fixed, variable, and in-kind component. The amount of the variable annual component is subject to the achievement of objectives agreed with the Management Committee of the Supervisory Board at the beginning of each financial year.

The employment contracts of the top executives (board members of the parent company and subsidiaries and managing directors of companies at similar levels) include a performance-related component, whereby the success of the company is significantly reflected in the remuneration. In principle, 2/3 of the salary of the top executives is fixed and 1/3 is a performance-related component. At the beginning of each financial year, a score card is drawn up individually for each company in order to define goals, in which clearly agreed, mainly quantitative economic, social and ecological targets are set. These objectives are based on the Group's overall results, its strategy and the focus of the Group's activities. The variable components of the salaries that were paid out are included in the remuneration of the members of the Management Board indicated above.

The members of the Management Board of ÖBB-Holding AG participate in an external pension fund scheme based on a defined contribution plan, except for members of the Management Board who are seconded for the time of their activity in the Board within a definite ÖBB employment relation in accordance with the general terms and conditions for employment with Österreichische Bundesbahnen (AVB). The company itself assumes no pension commitments. The vested rights and entitlements of the members of the Management Board in the event that their function or employment relationship is terminated are based on the corresponding provisions in the Staffing Act (Stellenbesetzungsgesetz). There are no claims other than those outlined above.

Remuneration of members of the Supervisory Board

Remuneration may be awarded to the members of the Supervisory Board in accordance with the Rules of Procedure for the Supervisory Board of ÖBB-Holding AG. The basic remuneration for a Supervisory Board mandate is TEUR 14 per year. This is unchanged from the previous year. In addition, each Supervisory Board member receives an attendance fee of EUR 800 for each meeting of a Supervisory Board, the Executive Committee or any other committee. A Chairperson of a Supervisory Board receives double the basic remuneration, a Vice Chairperson in ÖBB-Holding AG receives one and a half times the basic remuneration. Members of the Supervisory Board who are members of the Board of Management, managing directors, employee representatives or employees of the ÖBB Group receive no Supervisory Board remuneration.

The Supervisory Board remuneration of the capital representatives of the Supervisory Board members of ÖBB-Holding AG for their activities in ÖBB-Holding AG and in other Group companies amounted to approx. TEUR 369 (py: approx. TEUR 362). The remuneration of the other Supervisory Board members at the Group companies amounted to approx. TEUR 285 (py: approx. TEUR 288).

33. Notes on the Cash Flow Statement

The cash flow statement shows the change in cash of the ÖBB Group from inflows and outflows of funds in the reporting year. The cash flow statement is divided into cash flows from operating activities, from investment activities and from financing activities. Operating parts of the cash flow statement are presented using the indirect method.

In addition to cash and cash equivalents (Note 22), cash and cash equivalents also include other current financial liabilities and liabilities to banks of approx. EUR 9.5 million (py: approx. EUR 9.7 million), which are payable on demand and therefore meet the requirements of IAS 7 for classification as a component of cash and cash equivalents. That part of the interest payment that is capitalised, in accordance with IAS 23, as part of the cost of production of qualifying assets, is reported in the operating cash flow. The federal grants received in this connection amounting to approx. EUR 125.0 million (py: approx. EUR 104.2 million) are also shown in the operating cash flow under changes in trade payables and other liabilities and accruals.

The significant non-cash transactions in both reporting years mainly relate to changes in former and current CBL transactions as well as the reversal of deferred income due to finance lease transactions. In the previous year, the Lassallestrasse leased property recognised in accordance with IFRS 16 was reported for the first time, which led to an additional lease liability of approx. EUR 166.6 million in the 2022 financial year. See Note 34 and the terms in brackets with regard to cash inflows and outflows from or for the acquisition of consolidated companies.

The table shows the information on the changes to financial liabilities for which the cash received and cash paid are presented in the Statement of Cash Flows in cash flows from financing activities.

in EUR million	As of Dec 31, 2022	Changes with an effect on cash flow	Changes in exchange rates	Other changes in borrowed capital	Other changes in equity	As of Dec 31, 2023
Non-current financial liabilities						
Bonds	7,883.3	-1,000.0	-2.0	4.4	0.0	6,885.7
Bank loans	5,675.2	317.5	-4.3	-523.6	-3.4	5,461.4
Financial liabilities leasing	605.2	-20.7	8.1	60.6	0.2	653.4
Other financial liabilities	13,753.1	4,386.9	-0.8	-8.2	71.0	18,202.0
Total non-current financial liabilities	**27,916.9**	**3,683.7**	**1.0**	**-466.9**	**67.8**	**31,202.5**
Current financial liabilities						
Bonds	1,000.0	0.0	0.0	-1.1	0.0	998.9
Bank loans	292.0	-259.5	0.0	531.0	-1.4	562.1
Financial liabilities leasing	171.3	-133.7	3.4	93.2	0.0	134.2
Other financial liabilities	936.6	-255.2	0.0	-38.3	2.8	645.9
Total excluding financial liabilities, which are part of cash and cash equivalents	**2,400.0**	**-648.4**	**3.4**	**584.8**	**1.4**	**2,341.2**

in EUR million	As of Dec 31, 2021	Changes with an effect on cash flow	Changes in exchange rates	Other changes in borrowed capital	Other changes in equity	As of Dec 31, 2022
Non-current financial liabilities						
Bonds	8,878.9	-1,500.0	3.3	501.1	0.0	7,883.3
Bank loans	5,357.0	409.4	1.3	-92.8	0.3	5,675.2
Financial liabilities leasing	441.9	-20.7	4.9	179.1	0.0	605.2
Other financial liabilities	11,011.0	3,321.2	-1.6	-558.3	-19.2	13,753.1
Total non-current financial liabilities	**25,688.7**	**2,210.0**	**7.9**	**29.1**	**-18.9**	**27,916.9**
Current financial liabilities						
Bonds	1,498.6	0.0	0.0	-498.6	0.0	1,000.0
Bank loans	336.9	-135.0	0.0	91.0	-0.9	292.0
Financial liabilities leasing	153.7	-105.4	2.6	120.1	0.3	171.3
Other financial liabilities	550.7	-173.6	0.0	560.9	-1.4	936.6
Total excluding financial liabilities, which are part of cash and cash equivalents	**2,539.9**	**-414.0**	**2.6**	**273.4**	**-2.0**	**2,400.0**

In December 2023, approx. EUR 645.0 million in federal subsidies granted were repaid to the federal government, which are recognised in the consolidated cash flow statement under "+ Increase / – Decrease in trade payables and other liabilities and deferrals".

34. Group companies

The business activities of the ÖBB Group are as follows:

ÖBB-Personenverkehr

This subgroup combines all activities of the passenger transport and services division. The business segments relate to long-distance rail transport, local rail transport and bus transport, the travel agency activities of Rail Tours Touristik GmbH and the maintenance of rolling stock by the Technical Services Group.

Rail Cargo Group

The business objects are divided into five complementary, cross-border rail businesses to enable the Rail Cargo Group to present itself to customers in a demand- and market-oriented manner and to offer customised solutions in addition to binding performance promises.

- Forwarding: Rail Cargo Logistics (RCL) – Rail freight forwarders with industry expertise
- Operator: Rail Cargo Operator (RCO) – for high-frequency long haul shuttles (intermodal, conventional, mix) between economic regions
- Carrier: Rail Cargo Carrier (RCC) – RU (railway undertaking = carrier service) for own traction (e.g. basic load, single-wagon transport)
- Wagon: – Wagon lessor
- Technical Services: Technical Services (TS) – Maintenance of rolling stock

ÖBB-Infrastruktur

The tasks of the ÖBB-Infrastruktur subgroup are:

- Planning and construction of rail infrastructure including high-capacity lines, planning and construction of related projects as well as provision of rail infrastructure including facilities and equipment
- Provision, operation and maintenance of demand-oriented and safe rail infrastructure (maintenance, inspection, repair, operational planning and shunting)

The core activities of the ÖBB-Infrastruktur subgroup also include energy purchasing, energy supply and electricity portfolio management as well as the leasing, development and utilisation of real estate.

Holding / Other activities

The numerous management, financing and service functions of ÖBB-Holding AG, its other holdings (e.g. ÖBB-Business Competence Center GmbH, ÖBB-Finanzierungsservice GmbH, ÖBB-Werbung GmbH) and ÖBB-Produktion Gesellschaft mbH (provision of traction services) are combined here.

Significant changes in the schedule of shareholdings

Go-Ahead Verkehrsgesellschaft Deutschland GmbH (Berlin, DE) and its subsidiaries were acquired by ÖBB-Personenverkehr AG on 01.02.2024. The Group will be included in the consolidated financial statements as a fully consolidated company as of 01.02.2024, with the exception of Go-Drive Verleihgesellschaft mbH (Essingen, DE). Further information is provided in Section 35.

Information on the subsidiaries, associated companies, equity investments, other shares and changes in the ÖBB Group existing as at 31.12.2023 in the financial year 2023:

The following disposals are not shown in the overview:

As at 01.07.2023, the fully consolidated company Rail Cargo Terminal – S. Stino S.r.l. was merged with Rail Cargo Terminal – Desio S.r.l. with retroactive effect from 01.01.2023 and subsequently renamed Rail Cargo Logistics – Terminals Italy s.r.l.

In addition, European Contract Logistics – Slovakia s.r.o. “v likvidácii”, which was not included in the consolidated financial statements as an affiliated, not fully consolidated company, was sold in the 2023 financial year.

In December 2023, Breitspur Planungsgesellschaft mbH in Liqu., in which 27.74% of the shares were held, was deleted from the commercial register following liquidation in December 2022.

In the previous year, the shares in Güterterminal Werndorf Projekt GmbH were sold, which means that this company is no longer included in the consolidated financial statements as an affiliated, fully consolidated company. In addition, European Contract Logistics – Serbia d.o.o., a not fully consolidated company, was sold.

Further acquisitions, new establishments and changes in consolidation types are noted in the list of investments shown as follows in parentheses. The effects of first-time consolidations or deconsolidations are of minor significance overall and can be seen in the section "Composition of and changes in the scope of consolidation" in Note 2.

As of the reporting date, ÖBB-Holding AG held investments in the following companies, either directly or indirectly via other affiliated companies (excluding investments in short-term joint ventures).

Parent company	Country, registered office	Type of consolidation
100% Österreichische Bundesbahnen-Holding Aktiengesellschaft	A-1100 Vienna	V

ÖBB-Personenverkehr subgroup	Country, registered office	Type of consolidation
100% ÖBB-Personenverkehr Aktiengesellschaft	A-1100 Vienna	V
├► 100% Österreichische Postbus Aktiengesellschaft	A-1100 Vienna	V
└► 100% ČSAD AUTOBUSY České Budějovice a.s.	CZ-37004 České Budějovice	V
├► 100% Rail Tours Touristik Gesellschaft m.b.H.	A-1100 Vienna	V
└► 33.4% RAILTOUR (SUISSE) SA (May 2022: acquisition)	CH-3052 Zollikofen	E
├► 100% ÖV Ticketshop GmbH	A-1020 Vienna	V
├► 100% iMobility GmbH	A-1040 Vienna	V
├► 100% Allegra Deutschland GmbH	D-80333 Munich	V0
├► 100% OBB ITALIA S.R.L.	IT-20121 Milano	V
├► 100% (py: 98.57%) FZB Fahrzeugbetrieb GmbH	A-1100 Vienna	V0
├► 100% Go-Ahead Verkehrsgesellschaft Deutschland GmbH (acquisition as of Feb 01, 2024)	D-10119 Berlin	V (from 2024)
├► 100% Go-Ahead Baden Württemberg GmbH (February 2024: initial consolidation as of Feb 01, 2024)	D-70178 Stuttgart	V (from 2024)
├► 6.01% OstalbMobil GmbH (February 2024: acquisition)	D-73430 Aalen	0 (from 2024)
├► 5.67% Baden-Württemberg-Tarif GmbH (February 2024: acquisition)	D-70173 Stuttgart	0 (from 2024)
├► 2.8% Verkehrsverbund Pforzheim-Enzkreis GmbH (VPE) (February 2024: acquisition)	D-75177 Pforzheim	0 (from 2024)
├► 1.75% Kreisverkehr Schwäbisch Hall GmbH (February 2024: acquisition)	D-74523 Schwäbisch Hall	0 (from 2024)
└► 1.5% Verkehrs- und Tarifverbund Stuttgart, Gesellschaft mit beschränkter Haftung (VVS) (February 2024: acquisition)	D-70178 Stuttgart	0 (from 2024)
├► 100% Go-Ahead Bayern GmbH (February 2024: initial consolidation as of Feb 01, 2024)	D-86159 Augsburg	V (from 2024)
├► 100% Go-Ahead Facility GmbH (February 2024: initial consolidation as of Feb 01, 2024)	D-73457 Essingen	V (from 2024)
└► 100% Go-Drive Verleihgesellschaft mbH (February 2024: initial consolidation as of Feb 01, 2024)	D-73457 Essingen	V0 (from 2024)
├► 75% (100%) ÖBB-Technische Services-Gesellschaft mbH	A-1100 Vienna	V *)
├► 100% Technical Services Slovakia, s.r.o.	SK-91701 Trnava	V
├► 60% ÖBB STADLER Service GmbH	A-1150 Vienna	V
├► 51% TS-MÁV Gépészet Services Kft.	HU-1097 Budapest	V
├► 49% LTS Immobilien GmbH	A-2440 Gramatneusiedl	E0
└► 40% ETL Lokservice GmbH	A-2440 Gramatneusiedl	E0
├► 50% (100%) ÖBB-Produktion Gesellschaft mbH	A-1100 Vienna	V *)
├► 49.9% City Air Terminal Betriebsgesellschaft m.b.H.	A-1300 Vienna-Airport	E
├► 24.5% One Mobility GmbH (August 2022: acquisition)	A-1040 Vienna	E0
├► 10% Railteam B.V.	NL-1012 AB Amsterdam	0
├► 7.628% Eurail B.V.	NL-3511 SB Utrecht	0
└► 6.85% (7.53%) Bureau central de clearing s.c.r.l.	B-1060 Brussels	0

*) The remaining shares are held by other companies in the ÖBB Group.

Rail Cargo Group	Country, registered office	Type of consolidation
100% Rail Cargo Austria Aktiengesellschaft	A-1100 Vienna	V
├► 100% Rail Cargo Logistics – Austria GmbH	A-1100 Vienna	V
├► 100% Rail Cargo Terminal – Sindos Societe S.A.	GR-57022 Thessaloniki	V
├► 100% Rail Cargo Logistics – Bulgaria EOOD	BG-1303 Sofia	V
├► 100% Rail Cargo Logistics – Croatia d.o.o.	HR-10000 Zagreb	V
├► 100% Rail Cargo Logistics – Czech Republic s.r.o.	CZ-61400 Brno	V
├► 100% Rail Cargo Logistics – Environmental Services GmbH	A-1100 Vienna	V
└► 50% AUL Abfallumladelogistik Austria GmbH	A-2201 Gerasdorf bei Wien	E0
├► 100% Rail Cargo Logistics – Germany GmbH	D-60329 Frankfurt am Main	V
├► 100% Rail Cargo Logistics – Hungaria Kft.	HU-1133 Budapest	V
└► 45% logMASter Kft. (July 2022: intra-group acquisition from OmegaTelos GmbH)	HU-2151 Fot	E0
├► 100% Rail Cargo Logistics – Italy S.r.l.	I-20832 Desio	V
├► 100% Rail Cargo Logistics – Terminals Italy s.r.l (July 2023: retroactive merger with Rail Cargo Terminal - S.Stino S.r.l. as of Jan 01, 2023 and change of name - formerly: Rail Cargo Terminal – Desio S.r.l.)	I-20832 Desio	V
├► 100% Rail Cargo Logistics – Poland Sp.z o.o.	PL-02-796 Warszawa	V
├► 100% Rail Cargo Logistics – Romania Solutions SRL	RO-075100 Otopeni	V
├► 100% ooo “Rail Cargo Logistics – RUS”	RU-620014 Yekaterinburg	V
├► 100% Rail Cargo Logistics Uluslararasi Tasimacilik Lojistik ve Ticaret Limited Sirketi	TR-34303 Halkali-Istanbul	V
├► 74% Rail Cargo Logistics, železniška špedicija d.o.o.	SLO-1000 Ljubljana	V
├► 51% Rail Cargo Logistics – BH d.o.o.	BiH-71000 Sarajevo	V
└► 49% Rail Cargo Logistics – Goldair SA	GR-19300 Athens/Aspropyrgos	E

Rail Cargo Group (continued)	Country, registered office	Type of consolidation	
├► 100% Rail Cargo Carrier Kft.	HU-1133 Budapest	V	
├► 100% Rail Cargo Carrier – Germany GmbH	D-85055 Ingolstadt	V	
├► 100% Rail Cargo Carrier d.o.o.	SLO-1000 Ljubljana	V	
├► 100% Rail Cargo Carrier – Bulgaria EOOD	BG-1303 Sofia	V	
├► 100% Rail Cargo Carrier – Croatia d.o.o.	HR-10000 Zagreb	V	
├► 100% Rail Cargo Carrier – Czech Republic s.r.o.	CZ-130 00 Praha 3	V	
├► 100% Rail Cargo Carrier – Romania SRL	RO-075100 Otopeni	V	
├► 100% Rail Cargo Carrier – Slovakia s.r.o.	SK-82105 Bratislava	V	
├► 100% Rail Cargo Carrier – Serbia d.o.o. Beograd (April 2022: new incorporation; April 2023: change of name – formerly: Rail Cargo Carrier – Southeast Serbia d.o.o.)	RS-11000 Beograd	V0	
├► 100% Rail Cargo Carrier – Poland Sp.z.o.o.	PL-02-017 Warszawa	V0	
└► 75% (100%) Rail Cargo Carrier – Italy s.r.l.	I-20832 Desio	V	*)
├► 100% Rail Cargo Operator – ČSKD s.r.o.	CZ-13000 Praha 3	V	
├► 100% Rail Cargo Operator – Austria GmbH	A-1100 Vienna	V	
└► 100% Rail Cargo International Freight Forwarding (Shanghai) Co. Ltd. (September 2022: New incorporation)	CN-200002 Shanghai	V0	
├► 100% Rail Cargo Operator – Hungaria Kft.	HU-1133 Budapest	V	
├► 100% Rail Cargo Operator – Port/Rail Services GmbH	D-28195 Bremen	V0	
├► 100% Rail Cargo Terminal – Praha s.r.o.	CZ-13000 Praha 3	V	
├► 85% Rail Cargo Terminal – BILK (December 2023: intra-group transfer from Rail Cargo Terminal – Praha s.r.o.)	HU-1239 Budapest	V	
├► 100% LOGISZTÁR Kft.	HU-1239 Budapest	V0	
└► 33.33% boxXagency Kft.	HU-1239 Budapest	E0	
├► 33.07% Terminal Brno, a.s.	CZ-61900 Brno	E	
├► 32.56% ADRIA KOMBI d.o.o.	SLO-1000 Ljubljana	E	
└► 29.39% Railport Arad SRL (December 2023: intra-group transfer from Rail Cargo Terminal – Praha s.r.o.)	RO-315200 Judetul Arad	E	
├► 99.99% Rail Cargo Hungaria Zrt.	HU-1133 Budapest	V	
├► 100% Technical Services Hungaria Jármüjavitó Kft.	HU-3527 Miskolc	V	
├► 30% Agrochimtranspack Kft.	HU-4623 Tuszér	E0	
└► 0.69% (7.53%) Bureau central de clearing s.c.r.l.	B-1060 Saint-Gilles	0	
├► 66% Rail Cargo Logistics GmbH	A-1100 Vienna	V	
├► 100% Rail Cargo Logistics s.r.o.	CZ-619 00 Brno	V	
└► 47.5% VADECO SRL	RO-900733 Constanta	E	
├► 50% (100%) ÖBB-Produktion Gesellschaft mbH	A-1100 Vienna	V	*)
├► 25% (100%) ÖBB-Technische Services Gesellschaft mbH	A-1100 Vienna (py: A-1110 Vienna)	V	*)
├► 100% Technical Services Slovakia, s.r.o.	SK-91701 Trnava	V	
├► 60% ÖBB STADLER Service GmbH	A-1150 Vienna	V	
├► 51% TS-MÁV Gépészet Services Kft.	HU-1097 Budapest	V	
├► 49% LTS Immobilien GmbH	A-2440 Gramatneusiedl	E0	
└► 40% ETL Lokservice GmbH	A-2440 Gramatneusiedl	E0	
├► 11.87% (py: 19.8%) TransAnt GmbH (January 2022 and March 2023: reduction due to dilution)	A-4020 Linz	0	
├► 25% (100%) Rail Cargo Carrier – Italy s.r.l.	I-20832 Desio	V	*)
├► 18.4% Xrail AG	CH-4058 Basel	0	
├► 3.53% Intercontainer-Interfrigo (ICF) SA	B-1060 Brussels	0	
└► partnership Kombiverkehr Deutsche Gesellschaft für kombinierten Güterverkehr mbH & Co. Kommanditgesellschaft	D-60486 Frankfurt am Main	0	

*) The remaining shares are held by other companies in the ÖBB Group.

ÖBB-Infrastruktur subgroup	Country, registered office	Type of consolidation
100% ÖBB-Infrastruktur Aktiengesellschaft	A-1020 Vienna	V
├▶ 100% Austrian Rail Construction & Consulting GmbH	A-1020 Vienna	V0
├▶ 100% Austrian Rail Construction & Consulting GmbH & Co KG	A-1020 Vienna	V0
├▶ 100% ÖBB-Operative Services GmbH (formerly: Mungos Sicher & Sauber GmbH)	A-1150 Vienna	V
├▶ 100% ÖBB-Operative Services GmbH & Co KG (formerly: Mungos Sicher & Sauber GmbH & Co KG)	A-1150 Vienna	V
├▶ 100% Netz- und Streckenentwicklung GmbH	A-1020 Vienna	V
├▶ 100% ÖBB-Immobilienmanagement Gesellschaft mbH	A-1020 Vienna	V
├▶ 100% ÖBB-Projektentwicklung GmbH	A-1020 Vienna	V
├▶ 100% ÖBB-Realitätenbeteiligungs GmbH & Co KG	A-1020 Vienna	V
├▶ 100% Elisabethstraße 7 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V
├▶ 100% Elisabethstraße 9 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V
├▶ 100% Gauermanngasse 2–4 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V
├▶ 100% Mariannengasse 16–20 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V
└▶ 100% Operngasse 16 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V
├▶ 100% ÖBB-Stiftungs Management Gesellschaft mbH	A-1020 Vienna	V
├▶ 100% Rail Equipment GmbH	A-1040 Vienna	V
├▶ 100% Rail Equipment GmbH & Co KG	A-1040 Vienna	V
├▶ 60% (py: 100%) ÖBB-BE GmbH (September 2023: sale of 40% of shares and new name – formerly: ÖBB-Güterzentrum Wien Süd Betriebsgesellschaft m.b.H.)	A-1020 Vienna	V0
├▶ 60% ÖBB-BE GmbH & Co KG (September 2023: new incorporation)	A-1020 Vienna	V0
├▶ 51% WS Service GmbH	A-3151 St. Georgen am Steinfeld	V
├▶ 50% LCA Logistik Center Austria Süd GmbH	A-9586 Fürnitz	E
├▶ 50% Galleria di Base del Brennero – Brenner Base Tunnel BBT SE	I-39100 Bozen	E
├▶ 43.05% Weichenwerk Wörth GmbH	A-3151 St. Georgen am Steinfeld	E
├▶ 8% HIT Rail B.V.	NL-3511 SB Utrecht	0
├▶ partnership UIRR s.c.r.l. (International association for combined road-rail transport)	B-1000 Brussels	0
└▶ partnership Tiefgarage Stuben Gesellschaft m.b.H. & Co. KG	A-6762 Stuben/Arlberg	0

Others	Country, registered office	Type of consolidation
100% ÖBB-Business Competence Center GmbH	A-1020 Vienna (py: A-1030 Vienna)	V
└▶ 34% Wellcon Gesellschaft für Prävention und Arbeitsmedizin GmbH	A-1030 Vienna	E
100% ÖBB-Finanzierungsservice GmbH	A-1100 Vienna	V
100% ÖBB-Werbung GmbH	A-1100 Vienna	V
100% OmegaTelos GmbH	A-1100 Vienna	V0
26% Verkehrsauskunft Österreich VAO GmbH	A-1150 Vienna	E0
2% Eurofima Europäische Gesellschaft für die Finanzierung von Eisenbahnmaterial	CH-4053 Basel	0

Shares in % in parentheses show the recognised investment held by multiple companies within the entire ÖBB Group. Any information marked with py: relates to the previous year.

Abbreviations

V	Affiliated, fully consolidated company
V0	Associated company not fully consolidated due to minor significance
E	Investee accounted for using the equity method (associated company)
E0	Investee not accounted for using the equity method due to minor significance
0	Other investee company
i. L.	in liquidation

The following table shows the equity and net profit for the year of those subsidiaries that are not included in the consolidated financial statements and in which at least 20% of the shares are held. The information on equity and the annual result was taken from the annual financial statements in accordance with the respective national accounting law;

The equity of foreign companies is translated to EUR at the closing rate. The annual result is translated to EUR at the average exchange rate. The values were determined in accordance with the respective national accounting laws.

	Shareholders' equity in TEUR		Profit or loss in TEUR	
ÖBB-Personenverkehr subgroup	Dec 31, 2023	Dec 31, 2022	2023	2022
100% Allegra Deutschland GmbH	-309	13	-322	-12
100% FZB Fahrzeugbetrieb GmbH	35	35	-2	-13
49% LTS Immobilien GmbH	1.882 *)	1.767	115 *)	-171
40% ETL Lokservice GmbH	884 *)	-137	-978 *)	-885
24.5% One Mobility GmbH	not specified	1.346	not specified	-4.182

*) preliminary values.

		Shareholders' equity in TEUR		Profit or loss in TEUR	
Rail Cargo Group		Dec 31, 2023	Dec 31, 2022	2023	2022
100%	Rail Cargo Operator-Port/Rail Services GmbH	169	99	63066	-19
100%	Rail Cargo Carrier – Poland Sp.z.o.o.	287	1.313	85	508
100%	Rail Cargo Carrier – Serbia d.o.o. Beograd	151	New 2022	-151	New 2022
100%	Rail Cargo International Freight Forwarding (Shanghai) Co. Ltd.	960	New 2022	-643	New 2022
100%	LOGISZTÁR Kft.	416	423	-27	-64
45%	logMASter Kft.	172	421	-68	198
50%	AUL Abfallumladelogistik Austria GmbH	379	196	-350	-180
33.33%	boxXagency Kft.	not specified	97	not specified	83
30%	Agrochimtranspack Kft.	not specified	244	not specified	-56

		Shareholders' equity in TEUR		Profit or loss in TEUR	
ÖBB-Infrastruktur subgroup		Dec 31, 2023	Dec 31, 2022	2023	2022
100%	Austrian Rail Construction & Consulting GmbH	168	165	3	0
100%	Austrian Rail Construction & Consulting GmbH & Co KG	215	208	5	-2
100%	Netz- und Streckenentwicklung GmbH	91	96	-4	-6
100%	ÖBB-Stiftungs Management Gesellschaft mbH	101	99	2	0
60%	ÖBB-BE GmbH	32	34	-3	-1
60%	ÖBB-BE GmbH & Co KG	32	New 2023	-3	New 2023

		Shareholders' equity in TEUR		Profit or loss in TEUR	
Others		Dec 31, 2023	Dec 31, 2022	2023	2022
100%	OmegaTelos GmbH	4,271	4,367	-96	1,482
26%	Verkehrsauskunft Österreich VAO GmbH	4,780	3,360	-690	-983

Abbreviations and footnotes

n. a. not applicable

35. Events after the reporting date

ÖBB-Personenverkehr AG is taking over Go-Ahead Verkehrsgesellschaft Deutschland GmbH and its four subsidiaries, which will continue to operate as an independent company, as of 01.02.2024 and is taking a further step towards internationalisation. A Group overview is presented in Note 34. The Go-Ahead-Deutschland-Group's business area offers the ideal opportunity for the market entry and future growth of ÖBB passenger transport in southern Germany. In addition to the strong positioning in the night train segment in Europe, the takeover of the group of companies is also expected to lead to growth in daytime transport.

Founded in 2014, Go-Ahead Verkehrsgesellschaft Deutschland GmbH is a subsidiary of the British company Go-Ahead Group Ltd. and, with its two operating companies in Bavaria and Baden-Württemberg, is an important player in German local rail passenger transport. The German Go-Ahead Group currently has approx. 1,000 employees and operates a total of 144 modern electric multiple-unit trains on behalf of the state of Baden-Württemberg and the Bavarian railway company for regional train services.

Go-Ahead Baden-Württemberg GmbH, which has its headquarters in Stuttgart, was founded in February 2017 and has been operating five regional rail routes with over 700 route kilometres since 2019. Go-Ahead Baden-Württemberg operates approx. 10 million train kilometres a year on the Stuttgart network, including the Remsbahn, Residenzbahn, Filstalbahn and Frankenbahn as well as the Murrbahn. Go-Ahead Bayern GmbH, based in Augsburg, was founded in February 2019 and has been providing regional rail transport on various routes since 2021, now covering approx. 10 million train kilometres per year. In 2021, Go-Ahead Bayern launched the operation of the Allgäu electronic network between Munich and Lindau. The routes on the Augsburg network were added in December 2022, offering services from Augsburg to Munich, Augsburg to Würzburg, Augsburg to Aalen, and Augsburg to Ulm.

At the time these consolidated financial statements were approved, the interim financial statements of the acquired companies were prepared as at 31.01.2024, which means that further disclosures in accordance with IFRS 3.B64 are not yet available. As soon as all information is complete, the initial consolidation and the distribution of the difference from the initial consolidation are finalised. No further details are possible as no reliable information is yet available.

The insolvency proceedings of Molinari accepted the settlement offer of the insolvency administrator with payment on 21.02.2024. This has no material financial impact on the ÖBB-Group.

The resolution of the National Council of 5 July 2023 regarding the Federal Act on the Transfer of the Infrastructure of Graz-Köflacher Bahn und Busbetrieb GmbH to ÖBB-Infrastruktur AG (GKB Infrastructure Transfer Act), published in Federal Law Gazette Nr.95/2023, created the legal basis for merging the rail infrastructure into ÖBB-Infrastruktur AG. The transfer takes place pursuant to Section 17 SpaltungsG (spin-off for absorption) with a spin-off date of 31.12.2023 and absorption on 01.01.2024.

In the 2024 statement of financial position preparation period, the federal government assumed liability for EUROFIMA financing of approx. EUR 15.0 million in December 2023.

The ÖBB-Holding AG's Management Board released the audited consolidated financial statements as at 31.12.2023 for forwarding to the Supervisory Board on 21.03.2024. The Supervisory Board is charged with reviewing the Consolidated Financial Statements and declaring whether it approves the Consolidated Financial Statements. The Board of Management proposes to carry forward the retained earnings of ÖBB-Holding AG in the amount of EUR 198,444,926.47.

There are no further reportable events after the reporting date that have a material effect on the net assets, financial position and results of operations.

36. Executive bodies of the parent company of the ÖBB Group

In the financial year 2023 (up to the date of preparation of the consolidated financial statements), the following persons were appointed as members of the Management Board or as members of the Supervisory Board of ÖBB-Holding AG:

Members of the Board of Management		
Ing. Mag. (FH) Andreas Matthä		Chairman of the Management Board
Mag.[a] Manuela Waldner	since 01.07.2023	
Mag. Arnold Schiefer	until 30.06.2023	

Members of the Supervisory Board	
Mag.[a] Andrea Reithmayer	Chairperson
Dr. Kurt Weinberger	1. Vice Chairperson
Dipl.-Ing. Herbert Kasser	2. Vice Chairperson
Roman Hebenstreit	3. Vice Chairperson/Employee Representative
Dr.[in] Cattina Maria Leitner, LL.M.	
Mag.[a] Elfriede Baumann	
Mag.[a] Brigitte Ederer	
Mag. Markus Himmelbauer	
Dr.[in] Angela Köppl	
Mag. Andreas Matthä:	Employee representative
Mag.[a] Olivia Janisch	Employee representative
Gerhard Siegl	Employee representative

A presentation of remuneration granted in the reporting period is shown in Note 32 ("Related party transactions").

Vienna, dated 21.03.2024

Members of the Management Board

Ing. Mag. (FH) Andreas Matthä

Chairman of the Board of Management (CEO)

Group Strategy, Corporate Development and Organisation, Group Communications/Newsroom, Group Law and Management Board Secretariat, Systems Engineering and Group Production, Corporate Affairs, Strategic HR Management

Mag.[a] Manuela Waldner

Chief Financial Officer (CFO)

Group accounting, Accounting and Taxes, Group Controlling, Group Finance, Strategic Group IT Management, Strategic Group Purchasing

Auditor’s Report*

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of **Österreichische Bundesbahnen-Holding Aktiengesellschaft, Vienna** and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2023 and cashflows and its financial performance for the year then ended in accordance with the International Financial Reportings Standards (IFRSs) as adopted by EU, and the additional requirements under Section 245a Austrian Company Code UGB.

Basis for Opinion

We conducted our audit in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor’s report is sufficient and appropriate to provide a basis for our opinion by this date.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements, the Group’s management report and the auditor’s report thereon. The annual report is estimated to be provided to us after the date of the auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, as soon as it is available, and, in doing so, to consider whether – based on our knowledge obtained in the audit – the other information is materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Responsibilities of Management Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU, and the additional requirements under Section 245a Austrian Company Code UGB for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

With regard to the non-financial statement included in the group management report (section G. Sustainability Report to section J. GRI Content Index), our responsibility is to check whether it has been prepared, to read it and to assess whether this other information contains material inconsistencies with the consolidated financial statements or our knowledge obtained during the audit or otherwise appears to be misrepresented.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Vienna, March 21, 2023

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Stefan Uher mp

Wirtschaftsprüfer / Certified Public Accountant

Mag. (FH) Rosemarie König mp

Wirtschaftsprüferin / Certified Public Accountant

* This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

Report on the independent assurance of the consolidated non-financial reporting 2023

Attention: This letter has been translated from German to English for referencing purposes only. Please refer to the officially legally binding version as written and signed in German. Only the German version is the legally binding version.

We have completed a limited assurance engagement on the consolidated non-financial report 2023 (hereafter "assurance") of **Österreichischen Bundesbahnen-Holding Aktiengesellschaft,** (hereafter "ÖBB Holding"), Vienna.

The non-financial reporting is carried out in accordance with § 267a UGB (NaDiVeG) and the requirements of Article 8 of the EU Taxonomy Regulation, as well as in accordance with the GRI Universal Standards 2021 as a "non-financial statement" in this Group Management Report 2023 for the consolidated financial statements of Österreichischen Bundesbahnen-Holding Aktiengesellschaft as of December 31, 2023.

Responsibilities of the Legal Representatives

ÖBB Holding's legal representatives are responsible for the proper compilation of the non-financial report 2023 in accordance with the requirements of Section 267a UGB[1] (NaDiVeG), the requirements of Article 8 of the EU Taxonomy Regulation[2], as well as in accordance with GRI Universal Standards 2021[3].

The legal representatives have signed the Letter of Representation, which we have added to our files.

Responsibilities of the Assurance Providers

Based on our assurance procedures deemed necessary and our evidence we have obtained, it is our responsibility to assess whether any matters have come to our attention that cause us to believe that the consolidated non-financial reporting for 2023 has not been presented, in all material respects, in accordance with the legal requirements of § 267a of the Austrian Commercial Code (NaDiVeG) and the requirements of Article 8 of the EU-Taxonomy Regulation, as well as in accordance with the GRI Universal Standards 2021.

Our assurance engagement has been conducted in accordance with the "International Federation of Accountants' ISAE 3000 (Revised)" Standards.

Our professional duties include requirements in relation to our independence as well as planning our assurance engagement based on the materiality considerations in order to allow us to obtain a limited level of assurance.

According to the "General Conditions of Contract for the Public Accounting Professions" our liability is limited. An accountant is only liable for violating intentionally or by gross negligence the contractual duties and obligations entered into. In cases of gross negligence, the maximum liability towards the client and any third party together is EUR 726,730 in the aggregate.

Our procedures have been designed to obtain a limited level of assurance on which to base our conclusions. The extent of evidence gathering procedures performed is less than for that of a reasonable assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

[1] https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189009/NOR40189009.pdf

[2] https://eur-lex.europa.eu/eli/reg/2020/852/

[3] https://www.globalreporting.org/standards

The sole purpose of the assurance is to support ÖBB Holding in fulfilling its reporting and assurance obligations. We have performed all the procedures deemed necessary to obtain the evidence that is sufficient and appropriate to provide a basis for our conclusions:

- Obtaining an overall view of the industry as well as its organizational and operational structure;
- Conducting interviews with management and responsible employees to identify and understand relevant systems, processes and internal controls related to the assured report content that support the collection of information for reporting;
- Review of relevant documents at Group, Board and management level to assess awareness and priority of issues in consolidated non-financial reporting and to understand how progress is monitored;
- Examine risk management and governance processes in relation to sustainability and critical evaluation of the disclosure in the reporting;
- Performing analytical assessment at group level;
- Assessment and, where appropriate, review of the data and processes on a sample basis to determine whether they are appropriately applied, consolidated, and reported at the group level. This includes evaluating whether the data are reported in an accurate, reliable, and complete manner;
- Assessment of the reporting on material topics that were raised during stakeholder dialogues, reported on in the media, and addressed by key competitors in their environmental and social reports;
- Evaluation of the materiality analysis, including industry-specific megatrends and aspects of GRI;
- Assessment of whether the requirements pursuant to § 267a UGB have been adequately addressed;
- Sample-based review of the statements in the consolidated non-financial report 2023 based on the reporting principles of the GRI Universal Standards 2021;
- Assessment of whether the requirements of Article 8 of the EU Taxonomy Regulation have been adequately addressed.

Delimitation of the scope of services:

- Previous year's figures were generally not audited unless this was necessary for plausibility checks.
- We did not review the results of external studies and certifications, but rather the correct inclusion of this data or content in the report.

The scope of our engagement did not include an assurance of financial statements or a review of historical financial information. We did not assurance the performance indicators and statements assured as part of the assurance of the annual financial statements or information from the Federal Public Corporate Governance Report and the risk reporting. We only examined the GRI-compliant presentation of this information in the reporting. Similarly, neither the detection and clarification of criminal offenses, such as embezzlement or other acts of misappropriation and administrative offenses, nor the assessment of the effectiveness and efficiency of the Executive Board were the subject of our engagement. Furthermore, figures taken from external studies, future-related information and prior-year figures were not the subject of our engagement. The references listed in the GRI content index were checked in the report, but no further (web) references were checked.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our summarized opinion.

Terms of Engagement:

We prepare this report on the basis of the signed engagement concluded with you, which is also based on the "General Terms and Conditions of Contract for Public Accounting Professions" [4] with effect towards third parties.

Summary assessment

Based on our assurance procedures performed and the evidence we have obtained we have not become aware of any facts that lead us to believe that the consolidated non-financial report 2023 were not presented in all material respects in accordance with the requirements of § 267a UGB (NaDiVeG) and the requirements of Article 8 of the EU Taxonomy Regulation, and in accordance with the GRI Universal Standards 2021.

Vienna, 21st March 2024

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. (FH) Rosemarie König mp	ppa. Susanna Gross, MA mp
Wirtschaftsprüferin / Certified Public Accountant	Wirtschaftsprüferin / Certified Public Accountant

[4] Version of 18 April 2018, published by the Chamber of Tax Consultants, Chapter 7, https://old.ksw.or.at/PortalData/1/Resources/aab/AAB_2018_de.pdf

Glossary

AVB	General terms and conditions of employment with Austrian Federal Railways
GDP	Gross Domestic Product
BMF	Federal Ministry of Finance
BMK	Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology
TGTkm	Gross tonne-kilometres (= freight weight + weight of the train x kilometres travelled)
BVAEB	Austrian insurance fund for civil servants, railway employees and miners
CBL	Cross-border Leasing
CER	Community of European Railway and Infrastructure Companies
CO_2	Carbon dioxide
COSO	Committee of Sponsoring Organisations of the Treadway Commission
Tenured position	"Employees with a tenured position" are ÖBB employees who are subject to the "General Contractual Conditions for Employment Contracts with Austrian Federal Railways" (AVB), joined before 01.01.1995 and cannot be dismissed on the basis of the provisions of the AVB. This is generally taken to include the Postbus employees who were formerly employed by the Austrian postal service.
EBIT	Earnings before Interest and Taxes. EBIT corresponds to operating profit (not including earnings of investments accounted for using the equity method) in the consolidated income statement.
EBITDA	= EBIT + depreciation and amortisation
EBIT margin	EBIT / total income.
EBT	Earnings before Taxes
Equity ratio	= Equity / total capital
Return on equity	= EBT / equity
EMTN	European medium-term note
EP	European Parliament
ETCS	European Train Control System
EUR	Euro
RU	Railway undertaking
ECB	European Central Bank
R&D	Research and development
Free cash flow	= Cash flow from operating activities + cash flow from investing activities
FTE	Full Time Equivalent
Total income per employee	= Total income / average number of employees (headcount)
Return on total assets	= EBIT / total capital
GRI	Global Reporting Initiative
GWh	Gigawatt hour
GWL	Public services
Hbf.	Main station
HR	Human Resources

IASB	International Accounting Standards Board
IFAC	International Federation of Accounts
IFRS / IAS	International Financial Reporting Standards
IFRIC	International Financial Reporting Interpretations Committee
ICS	Internal Control System
ISAs	International Standards on Auditing
ISO	International Organization for Standardization
km	kilometre
mil.	millions
bn.	billions
NACE code	Statistical classification of business activities in the European Community
Net Debt	= Interest-bearing borrowings – interest-bearing assets
Net Gearing	= Net debt / equity
OeNB	National Bank of Austria
Payroll ratio	= Personnel expenses / total income
pkm	Passenger kilometres (= passengers transported x kilometres travelled)
Railjet	Long distance ÖBB train
RCC	Rail Cargo Carrier
RCG	Rail Cargo Group
RCO	Rail Cargo Operator
RID	The Regulation concerning the International Carriage of Dangerous Goods by Rail
ROCE	= EBIT / Capital Employed
approx.	approximately
PP&E-to-net-worth ratio	= Equity / property, plant and equipment
PP&E-to-net-worth ratio II	= (Equity + non-current borrowings) / PP&E
PP&E ratio	= Property, plant and equipment / total assets
SCHIG	Rail Infrastructure Service company (Schieneninfrastruktur-Dienstleistungsgesellschaft)
SIC	Standards Interpretation Committee
TEUR	Thousand Euros
t	tonnes
tkm	tonne-kilometres (= tonnes transported x kilometres travelled)
Traction	Propulsion for trains
USD	United States Dollar
EIA	Environmental Impact Assessment
py	prior year
WIFO	Austrian Institute of Economic Research
Working Capital	= Inventories (excl. real estate recovery projects and prepayments on orders) + trade receivables – trade payables
Train-km	train kilometres

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Disclaimer
This report also contains forward-looking assessments and statements that we have made on the basis of all the information available to us at the present time. These forward-looking statements are usually described using terms such as “expect”, “estimate”, “plan”, “anticipate”, etc. We would like to point out that the actual circumstances – and thus also the actual results – may deviate from the expectations presented in this report due to a wide variety of factors.

The information contained in this report has been prepared to the best of our knowledge and checked for accuracy with great care and attention. Typographical and printing errors reserved. This Annual Report is provided in electronic format only: **konzern.oebb.at/ar2023**

Sustainability indicators

Key Facts & Figures – the most important sustainability indicators GRI 201-1

	2021	2022	2023
Key economic figures			
Balance sheet total in EUR million	35,555	37,968	40,865
Equity ratio in percent	9.1	9.3	7.9
Gross investment in EUR million	3,688	3,920	4,504
Total income in EUR million	6,986	7,398	7,806
EBT in EUR million	170	193	112
Key performance indicators			
Travellers in millions	322.9	446.9	493.6
of which Rail in millions	*187.6*	*252.5*	*278.2*
of which Bus in millions	*135.3*	*194.4*	*215.4*
Net tonnes in million tonnes	94.1	88.4	78.5
Total tonne-kilometres in millions	78,681.6	82,233.3	80,991.6
R&D project volume ÖBB share in EUR million[1]	25	29	35[2]
Environmental indicators			
CO_2eq-savings through ÖBB transport services (rail and bus) Austria in million tonnes	3.0[3]	4.0	4.2
Greenhouse gas emissions in the sector Mobility Austria (Scope 1, 2 and 3), CO_2-equivalent in tonnes	276,945[3]	288,366	281,658
Greenhouse gas emissions in the sector Mobility Austria (Scope 1, and 2), CO_2-equivalent in tonnes	212,258[3]	226,215	218,641
CO_2-emissions in g/km – Passenger transport Rail Austria	9.49[3]	5.71	4.91
CO_2-emissions in g/km – Passenger transport Postbus Austria	76.74[3]	59.79	54.21
CO_2emissions in g/tkm – Rail freight transport Austria	2.94[3]	2.89	3.05
Total energy consumption of ÖBB (all energy sources, excl. external) Austria in gigawatt hours	3,032[3]	3,068	3,004
Percentage of renewable energy sources in ÖBB traction power in Austria	100	100	100
Hazardous waste in thousand tonnes	25	29	48[4]
Non-hazardous waste in thousand tonnes	5,481	6,712	3,648[5]
Investments in noise abatement on existing lines (in EUR million)	5.6	4.7	6.4
Quantity of glyphosate used in tonnes	5.3	0.0	0.0
Social indicators			
Employees in headcount	43,673	44,369	45,041
of which apprentices in headcount	*1,775*	*1,766*	*1,851*
Ratio of women as a percentage	14.2	15.1	16.1
Ratio of women apprentices as a percentage	19.9	20.9	20.6
Company safety index "BSX" in points	65	70	71
Occupational accident rate (accidents per 1,000 employees)	17.4	17.6	17.1
Education and training (total excl. railway-specific training) in million participant hours	0.90	0.92	0.78

[1] Total duration of current projects.
[2] Increase due to the launch of the European R&D programme "Europe's Rail Joint Undertaking" (running from 2023 to 2031).
[3] Affected by pandemic-related impacts.
[4] In 2023, more oil-contaminated excavated material and mineral fibre waste with hazardous fibre properties were accrued.
[5] The amount of total waste decreased considerably compared to the previous year, which is partly due to natural fluctuations in project activities.

FIND OUT MORE in the Management Report starting on page **MR59**

Highlights 2023

4.2 mil. t

CO_2 saved annually by ÖBB in Austria's environment through its rail and bus transport services. This makes ÖBB the **largest climate protection company in the country in the field of mobility.**

519.9 mil.

euros is the total **project volume of ÖBB** incl. partners over the entire duration of the current **101 projects.**[2]

7,260

female members of staff were employed by ÖBB in 2023 (as of 31.12.2023). This brings the **current proportion of female employees at ÖBB to 16.1 %,** an increase of 1 percentage point compared to the previous year.

06/07

Railjet double-decker trains debuting

ÖBB is ordering additional double-decker trains from the existing framework agreement with vehicle manufacturer Stadler, including 14 six-unit trains for long-distance transport and 21 four-car trains for local transport. The first Railjet double-decker trains are scheduled to be in service for passengers on the western route as early as 2026.

That was 2023

18/07

ÖBB drives training offensive – 2,000 new train drivers

Over the next five years, 2,000 train drivers will be qualified. More than 400 people choose this profession every year. After 52 intensive weeks and passing the test, the qualified train drivers are allowed to occupy the driver's cab independently and take responsibility for passengers and goods.

01/07

New Chief Financial Officer Manuela Waldner

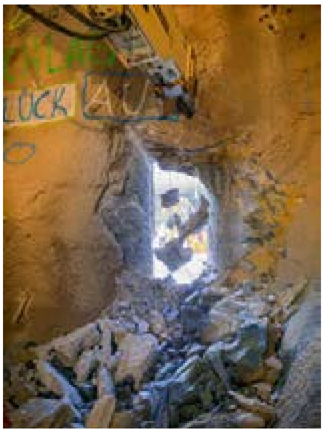
At its meeting on the 28th March, the Supervisory Board of ÖBB-Holding AG unanimously appointed Manuela Waldner (42) to the Management Board for a period of 5 years effective 1st July 2023. She succeeds Arnold Schiefer as CFO and is the first female member of the Executive Board of ÖBB-Holding AG.

News in brief

25/08 From rescue train to service jet. ÖBB is investing EUR 230 million in 18 multifunctional, innovative and low-emission high-tech hybrid service jets. The new fleet replaces diesel-powered rescue trains and ensures maximum safety in railway operations.

8/09 100 years of ÖBB: first train parade in 36 years. On the occasion of its 100th anniversary, ÖBB looks back on the development of the railway fleet at a vehicle parade in Strasshof an der Nordbahn. More than 1,200 visitors marvel at the unique spectacle.

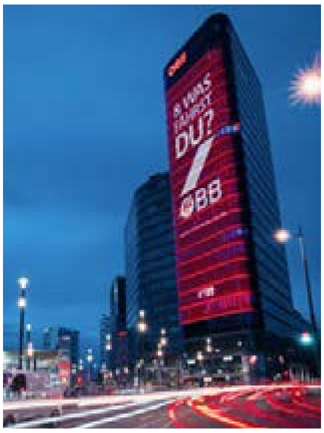
12/09 Koralm railway: test runs at high speed. The entire section on the Kärnten side goes into operation at the end of the year. Testing is already underway on the finished sections alongside the final construction work. A top speed of up to 250 km/h.



08/09

Semmering Base Tunnel: breakthrough in Styria

Seven years after the start of construction in the Grautschenhof section, the last drivage in the Steiermark was completed. The breakthrough from Grautschenhof to the western tunnel portal in Mürzzuschlag was successful. This means that more than 26 of the 27.3 km total length of the twin-tube tunnel have been excavated.



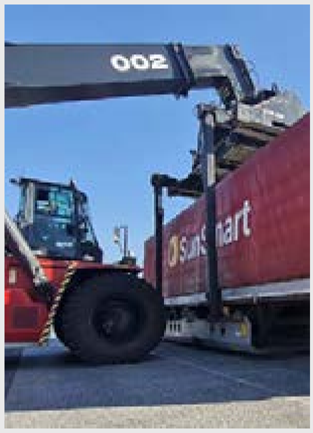
28/09

New campaign at ÖBB company headquarters

The ÖBB Group headquarters is branded 18 storeys high. A projection asks visitors to the main railway station, drivers on the Gürtel and passers-by the self-confident question: "& WHAT'S YOUR RIDE?". A special production as a visual highlight of the new ÖBB campaign.

03/10
First test goods train arrived from Ukraine

The Rail Cargo Group (RCG) in cooperation with the Ukrainian state railway (UZ) is connecting Ukraine to its intermodal network TransNET. A test train travelled from Kyiv to the BILK rail cargo terminal in Hungary at the end of September, transporting non-craneable semi-trailers with building materials by rail.



12/10
ÖBB and Go-Ahead Germany enter into a partnership for the future

Go-Ahead Verkehrsgesellschaft Deutschland GmbH will continue to operate as an independent company. It currently employs approx. 1,000 people and is an important player in local rail passenger transport with its two operating companies in Bavaria and Baden-Württemberg and a total of 144 modern electric multiple units.

07/12
"All clear!" for the Koralm Railway in Kärnten

On the 10th December, two years before the Koralm Railway is completed, the entire section on the Kärnten side between Klagenfurt and St. Paul im Lavanttal has gone into operation for local transport – including the modernised Lavanttal Railway and the Bleiburger Loop.

03/12
Major security exercise at the Vienna central shunting station

At the beginning of December, the central transfer station in Vienna becomes the scene of an emergency drill involving ÖBB, professional rescue services, the professional fire brigade, the police and the Vienna Health Association. More than 300 employees and approx. 130 performers take part in the exercises.

"I am convinced that the new management team – CFO Manuela Waldner together with CEO Andreas Matthä – **will successfully advance the issues of the future in line with the challenges."**

ANDREA REITHMAYER, Chairwoman of the Supervisory Board

10/12
Premiere journey of the new Nightjet to Hamburg

The new-generation Nightjet is the flagship of European night train services. The timetable change will be first used on the Vienna – Hamburg and Innsbruck – Hamburg routes. The seven-unit set offers 254 seats with maximum comfort.

40 % more seats by 2030

ÖBB will be investing more than EUR 6 billion in modern trains in the coming years. By 2030, 330 new trains will have been added to the fleet – with approx. 40 percent more seats.